

RECEIVED MAR 15 2000

RETURN TO: CROOKED RIVER RANCH
ADMINISTRATIVE SUITE
P.O. BOX 1477, CRP, O
97760

AMENDMENT
TO
COVENANTS, CONDITIONS and RESTRICTIONS
OF
PHASES I & II
AND
CROOKED RIVER RANCH NUMBERS 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15 and 16
Located in the Counties of Jefferson and Deschutes, State of Oregon

RECITALS:

WHEREAS, currently on file in the records of Jefferson and Deschutes Counties, Oregon are Covenants, Conditions and Restrictions covering Phases I & II and Crooked River Ranch Numbers 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15 and 16 hereinafter referred to as "Crooked River Ranch"; and

WHEREAS, certain of said Covenants, Conditions and Restrictions are filed, in Miscellaneous Book 11, Document 536, Deed Book 48, Page 382, Deed Book 50, page 690, Deed Book 52, Page 854, Deed Book 53, Page 609, Deed Book 55, Page 628, Deed Book 57, Page 639, Deed Book 56, Page 742, Deed Book 60, page 499, Deed book 63, Page 666, Deed Book 63, Page 668, Deed Book 64, Page 232, Deed Book 55, Page 891, Deed Book 65, Page 194, all in Jefferson County Records, Jefferson County, Oregon, and further covenants, conditions and restrictions are recorded on the plats on file with the plat Records of Jefferson County, Oregon and in Deed Book 200, Page 306, Deschutes County Records, Deschutes County, Oregon, and further filed on and with the recorded Plat in Deschutes County Plat Records, Deschutes County, Oregon. These documents together with any and all other Covenants, Conditions and Restrictions duly executed and in effect and covering and encumbering said Crooked River Ranch shall hereinafter be referred to as "the Covenants"; and

WHEREAS, the Covenants were amended by document dated the 20th day of September, 1982 and recorded the 21st day of September, 1982, at Volume 69, Page 597 of Deeds in Jefferson County, Oregon and on the 21 day of SEPT, 1982 at Volume 362, Page 316 in _____ Deschutes County, Oregon; and

WHEREAS, at the annual meeting of the membership held September 4, 1999, at Crooked River Ranch, the members of the Crooked River Ranch Club & Maintenance Association, hereinafter referred to as the "Association", all of whom are property owners within Crooked River Ranch subdivision, voted by a vote of 1119 out of 2232 eligible votes in favor of the amendment with 85 against the proposition, to amend the Covenants to eliminate all reference to proxy voting which the membership at this election eliminated and substituted therefor a mail-in ballot procedure. The portion of the Covenants affected by this proposition is Articles III of the original Covenants and IV, Section (2) of the Amendment of the Covenants dated September 20, 1982 and recorded September 21, 1982.

NOW, THEREFORE, ARTICLES III OF THE ORIGINAL COVENANTS, CONDITIONS AND RESTRICTIONS OF PHASES I and II and CROOKED RIVER RANCH NO. 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15 and 16 AS AMENDED BY ARTICLE IV OF THE AMENDMENT DATED SEPTEMBER 20, 1982 AND RECORDED SEPTEMBER 21, 1982 ARE AMENDED AS FOLLOWS:

ARTICLE IV
VOTING RIGHTS

(2) When more than one person holds such interest in any lot or building site, all such persons shall be members. The vote for such lots shall be exercised as the owners among themselves determine. In the event that only one of such owners, or one group of such owners vote, it is rebuttably presumed that such owner is authorized, by the other owners of such lot, to vote one hundred (100%) per cent of the vote entitled to such lot. Said presumption may be overcome by express statement by any one or more of the other owners of the lot, or by contrary vote by any one or more of the owners of such lot. In the event that such owners are unable to agree, they may cast fractional votes proportionate to their ownership interest. However, in no event shall more than one vote be cast with respect to any one platted lot. The vote applicable to any of said property being sold under a recorded contract of purchase and sale shall be exercised by the contract vendee unless the contract expressly provides otherwise.

