

Declaration of Covenants, Conditions, and Restrictions
For

STONEGATE

A Planned Residential Community in Hood River County, Oregon

1. Description and Objectives. STONEGATE is a residential development situated on approximately 20.6 acres of open lands, forest and wetland marsh above the Columbia River. It is located at the western edge of the City of Hood River's Urban Growth Boundary and adjacent to the Columbia River Gorge National Scenic Area. Views of Mt. Hood, Mt. Adams, the Columbia Gorge, and surrounding hills abound.

A central focus of Stonegate is to maintain and enhance the natural beauty of the site and to protect its views. Stonegate is managed by owners to protect individual privacy, create opportunity for community and maintain a safe, healthy and balanced neighborhood. Emphasis centers on culturing and restoring native botanical habitat of high quality and diversity. From Stonegate's inception in 1989, informed consideration has been given to the needs and tolerances of a variety of wildlife found on the site.

To implement these objectives, and to ensure that private property will return maximum value for owners, standards for the improvement and maintenance of private and commonly held areas are required. These standards are intended to secure, for each property owner, the full benefit and enjoyment of private and common property with no greater restrictions than are necessary to ensure the same advantage to other property owners within Stonegate.

2. Property Subject to Declaration. All land within the Stonegate Community shall be subject to these Covenants, Conditions, and Restrictions (CC&Rs). A legal description of the original Stonegate community is attached hereto as Exhibit A. Specifically, each phase will be subject to the CC&Rs as it is developed and by the recordation of a declaration in the Hood River County deed records. Plats of Stonegate West Phase I and Stonegate East Phase I are attached hereto as Exhibits B and C, respectively. Additional property, described on Exhibit D, has been added to the Stonegate community and accepted by the

Stonegate Homeowners Association. These lots are now subject to the CC&Rs.

3. Land Classifications Within the Community. Land classifications include private areas, vehicular and service areas, and two classifications of common areas (including Habitat Conservation and Recreation and Aesthetic Conservation). These areas are described as follows:

A. Private Areas. By accepting a deed or lease to a private area within the community, the grantee is deemed to have agreed to use and permit the use of the property only in accordance with these CC&Rs, and the rules and regulations adopted by the Stonegate Homeowners Association (hereafter, the Association). The Association shall be responsible for the enforcement of this declaration.

B. Vehicular and Service Areas. All roads and guest parking in Stonegate are maintained by the Association for the benefit of its members. Right of ways are either 30 ft., 50 ft. or 60 ft. in width as per final plats. Service areas may be created by the Association within common areas for storage of maintenance, irrigation and recreation equipment.

These areas not in the dedicated public right of way are deeded to the Association.

C. Habitat Conservation Area (HCA). This area consists of the wetland pond and surrounds, and the forest occupying the northwest portion of the site. The original declarant intended to give precedence to the needs of wildlife (ducks, raccoon, muskrat, blue heron, king fisher, three varieties of squirrels, etc.) within these areas. However, owners shall decide as members of the Association what rules to make regarding access and use of this area. These areas are deeded to the Association.

D. Recreation and Aesthetic Conservation Areas. These areas consist of the commons or neighborhood parks and connecting pedestrian

and bike paths, the landscaped entrances on Post Canyon and Frankton Roads, the stream corridor and the perimeter hedge around Stonegate. The parks, most of the paths and the Frankton Entrance are owned by the Association.

The hedge will have a minimum mature height of five feet and width of between 10 and 20 feet and is composed principally of native flowering shrubs and trees. The Association retains a conservation easement as shown on the recorded plat to ensure the continued existence and health of the hedge and stream corridor. These areas are not deeded to the Association.

4. **General Restrictions.** No activity will be permitted in the community that will be unreasonably injurious to land, wildlife, or vegetation. No discharge of firearms is allowed. Unless specifically allowed by the Association, no motorized vehicles are permitted off designated roads. Except on private areas, no temporary or permanent improvements shall be erected in the community without permission of the Association.

5. **View Protection.** Lot owners whose views of Mt. Hood, Mt. Adams, the Gorge or the Columbia River become substantially restricted by the growth of existing or introduced vegetation found on other private lots may request of the owner permission to trespass and to trim the offending vegetation so the impacted view is restored. Lot owners whose views become substantially restricted by vegetation found on common areas may request of the Architectural and Landscape Review Committee permission to trim the offending vegetation. The Architectural and Landscape Review Committee is charged with view protection for such impacted lot owners and shall be the sole judge of any dispute and may use its authority to remedy the situation. *Lot owners should create a photographic record of their view when they purchase their lot. (See also item 15.C.9.)*

Following extensive professional recommendations, the wetland pond area (Habitat Conservation Area) is planted such that most views into the pond from adjacent lots will be impacted by vegetation over time. This is in keeping with Stonegate goals of creating a high quality remnant wetland pond habitat that will attract and hold a wide variety of birds and mammals native to the Gorge. Owners of adjacent lots, however, may select a view corridor from their lot to the pond maintained at owner's expense and trimmed not more than eight feet wide at four feet above ground level.