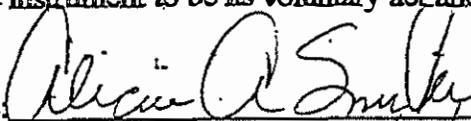
CROOKED RIVER RANCH CLUB AND MAINTENANCE ASSOCIATION

By:  Frank Hettick, President

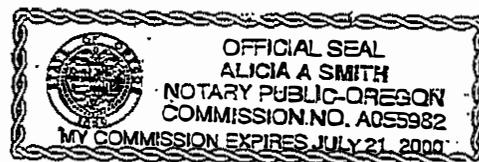
By:  Tom Hamlett, Secretary

STATE OF OREGON)
County of Jefferson)
County of Deschutes)

Personally appeared before me this 6th day of March, 2000 FRANK HETTICK and TOM HAMLETT, who, being duly sworn did say that they are the President and Secretary of Crooked River Ranch Club and Maintenance Association, respectively, and that said instrument was signed on behalf of said corporation by authority of its present board of directors; and he acknowledges said instrument to be its voluntary act and deed.

Before me: 
Notary Public for Oregon
My Comm. Expires: 7/21/00

AFTER RECORDING RETURN TO:
The Crooked River Ranch Club And Maintenance Association
Administrative Supervisor (541) 548-8939
PO Box 1477, Crooked River Ranch, OR 97760



BOOK 69 PAGE 597
INDEXED
MICROFILM

AMENDMENT TO COVENANTS, CONDITIONS, AND RESTRICTIONS OF
CROOKED RIVER RANCH PHASE I AND II, AND
CROOKED RIVER RANCH NUMBERS 3,4,5,6,7,8,9,10,11,12,14,15,16
LOCATED IN THE COUNTIES OF JEFFERSON AND DESCHUTES, STATE OF OREGON

RECITALS:

1. Currently on file in the records of Jefferson and Deschutes Counties, Oregon are covenants, conditions and restrictions covering CROOKED RIVER RANCH PHASE I and PHASE II, and CROOKED RIVER RANCH numbers 3,4,5,6,7,8,9,10,11,12,14,15, and 16, hereinafter referred to as CROOKED RIVER RANCH

2. Certain of said covenants, conditions and restrictions are filed, in Miscellaneous Book 11, Document 536, Deed Book 48, Page 382, Deed Book 50, page 690, Deed Book 52, Page 854, Deed Book 53, Page 609, Deed Book 55, page 628, Deed Book 57, Page 639, Deed Book 56, Page 742, Deed Book 60, page 499, Deed Book 63, Page 666, Deed Book 63, Page 668, Deed Book 64, Page 232, Deed Book 55, Page 891; Deed Book 65, Page 194, all in Jefferson County Records, Jefferson County, Oregon, and further covenants, conditions and restrictions are recorded with and on the Plats on file with the Plat Records of Jefferson County, Oregon, and in Deed Book 200, Page 306, Deschutes County Records, Deschutes County, Oregon, and further filed on and with the recorded Plat in Deschutes County Plat Records, Deschutes County, Oregon. These documents together with any and all other covenants, conditions, and restrictions duly executed and in effect and covering and encumbering said CROOKED RIVER RANCH shall hereinafter be referred to as "the covenants".

AMENDMENT:

NOW, THEREFORE, pursuant to the powers of amendment granted by the covenants, the covenants are hereby amended as follows:

ARTICLE I
INCORPORATION OF RECITALS

The above recitals are hereby incorporated herein.

ARTICLE II
DEFINITIONS

For the purposes of interpretation of these amendments to the covenants, the following definitions shall apply:

- (1) "Lot" shall mean and refer to any platted lot within CROOKED RIVER RANCH, as shown on a recorded subdivision plat, except for any common area.
- (2) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee title to any part of the properties, but excluding those having such interest merely as security for the performance of an obligation and contract vendors. Owner shall also mean contract vendees of record.
- (3) "Building Site" shall mean and refer to a lot or to any parcel of CROOKED RIVER RANCH under one ownership which consists of a portion of one of such lots, or contiguous portions of two or more contiguous lots, provided the same has been duly recorded and is in conformance with the applicable land use laws and regulations. Building site shall not refer to any common area.
- (4) "Association" shall mean and refer to CROOKED RIVER RANCH CLUB AND MAINTENANCE ASSOCIATION, an Oregon non-profit Corporation, its successors and assigns as further described and defined in the covenants, except as modified herein.

(5) "Assessments" shall mean and refer to the maintenance assessments leviable by the Association under the provisions of the covenants and as further defined and described in the covenants, except as modified herein.

ARTICLE III MEMBERSHIP

Every person or entity who is an owner of a lot or building site located upon any part of the properties shall, by virtue of such ownership, be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any such lot or building site made subject to the jurisdiction of the Association. Such ownership shall be the sole qualification for membership, and shall automatically commence upon a person becoming such owner and shall automatically terminate and lapse when such ownership in said property shall terminate or be transferred.

ARTICLE IV VOTING RIGHTS

(1) Except as provided elsewhere in this section each member shall be entitled to one vote for each platted lot of said property owned. Members who do not own any of said property shall not be entitled to any vote. Members who are in default in payment of membership assessments shall not be entitled to any vote.

(2) When more than one person holds such interest in any lot or building site, all such persons shall be members. The vote for such lots shall be exercised as the owners among themselves determine. In the event that only one of such owners, or one group of such owners vote in person or by proxy, it is rebuttably presumed that such owner is authorized, by the other owners of such lot, to vote one hundred (100%) per cent of the vote entitled to such lot. Said presumption may be overcome by express statement by any one or more of the other owners of the lot, or by contrary vote by any one or more of the owners of such lot. In the event that such owners are unable to agree, they may cast fractionally votes proportionate to their ownership interest. However, in no event shall more than one vote be cast with respect to any one platted lot. The vote applicable to any of said property being sold under a recorded contract of purchase and sale shall be exercised by the contract vendee unless the contract expressly provides otherwise.

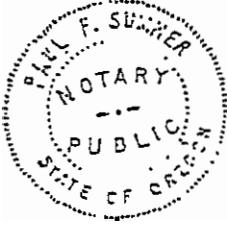
ARTICLE V EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION

Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve (12%) per cent per annum. The Secretary of said Association shall file in the office of the County Clerk, or appropriate recorder of conveyances of the County in which said covenants are recorded with two (2) years after delinquency, a statement of the amount of such charges or assessments, together with interest as aforesaid, which have become delinquent with respect to any lot or building sites on said properties, and the costs, expenses and attorney fees for filing said statement and upon payment in full thereof, shall execute and file proper property release of the lien, securing the same. The aggregate amount of such assessment, together with interest, costs, expenses and reasonable attorneys fees for the filing and enforcement thereof, including fees on appeal, if any, shall constitute a lien upon the whole Lot (including any undivided interest in the common elements of any Lot and any Condominium), with respect to which it is fixed from the date the notice of deficiency thereof is filed in the office of the 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

STATE OF OREGON
County of Jefferson

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On the date above written personally appeared the above named W.R. MACPHERSON, who being duly sworn, did say that he is the General Partner and authorized Agent for CROOKED RIVER RANCH, a Washington Limited Partnership and on behalf of said entity, acknowledges said instrument to be that entity's voluntary act and deed.