6. **Pets.** Dogs, cats, and other pets must be leashed or under close voice control in all common areas with exception of the Habitat Conservation Area where pets are not allowed under any circumstances. Cats must be belled. Violations may result in fines by the Association. Owners are responsible for cleanup of all their pet's waste. Stonegate is generally not an appropriate area for the raising of livestock or farm animals. Approval of the Association Board of Directors shall be required by any homeowner prior to acquiring livestock or farm animals either as pets or for domestic use.

7. **Option for Attached Apartment and Rental Restriction.** On selected lots (refer to the Hood River County Planning Department for information on approved lots), homeowners have been granted in final plat approval the right to create a studio or one bedroom apartment complete with kitchen and bath within the building envelope of their home or above their garage. This is not intended to encourage rental property for production of income. Rather, it is to provide an independent living situation for relatives, guests, or domestic help. In order to preserve an owner-occupied ambiance, only rental agreements of three months duration or more are permitted. Copies of all rental agreements must be placed on file with the Secretary of the Association.

8. **Lot Adjustments.** No partitions of platted lots are allowed except in accordance with any master plan that may be adopted by the Association. Two or more lots may be combined into one lot, provided that the combined parcel may contain only one residence. Such combined parcel may not be repartitioned, will be assessed by the Association as one lot and will qualify the owner or owners for one vote.

9. **Association Rules and Regulations.** The Association may adopt rules and regulations applicable to the use of all areas in the community. The Board of Directors of the Association must consider and act on any proposed adoption, amendment, or repeal of a rule or regulation upon written request of at least 10% of lot owners in the community. If the proposal is not approved, upon a second written request of at least 20% of lot owners in the community, the proposal shall be submitted by the Board of Directors to a vote of all owners. The proposal shall be approved by a majority of owners who vote, provided that at least 50% of the owners do vote.

10. Contemplated Improvements. The following improvements are proposed for the community, but this list is not intended to be binding on the original declarant or the Association or to limit the improvements that may be subsequently provided:

Streets, guest parking areas, underground utility services including domestic water, natural gas, electricity, cable television, phone, irrigation water and sanitary sewer; storm drainage; pedestrian and bicycle paths; community commons areas including rock furniture and wildlife viewing areas for each phase of development; perimeter hedge of native plants including irrigation where needed, stone walls, landscaped entrances, and lighting at selected locations.

11. Assessments. The Association shall impose an assessment against each lot owner. Each shared-wall resident owner is considered a separate owner. Written notice of the assessment for each calendar year shall be sent to each owner on or before December 1st of the preceding year. The annual assessment shall be paid on or before January 31st. All new owners shall be jointly and severally liable to the Association for any unpaid assessments owing at the time ownership is acquired. Co-owners shall likewise be jointly and severally liable for all assessments. Yearly assessments shall not increase more than 5% above the inflation rate as measured by the Portland Consumer Price Index for the previous 12 months as of November 1st of each year, unless authorized by a majority vote of the Association preceded by due notice of a vote on the increase as provided in the Association By-laws.

12. Default in Payment of Assessments or Charges. Each assessment or charge imposed by the Association shall be the personal debt of the owner against whom the assessment or charge was levied. Interest shall accrue at 12% per annum on all assessments or charges from the due date thereof. Any such amounts not paid within thirty days of the due date shall be in default. Upon default the assessment and charge, together with interest thereon, costs, and reasonable attorney fees incurred in collection, shall become a lien upon the Private Area owned by the owner. This notice of lien will be filed in the mortgage records of Hood River County, Oregon. The notice of lien shall be filed by the Association and shall set forth the amount due and a description of the Private Area against which the lien is assessed. Enforcement of the liens shall be in accordance with the provisions of ORS 94.709 as it exists on the date of the

recording of these Declarations, or as hereafter amended.

13. General Fund. The Association shall keep all funds collected from assessments in a separate account and shall use the funds for the following purposes:

A. Payment of the cost of maintaining and improving roads, guest parking, common areas, Recreational areas, service areas, and elsewhere. The Association may upon a two-thirds majority vote of all lot owners acquire and develop additional common areas.