Before Me:

[Signature]
Notary Public for Oregon
My Commission Expires: 8-23-85

JEFFERSON COUNTY,
OREGON
1982 SEP 21 PM 12:10
ELAINE HENDERSON
COUNTY CLERK
DEPUTY

STATE OF OREGON
COUNTY OF JEFFERSON
I HEREBY CERTIFY THAT THE WITHIN INSTRUMENT OF
WRITING WAS RECEIVED FOR RECORD THE 21st
DAY OF Sept A.D. 1982 AT 12:10 O'CLOCK
PM AND RECORDED IN BOOK 69 ON PAGE
597 RECORDS OF Deeds
ELAINE HENDERSON, County Clerk
[Signature]



145386

COVENANTS, CONDITIONS AND RESTRICTIONS
for
CROOKED RIVER RANCH CLUB & MAINTENANCE ASSOCIATION
Counties of Deschutes and Jefferson
State of Oregon

TO: The Public.

THIS DECLARATION, made on the date hereinafter set forth by the undersigned, hereinafter referred to as "Declarant":

WHEREAS, Declarant is the owner of certain real property in the Counties of Jefferson and Deschutes, State of Oregon, hereinafter referred to as "said property", more particularly described as follows:

Crooked River Ranch - Phases I and II -- a subdivision of portions of Section 24, 25, 35 and 36, T. 13 S., R. 12 E., and a portion of Section 31, T. 13 S., R. 13 E., W.M., and portions of Sections 15, 22, 23, 26, 27, 34 and 35, T. 13 S., R. 12 E., W.M., Jefferson County, Oregon, more particularly described in Exhibit A, attached hereto.

WHEREAS, Declarant desires to subject said property to certain protective covenants, conditions, restrictions, reservations, easements, liens and charges for the benefit of said property, and its present and subsequent owners as hereinafter specified, and will convey said property subject thereto,

NOW, THEREFORE, Declarant hereby declares that all of the said property is and shall be held and conveyed upon and subject to the easements, conditions, covenants, restrictions and reservations hereinafter set forth; all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of said property. These easements, covenants, restrictions, conditions and reservations shall constitute covenants to run with the land and shall be binding upon all persons claiming under them and also that these conditions, covenants, restrictions, easements and reservations shall inure to the benefit of and be limitations upon all future owners of said property, or any interest therein:

ARTICLE I.
DEFINITIONS

1. "Association" shall mean and refer to CROOKED RIVER RANCH CLUB AND MAINTENANCE ASSOCIATION, a non-profit corporation organized under the laws of the State of Oregon, its successors and assigns.
2. "Said Property" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
3. "Common Area" shall mean all real property, and appurtenances thereto, now or hereafter owned by the Association for the common use and enjoyment of the members of the Association;

ARTICLE II.
MEMBERSHIP

Every person or entity who is a record owner (including contract sellers) of a fee or undivided fee interest in any Dwelling Unit or any Dwelling or Building Site located upon any part of said property shall, by virtue of such ownership, be a member of the Association. Additional persons may be members under Rules prescribed by the Board of Directors of the Association.

ARTICLE III.
VOTING RIGHTS

1. Each member shall be entitled to one vote for each 5-acre lot or except that Developer shall have three votes for each acre of said property

6. "Lot" shall mean any separately designated plot of land shown upon any recorded subdivision plat of said property which is not designated as Common Area.

7. "Owner" shall mean and refer to the record owner (including contract sellers), whether one or more persons or entities, of all or any part of said property, excluding those having such interest merely as security for the performance of an obligation.

8. "Said Property" shall mean and refer to that certain real property hereinbefore described, or such supplemental declarations under the provisions of Article II hereof.

ARTICLE II. MEMBERSHIP.

1. Every person or entity who is a record owner (including contract sellers) of a fee or undivided fee interest in any Dwelling Unit or any Lot, or Building Site located upon any part of said property shall, by virtue of such ownership, be a member of the Association. Additional persons may become members under Rules prescribed by the Board of Directors of the Association.

2. Subjecting Additional Property to This Declaration. Real Property, in addition to that described above, may be made subject to the jurisdiction of the Association, whereupon automatically it shall be included in any reference herein to "said property".

ARTICLE III. VOTING RIGHTS

1. Each member shall be entitled to one vote for each lot owned, except that Developer shall have three votes for each acre of said property owned during the period of development or ten years, whichever is the shorter time. Provided, however, in the event that any lot is further divided and sold, transferred or assigned by the owner, the new transferee shall be entitled to the same voting rights as other members and become subject to the same obligations as other members including, but not limited to, the duty to pay annual or other regular periodic assessments.

2. When more than one person holds an interest in any Lot or Building Site, all such persons shall be members. The vote for such Lot or Building Site shall be exercised as they among themselves determine, or if unable to agree, they may cast fractional votes proportionate to their ownership interests, but in no event shall more than one vote be cast with respect to any one five-acre Lot or Building Site, except by Developer, as set forth above. The vote applicable to any of said property being sold under a contract of purchase shall be exercised by the contract vendor unless the contract expressly provides otherwise.

ARTICLE IV. COVENANT FOR MAINTENANCE ASSESSMENT.

1. Creation of the Lien and Personal Obligation of Assessments. The Declarant hereby covenants for all of said Property, and each Owner of any dwelling Unit, Lot or Building Site by acceptance of a deed or contract of purchase therefor, whether or not it shall be so expressed in any such deed or other conveyance or agreement for conveyance, is deemed to covenant and agree to pay to the Association regular annual or other regular periodic assessments or charges, such assessments to be fixed, established, and collected from time to time as hereinafter provided.

The assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time such assessment was levied. The obligation shall remain a lien on the property until paid or foreclosed, but shall not be a personal obligation of successors in title unless expressly assumed by them.

2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in said property, including the improvement and maintenance of said property, any Common Areas (including roads), recreation facilities, the services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, and of the buildings, dwellings and other improvements situated upon said property, and including, without being limited thereto, the payment of taxes and insurance on all or any part of said property, and for other purposes set forth in the Articles of Incorporation of the Association.

3. 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 Dwelling Unit, Lot or Building Site, or any other part of said property shall not affect the assessment lien. However, the sale or transfer of any Dwelling Unit or Lot or Building Site which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to amounts there 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 and other prior liens and charges have been satisfied. No sale or transfer shall relieve such Dwelling Unit, Lot or Building Site from liability for any assessments thereafter becoming due or from the lien thereof.

4. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all properties expressly dedicated to and accepted by a local public authority; (b) any Common Areas; (c) all other properties owned by the Association; and (d) property owned by Declarant prior to the time a Dwelling Unit or other building is constructed thereon and occupied. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

5. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum. The Secretary of said Association shall file in the office of the Director of Records, County Clerk, or appropriate recorded of conveyances of the county where such land is situate, within 120 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 assessment, together with interest costs and expenses and a reasonable attorneys' fee for the filing and enforcement thereof, shall constitute a lien on the whole Lot with respect to which it is fixed and on any improvement thereon, from the date the notice of delinquency thereon 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 becomes due 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, or 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 incurred, shall also be liable for any deficiency remaining unpaid after any foreclosure sale. No owner may waive or otherwise escape liability for the assessment provided for herein by nonuse of the Common Areas or abandonment of his Lot.

ARTICLE V.
ARCHITECTURAL CONTROL.

1. Structures and Improvements. No building, fence, wall, hedge, structure, or improvement shall be placed or permitted to remain upon any part of said property unless a written request for approval thereof containing the plans and specifications therefor, including exterior color scheme, has been approved in writing by a majority of the Architectural Committee or by its representative designated by a majority of the Committee. Particular emphasis is placed upon the type of structure, setbacks and compatibility. The approval of the Committee shall not be unreasonably withheld if the said plans and specifications are for improvements which are similar in general design and quality, and generally in harmony with the dwellings then located on said property.