B. Lighting at both community entrances and other common areas.

C. Payment for occasional maintenance of the pond area and maintenance or enhancement of wildlife and native vegetation in Association maintained areas.

D. Payment of property taxes and assessments levied against all portions of the community except private areas. Payment of the annual Farmers irrigation bill for all common and private areas.

E. Payment of the cost of insurance to protect Association improvements against loss or damage by fire, hazard, or vandalism, and liability coverage. Costs may include insurance protecting the Association, its directors, officers, and agents against liability arising out of their activities on behalf of the Association.

F. Payment of the costs of enforcing the provisions in this Declaration and the rules and regulations of the Association.

G. Payment of the reasonable expenses of the Association and any committees of the Association.

H. Payment for other services or facilities which a majority of owners acting through the Association deems to be of benefit to the owners.

I. Payment for costs incurred in collecting assessments.

Within 90 days following the end of each calendar year, an accounting shall be provided to each owner consisting of [at a minimum] a balance sheet and income statement for the preceding year.

14. Required Reserve Account. A reserve account in the name of the Association shall be established at the time the first lot is conveyed by the original declarant. The purpose of the reserve account is to fund the replacement of all items of common property, which will normally require replacement, in whole or in part, in more than three and less than 30 years. The account shall be funded by annual assessments against the individual lots and will be shown as a separate line item in the annual assessment notice described in Paragraph 11. The assessment shall take into account the estimated remaining life of the items for which the reserve is created and the current replacement cost of those items. The reserve account may be used for the purposes described in this paragraph or as otherwise allowed by law. The reserve account assessments may be increased, reduced, or eliminated only as allowed by law.

15. Architectural and Landscape Review Committee (ALRC). There shall be a Committee appointed by the Association which shall approve all plans and specifications (landscaping and improvements) for: 1) the development and maintenance of private areas and; 2) Association owned areas in the community. The Board of the Association shall appoint a minimum of three lot owners as members of the Committee. The members may be removed by majority vote of the Board without cause at any time. The Board may determine to serve itself as the Committee.

This Committee will not consider, nor does it assume any responsibility for, the structural capacity, safety features or building codes compliance of any proposed improvement or structure. Neither the Association nor any member of the Committee shall be held liable to any owner for damage or loss on account of any action or failure to act provided that the Association [or member] has acted in good faith.

The Association Board shall adopt rules, standards, and recommendations under which the Committee shall act. These include the following:

A. Fee Schedule. No fees to offset ALRC duties and expenses are proposed at this time.

B. Landscape

1. A trim and healthy landscape setting shall be maintained on each home site. Failing plants

must be replaced in a timely manner. Undeveloped lots shall be mowed between June 15th and June 30th annually. This schedule avoids disturbance during spring/early summer bird nesting season and minimizes fire danger caused by dry vegetation.

2. Use of Northwest *native shrubs* are encouraged on 50% or more of private area to be landscaped. The Committee is to provide information on selection and sources of plants.

3. All *exterior lighting* shall be located, limited in intensity, or shielded and hooded so that it is visually subordinate to the surrounding landscape.

4. *Street number material* shall be either black or of a low sheen silvery color (i.e., pewter, tin, brushed aluminum), and be lighted. Heights shall be four inches.

5. The following items shall be *screened from view* of community roads and neighboring private areas: garbage and trash containers, clotheslines, outdoor maintenance equipment, satellite dishes, boats, trailers, recreational vehicles, and off-road vehicles. Exception: trailers, boats and vehicles in excess of twenty-five feet are to be stored outside the community.

6. *Screening* and the enhancement of privacy is *encouraged* and shall be accomplished using vegetation (assuming height at four years maturity on site), native stone walls and groupings, gentle sloped berms of earth and stone, and earth-tone wood fencing up to five feet high. Perimeter fencing of lots is discouraged.

7. Other than for visiting guests, parking of vehicles in street right of ways is not allowed. Private areas shall provide four vehicle parking spaces, including two fully screened spaces. Paving of driveway and parking areas is to be completed within three years of completion of any home. Garages shall be sited so as not to be the dominant feature of the street fronts of homes.

8. All private lots, including adjacent right of ways up to the road shoulders and perimeter hedge, whether improved or vacant, shall be maintained in a trimmed, neat appearance free of litter and refuse at owner's expense.

9. Initial landscaping must be complete within one year of occupancy. Extensions may be considered for good cause. Extension requests must be submitted in writing with a "progress plan" showing substantial completion. The ALRC will review and approve or disapprove a landscape extension request within 30 days. An extension shall not exceed one additional year (no more than two years allowed for completion).