2. Sewage Disposal. Physical conditions within this plat require special consideration on the part of the lot owner in formulating a total building plan that includes a satisfactory method of sewage disposal. Prior to setting any building locations, soil tests shall be conducted to establish the area of most suitable soil conditions for subsurface disposal of domestic wastes and to establish the proper horizontal and vertical relationships between the structures and disposal system. A plot plan drawn to scale, for the prepared building program shall be submitted to the Architectural Committee. The following information shall be shown:

A. Horizontal relationship of all intended construction, including sewage disposal system with relationship to the property lines, rim lines, roads, rock out-croppings, etc.

B. Vertical relationship between the lot corners, building floor elevations, sewer stubout, septic tank and leach lines; together with special consideration to rock out-cropping, hardpan, etc;

C. Soil tests in the disposal area shall show type of soil, depth of soil from ground surface to any restricting layer of hardpan, rock or calcareous materials.

D. Recommended scale is one inch equals twenty feet.

E. Plot plans shall conform to the following standards.

CONSTRUCTION STANDARDS

- (1) Sewer stubout shall be a minimum of 18 inches higher in elevation than any restrictive soil strata encountered in the drainfield area, a difference of 24 inches is preferred.
- (2) Bottom of drainfield trenches to be a minimum of 6 inches above any restrictive soil strata encountered in drainfield area, a 12 inch separation is preferred.
- (3) Buildings shall be placed on natural soil at an elevation higher than the disposal field whenever possible to allow gravity sewage flow.
- (4) No existing soil shall be removed from the drainfield area.
- (5) Loamy fill, of the same nature as the existing soil, may be required over the drainfield area, to increase the depth of permeable soil to a minimum depth of 30 inches over any restrictive soil formation. Drainfield trenches shall be installed into original soil, with fill used to provide a minimum of 6 inches to 12 inches of soil cover over the drainfield trenches.

- (6) Fill material shall extend at least 15 feet horizontally beyond all drainfield trenches and feathering to original ground surface.
- (7) No soil to be moved, or drainfields installed, during wet weather conditions to avoid compaction of soils.
- (8) Drainfield to be installed level and interconnected with a minimum of 248 lineal feet of 24 inch wide trench with 12 inch depth of gravel. Trenches to be spaced a minimum of 10 feet, preferably 15 feet apart, and at least 150 feet back from the edge of the rimrock.
- (9) Septic tanks to be double compartment or multiple arrangement.
- (10) All aspects of private sewage disposal systems shall conform to Oregon State and Jefferson County Health Department Standards existing at the time that permits are applied for.
- (11) Following approval from the Architectural Committee, the builder shall submit the proposed plan to the Jefferson County Health Department and secure a permit before any construction begins. The disposal system is subject to inspection by the Health Department.
The Committee reserves the right to reject the plan and to prevent construction if it does not meet criteria for prevention of a public health hazard or poses the possibility of becoming a nuisance.

3. Architectural Committee. The Architectural Committee shall be composed of not less than three members. The members of the Architectural Committee shall serve for a term of one (1) year beginning in September of each year, and until their successors are elected. Vacancies on the Committee during the term shall be filled by the remaining members of the Committee to serve the unexpired term. The members of the Committee shall elect a Chairman and act by majority vote. The initial Committee shall be William R. MacPherson, Robert P. Lord and Harold C. Kean. All subsequent members shall be approved by Developer until such time as it no longer owns undeveloped land in such property.

ARTICLE VI. EXTERIOR MAINTENANCE

1. Maintenance of Common Areas, etc.

A. The Association shall maintain or provide for the maintenance of the Common Areas.

B. It shall be the obligation of each Owner of any Lot or Building Site to keep and maintain the same, and any building or improvement now or hereafter located thereon, in proper condition, including the area between his property line and the paved portion of any street or curb abutting his property. The Association may, if it desires, offer to and perform such service for the Owners desiring the same, assessing the reasonable cost thereof to said Owners. If any Owner fails to keep his Lot and improvements so maintained, the Association may, upon reasonable notice, enter said Lot and perform said maintenance and assess the cost thereof to said Owner.

Each owner shall be responsible for maintaining and keeping in good order and repair, the interior of his own dwelling unit.

ARTICLE VII. PROPERTY USE RESTRICTIONS

The following restrictions shall be applicable to all lots in Crooked River Ranch No. 3, and shall be for the benefit of and limitations upon all present and future owners of said property, or of any interest therein:

1. Unless written approval is first obtained from the Architectural Committee, no sign of any kind shall be displayed to public view on any building or building site on said property except one professional sign of not more than five square feet advertising the property for sale or rent; or signs used by the developer to advertise the property during the construction and sales period. If a Property is sold or rented, any sign relating thereto shall be removed immediately except that the Declarant and only Declarant or its agent may post a "Sold" sign for a reasonable period following a sale.

2. No part of said property shall be used or maintained as a dumping ground for rubbish, trash, garbage, or any other waste. No garbage, trash or other waste shall be kept or maintained on any part of said property except in a sanitary container. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

3. The records of the Secretary of the Association shall be conclusive evidence as to all matters shown by such records and the issuance of a certificate of completion and compliance by the Secretary or Assistant Secretary of the Association showing that the plans and specifications for the improvement or other matters herein provided for have been approved, and that said improvements have been in accordance therewith, or a certificate as to any matters relating to and within the jurisdiction of the Association by the Secretary thereof, shall be conclusive evidence that shall fully justify and protect any title company certifying, guaranteeing, or insuring title to said property, or any portion thereof, or any lien thereon and/or any interest therein as to any matters referred to in said certificate, and shall fully protect any purchaser or encumbrancer from any action or suit under this Declaration. After the expiration of one year following the issuance of a building permit therefor by municipal or other governmental authority, any structure, work, improvement or alteration shall, as to any purchaser or encumbrancer in good faith and for value and as to any title company which shall have insured the title thereof, be deemed to be in compliance with all the provisions hereof, unless a notice of non-compliance executed by the Association shall have appeared of record in the office of the County Clerk of Jefferson County; or unless legal proceedings have been instituted to enforce completion or compliance.

4. No noxious or offensive or unsightly conditions shall be permitted upon any part of Said Property, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

5. Association Directors will have jurisdiction over activities permitted in the Common Areas. All disputes, complaints or matters of change in existing or future use restrictions will be submitted to the Association Directors for arbitration.

ARTICLE VIII. EASEMENTS

1. All conveyances of land situate in the said Property, made by the Declarant, and by all persons claiming by, through, or under the Declarant, shall be subject to the foregoing restrictions, conditions and covenants, whether or not the same be expressed in the instruments of conveyance, and each and every such instrument of conveyance shall likewise be deemed to grant and reserve, whether or not the same be declared therein, mutual and reciprocal easements over and across and under all Common Areas and over, across and under all land situate within 10 feet of the side and rear lines of each Lot or Building Site for the purpose of building, constructing and maintaining thereon electric and telephone lines, gas, water, sewer, storm drainage lines, radio or television cables and other services now or hereafter commonly supplied by public utilities or municipal corporations, all of said easements shall be for the benefit of all present and future owners of property subjected to the jurisdiction of the Association by covenants and restrictions recorded and approved as hereinabove provided; said

easements however shall not be unrestricted, but shall be subject to reasonable rules and regulations governing rights of use as adopted from time to time by the Directors of the Association in the interests of securing maximum safe usage of said property without unduly infringing upon the rights or privacy of the owner or occupant of any part of said property. Provided further that if any two or more lots or fraction of one or more lots shall be developed for one building as a single tract or building site, then said easements shall thereafter be located on the area within ten (10) feet of the side and rear lines of said building site; if there has been an application to use such easement prior to development of such lots or fraction of one or more lots to such a building site, then, subject to the approval of the Association, such easement may be relocated, but any expense involved in moving any water lines, sewer or storm lines or other utility lines shall be borne by the Owner of the lot or building site, the development of which requires movement of such lines.