C. Improvements

1. A high quality of design shall be encouraged in approving all new construction at Stonegate. Low quality exterior finishes are not allowed. Low quality exterior finishes include fiberglass, vinyl, aluminum, T1-11-type, and others determined by the ALRC. Board and batten-type exterior may be allowed in conjunction with high architectural design quality. Subordinate use of vinyl (i.e. lattice, standard garage doors, roof jacks and vents, small landscape fences, etc.) may be approved.

2. Manufactured homes, mobile homes, modular homes and very low quality site built homes shall not be allowed.

3. "Quality" is determined by the ALRC during the review process. Stonegate's CC&Rs include many references to natural beauty and natural materials. Therefore, natural wood and stone primary or secondary (composite) exterior materials are encouraged.

4. Non-reflective, natural, earth tone, or *muted colors* that blend with the predominant colors of the surrounding natural environment at Stonegate shall be used on all exterior surfaces, including roofing and flashing. A color wheel, containing approved colors for home exteriors, is on file with the ALRC and is available to home/lot owners for use in determining acceptable exterior colors. The ALRC may approve and add colors to the color wheel at its discretion. Accent colors other than those on the color wheel may be allowed for trim.

5. *Home exteriors* shall be completed within six months of commencement of construction. Extensions to this rule may be considered for good cause. Extension requests must be submitted in writing with a "progress plan" showing substantial completion. The ALRC will review and approve or disapprove an extension

request within 30 days. An extension shall not exceed six additional months (no more than one year allowed for completion). Interiors are to be completed within twelve months. Construction materials shall be stored neatly and shall not be allowed to blow upon adjoining property.

6. The ALRC will control roof pitches as part of Stonegate's "high quality of design" standards. All primary roofs must meet or exceed a 6/12 pitch. Secondary roofs (porches, sun rooms, out-buildings except garages, etc.) may be approved at less than a 6/12 pitch, including a flat roof, if the design is considered by the ALRC to be high quality.

7. Due to fire hazard, *shake roofs* are not allowed. Composition roofing shall be in the simulated shake style.

8. *Usable front porches and outdoor living spaces* as well as *alternative energy technology* are encouraged in home design. A useable front porch or outdoor living area must include a prominent front door that is visible from the street, covered by a roof or trellis. This guideline is intended to compliment the guideline requiring that garages not be the dominant feature of the street fronts of homes. The ALRC will consider any specific site constraints and proposed mitigation when determining whether a home design adequately balances the CC&Rs directive to "focus on front porches" and "de-emphasize garage doors" from the street view.

9. In approving site location of improvements, ALRC consideration shall be given to the *protection of views* to Mt. Adams, Mt. Hood, and the Columbia River available on the lot and solar access, as well as consideration for similar views [and solar access] available to other private lots within Stonegate. An applicant's plans shall indicate proposed impacts on these views from adjacent lots and homes. Where such impacts are known and specified, the ALRC shall require additional plan sets to forward to impacted lot/home owners and allow them a 14-day comment period. Any suggestions from impacted lot/home owners shall be considered by the ALRC in making their final decision. The ALRC will seek to facilitate "good neighbor" solutions agreed to by all parties to mitigate view impacts through reasonable design alterations. However, the ALRC recognizes that all such views cannot be preserved based on the predisposition of

individual lots with respect to adjacent lots and homes. The applicant, not the ALRC, is responsible for identifying view impacts on their proposed site plan.

10. The ALRC shall ensure that improvements on all areas in close proximity to the pond (both private and Association owned) do not adversely affect the bird populations in the HCA. Suggested strategies for preventing such impact include: 1. Increased setbacks from the pond; 2. Use of berms and vegetative screening to minimize movement; 3. Use of windows facing the pond that obscure movement inside.

11. All revisions to approved plans (refinishing, remodel, etc.) require re-submittal and written ALRC approval. All improvements, including repainting, fencing and garden sheds over 120 square feet (building permit exemption limit), must first be approved by the ALRC.

D. Submittal and Review

1. A complete application consists of three sets of dimensioned plans as follows:

- a) Site plan showing improvements relative to entire property, including method of conveyance for site-generated storm run-off (i.e. to ditch, culvert under driveway, etc.).
- b) Elevations including front, back and all side elevations.
- c) Color and material samples for proposed siding and roofing.
- d) Landscape plan showing at least 50% native plantings.

2. Complete submittals are delivered to the President (or designee) for distribution to the ALRC.

3. The ALRC will determine if the application is complete within 14 days of submittal. Incomplete submittals will be returned to the applicant with a written list of deficiencies or concerns. Incomplete plans not made complete by the applicant within 180 days become invalid. A new submittal is required thereafter.

4. Within 30 days of a completeness determination, the ALRC will approve, approve with conditions, or deny plans based on the Bylaws and CC&Rs in effect at the time the application was determined to be complete. Notification shall be delivered in person or by

postal mail to the applicant. Failure by the ALRC to respond within the time limit as noted shall be deemed as acceptance of plans as submitted.

5. Approved plans are valid for a period of two years to commence construction.

Consent by the Committee to any matter submitted to it is not a waiver or precedent impairing the right to withhold approval for any subsequent matters submitted to it.

16. **Enforcement.** Any owner may enforce any of the provisions of these declarations provided that the owner gives the Association 90 days written notice of intent to commence an enforcement action, and within that 90 days the Association does not commence its own enforcement action. At least 20 days prior to any enforcement action, notice of the violation shall be given to the owner in writing. If the violation is not corrected within that time, the Association may take such action as it deems reasonable to correct the violation, including litigation and/or entry upon any private area. The costs of any such corrective action, including reasonable attorney fees, shall be payable by the violating owner to the Association and shall be due upon presentation of a bill to the owner.

17. **Right of Entry.** The Association may authorize its agent to enter any private area at a reasonable time (upon reasonable notice) to determine whether or not this Declaration and the rules and regulations of the Association are being violated. Any such entry shall not create a right of action in the owner. This right of entry of the Association shall not be used by any one neighbor to harass another. Invocation of this right shall require a two-thirds majority vote of the Board of Directors of the Association.

18. **Voting.** Each lot [or combined lot] within the community shall be entitled to one vote on all matters on which votes are allowed or required by the Association.

19. **Co-Ownership.** All co-owners of any homesite in the community shall be considered one owner for the purposes of this declaration. The vote, request, approval, or act of any co-owner shall be considered the act of all co-owners. If co-owners disagree among themselves as to any matter, a co-owner may deliver written notice of such disagreement to the Association. For effective

participation on that matter, consensus of all co-owners shall then be required.

20. Notices. Notices under this declaration may be delivered personally or by mail. Delivery by mail shall be deemed effective 24 hours after deposit in the United States mail, postage prepaid. Notices must be addressed to the Association at the following address, and to any owner at the address given to the Association at the time of purchase of a homesite (unless subsequently changed by written notice to the Association).

667 Parsons Lane
Hood River, OR 97031

21. Disposition of Common Areas. The Association shall not sell, convey or subject to a security interest any portion of the common areas without consent of 75% of the members of the Association.

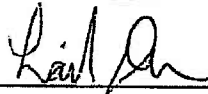
22. Amendment of Declaration and Final Plat. The Association may amend the declaration and the plat only by vote or agreement of the members representing 75% of the total possible votes. The owners may initiate such a change as well in the same manner as a change is initiated to the rules and regulations of the Association. The vote shall be held at a special meeting of the members of the Association or by written ballot as provided in ORS 94.647. If the change is approved by written ballot, the secretary shall notify the members of the approval within 30 days of the approval. If approved, the secretary of the Association shall file a certificate in the deed records of Hood River County, Oregon, setting forth in full the change and certifying that the change has been approved in the manner set forth herein. Upon recording, the change shall become effective.

23. Expansion of Stonegate Community. The original declarant reserves the right to add to the community additional lots and common areas to be developed on the property described in Exhibit A. There is no specific description of additional common areas that may be added, but any additional common areas will be of the three types described in this document. Additional lots will each have one membership and one vote in the Association and all common expenses of the community will be allocated on a pro rata basis among all lots, whether existing or additional, beginning at the first of the year in which the additional lots are created.

24. Turnover to Association. Turn over to the Association by the original declarant of administrative responsibility for the community was completed on June 6th, 1994. The Warranty Deed whereby the original declarant conveyed all common area to the Association in that phase of the development plan was recorded on June 7th, 1994.

25. Replaces Previous Covenants, Conditions and Restrictions. This document hereby replaces the previous CC&Rs as restated on June 26, 1995, recorded June 27, 1995 as Recorder's Fee Number 951761, and amended January 4, 1996, recorded January 8, 1996 as Recorder's Fee Number 960059, and amended February 18, 1999, recorded February 22, 1999 as Recorder's Fee Number 990803, Hood River County Microfilm Records.

Dated this 17 day of December, 2001.



Laird Davis
President, Stonegate Homeowners Association