2. A non-exclusive easement is granted to the Association for the benefit of owners of all lots of this plat and owners of all lots in any future subdivision of Crooked River Ranch, their invitees and licensees, and other Association members, for purposes of ingress and egress over, across and along the rear and side lines of those lots as shown on the face of the plat and identified thereon as "Riding and Walking Trails". This easement shall be for the purposes of: (a) riding and walking trails, (b) utilities, subject to the foregoing conditions and restrictions. The use of motorized vehicles is expressly prohibited with exception of emergency equipment of protection, medical, or firefighting agencies on such terms and conditions as may be deemed advisable.

ARTICLE IX. ROAD MAINTENANCE

1. The obligation for the cost of removal of snow from and the maintaining of all roads, streets, avenues, and places within this plat shall be the responsibility of the Association, which shall keep the roads in good repair and shall render them passable at all times. Said maintenance shall be conducted with funds of the Association obtained from its members and shall be at no cost to the County.

2. In the event that any of the owners of any of the lots of Crooked River Ranch No. 3, or additional plats or subdivisions shall petition the county court to include roads in the county road system, it is understood that the Association shall fully develop the road system to road standards of Jefferson County and that all construction shall be free of liens, costs and other liabilities and obligations. Acceptance is at exclusive opinion of the county court.

ARTICLE X. COMMUNITY PROPERTY

Areas designated "Community" in the plat of Crooked River Ranch No. 3, are properties to be owned, developed and maintained by the Associations for the benefit of owners of all of the lots in this plat or any additional plat or subdivisions of the Crooked River Ranch and other Association members.

ARTICLE XI. GENERAL PROVISIONS

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 be in no event be deemed a waiver of the right to do so thereafter.

2. Severability. Invalidatlon of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

3. Amendment. 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 twenty-five (25) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. Any of the covenants and restrictions of this Declaration except the easements herein granted may be amended during the first twenty-five (25) year period by an instrument signed by members entitled to cast a majority of the votes. Easements herein granted and reserved shall not be amended except by instrument signed and acknowledged by one hundred percent (100%) of the Owners of the property concerned, and by the Architectural Committee. All such amendments must be recorded in the appropriate Deed Records of the County in which said property is located to be effective.

4. No Right of Reversion. Nothing herein contained in this Declaration, or in any form of Deed which may be used by Declarant, or its successors and assigns, in selling said property, or any part thereof, shall be deemed to vest 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.

5. Rights of Mortgagees Relating to Maintenance. At any time that any time that any part of the Common Area is not properly maintained and kept in good order and repair by the Association or otherwise, to the extent reasonably necessary to protect and preserve the appearance and value thereof and the appearance and value of the remainder of said property, then the record owner of any mortgage or deed of trust upon any part of said property or living unit or building located thereon, upon giving written notice as hereinafter provided, shall be entitled to exercise the rights of the mortgagor-owner of such property as a member of the Association to vote at all regular and special meetings of the members of the Association for a period of one year following the date of such notice. During said period of time such mortgagees shall be given notice of all regular and special meetings of the Association, the owner-mortgagor shall receive such notice also and may attend such meetings as an observer. Said notice shall quote this paragraph and shall be sent by Certified United States mail, return receipt requested, to the owner-mortgagor, a copy by regular mail to the Association, at the last known address of each.

6. 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.

7. Assignment by Declarant. Any or all rights, powers, and reservations of Declarant herein contained may be assigned to the Association or to any other corporation or association which is now organized or which may hereafter be organized and which will assume the duties of Declarant hereunder pertaining to the particular rights, powers and reservations to the extent of such assignment, have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein. All rights of Declarant hereunder reserved or created shall be held and exercised by the undersigned alone, so long as Declarant owns any interest in any portion of said property.