

AFTER RECORDING RETURN TO:
Robert W. Donaldson
c/o Black Helderline LLP
1900 Fox Tower
805 SW Broadway
Portland, OR 97205

STATE OF OREGON } ss.
County of Lincoln

7 Pages

I, Dana W. Jenkins, County Clerk, in and for said county, do hereby certify that the within instrument was received for record, and recorded in the Book of Records of said county at Newport, Oregon. WITNESS my hand and seal of said office affixed.


DANA W. JENKINS, Lincoln County Clerk

Doc : 200605118
Rect: 602508 56.00
04/04/2006 11:37:51am



**DECLARATION OF ANNEXATION TO BELLA BEACH AND
SECOND AMENDMENT OF THE DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS FOR BELLA BEACH**

BELLA BEACH HOMEOWNERS' ASSOCIATION, an Oregon non-profit corporation, makes this Declaration of Annexation to annex additional property to Bella Beach, and this Second Amendment of the Declaration of Protective Covenants, Conditions, Restrictions and Easements for Bella Beach, in Lincoln County, Oregon, which declaration was recorded November 2, 2000.

The property described as BELLA BEACH, Phase 6, in Lincoln County, Oregon, is hereby annexed to Bella Beach. The property described as BELLA BEACH, Phase 6, contains 8 lots, numbered 81 through 88.

The lot which was formerly numbered 55 in BELLA BEACH Phase 2 and a portion of Lot 51, BELLA BEACH Phase 2, both of which are currently within Bella Beach, have been replatted as Phase 5 of BELLA BEACH, and divided into five lots, Lots 76 through 80.

As part of Phase 5 and Phase 6 development, additional common area and parking are being provided.

Section 1. The Terms of the Replat of a Portion of BELLA BEACH Phase 2 as BELLA BEACH PHASE 5 and the Annexation of Phase 6, Are as Follows:

A. Application of the Bella Beach Covenants. The property described as BELLA BEACH Phase 5, and BELLA BEACH Phase 6, are held and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to The Bella Beach Covenants, as the same may be modified by any additional or different limitations, restrictions, covenants or conditions contained herein.

B. Owners' Easements and Rights. The Owners of Lots 76 through 88 of BELLA BEACH Phases 5 and 6 shall have the following easements of enjoyment and rights:

(1) Owners' Easements of Enjoyment. Subject to the provisions of these declarations, every Owner and every Owner's family, tenants, guests and invitees, shall have a right and easement of enjoyment in and to the Common Area and Private Ways. Casey Roloff, doing business as Current Development, has recorded plats known as BELLA BEACH Phase 5 and BELLA BEACH Phase 6, which dedicate common area within the plat. Phase 6 of BELLA BEACH is by this document annexed to Bella Beach, and references hereinafter to "Bella Beach" are intended to refer to all phases.

(2) Extent of Owners' Rights. The rights and easements of enjoyment in the Common Area and Private Ways created by these Covenants shall be subject to the following and all other provisions of these Covenants:

(a) Easements. Declarant reserves to itself and grants to the Association for the benefit of Declarant, the Association and all Owners of Lots within Bella Beach, the following easements:

(i) An easement for the Common Area and Private Ways for installation and maintenance of power, water, storm drainage, and other utility services;

(ii) An easement on all Private Ways for access within Bella Beach and to adjacent areas;

(iii) An easement for construction, maintenance, repair and use of the Common Area and Private Ways; and

(iv) An easement for the purpose of making repairs to existing structures and carrying out sales activities necessary or convenient for the sale of Lots.

Declarant or the Association may grant or assign such easements to municipalities or other utilities performing utility services, and Declarant and the Association intend to grant free access thereon to police, fire and other public officials and to employees of utility companies serving Bella Beach.

(b) Use of the Common Areas. The use of the Common Areas shall be governed by the Bella Beach Declaration of Protective Covenants, Conditions and Restrictions and Easements, and the Bylaws of the Bella Beach Homeowners' Association.

C. Consent to Annexation. By signature on the Declaration of Protective Covenants, Conditions and Easements for Lots 76 Through 88, BELLA BEACH Phase 5 and BELLA BEACH Phase 6, in Lincoln County, Oregon, recorded on September 9, 2004 at Doc: 200413755, Rect: 406532, the Declarant consented to annexation of BELLA

BEACH Phase 6 by Bella Beach Homeowners' Association and the application of the Covenants, Conditions and Restrictions set forth herein to BELLA BEACH Phase 5. Such annexation is contingent upon the Declarant retaining the easement rights reserved herein and the adoption by Bella Beach Homeowners' Association of use restrictions as set forth in this Second Amendment to the Declaration of Protective Covenants, Conditions, Restrictions and Easements.

D. Repeal of Previously Adopted CC&R's for BELLA BEACH Phase 5 and BELLA BEACH Phase 6. The Declaration of Protective Covenants, Conditions, Restrictions and Easements for Lots 76 through 88, BELLA BEACH Phase 5 and BELLA BEACH Phase 6 that were recorded on September 9, 2004, as Doc: 200413755, Rect: 406532, are hereby repealed. By signature on this Declaration the Declarant for the covenants referenced herein does repeal said Declaration of Protective Covenants, Conditions, Restrictions and Easements for Lots 76 through 88 BELLA BEACH Phase 5 and BELLA BEACH Phase 6. The repeal shall be effective upon the recording of this Declaration of Annexation and Second Amendment of the Declaration of Protective Covenants, Conditions, Restrictions and Easements for Bella Beach.

Section 2. Second Amendment of the Declaration of Protective Covenants, Conditions, Restrictions and Easements for Bella Beach. The original declaration, as amended, is hereby amended as follows:

A. The cover sheet and heading of the original declaration shall be revised to read:

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR LOTS 1 THROUGH 88, BELLA BEACH AND FOR THOSE LOTS DESCRIBED IN EXHIBITS A, B, C, AND D, IN LINCOLN COUNTY, OREGON

B. Section 1.17 is amended to read:

1.17 Property shall mean and refer to all real property that is subject to this declaration, and any amendments thereto, including lots, the common area and all improvements located thereon, as more particularly described in the declaration and amendments thereto and as set forth on Exhibits "A", "B", "C" and "D" to the Declaration.

C. Section 1.20 is amended to read:

1.20 Bella Beach shall mean the lots and common area shown on the plats for BELLA BEACH, including all phases thereof, or described on Exhibits "A", "B", "C" and "D" to the Declaration.

D. Article 2 is amended to read:

Property Subject to this Declaration

The real property that is and that shall be held, transferred, sold, conveyed, occupied and improved subject to this declaration is located in an unincorporated area of Lincoln County, Oregon and is shown on the plats for Bella Beach, including all phases thereof, which have been filed in the plat records of Lincoln County, Oregon and which also includes additional lots annexed to Bella Beach and is described on Exhibits "A", "B", "C" and "D" to the Declaration as amended.

E. Article 4, Section 4.1 is amended to read:

4.1 Use Restrictions. The following use restrictions shall apply to the following lots as specified herein.

4.1.1 Use Restrictions for Lots 1 through 54, 56 through 74 and Lot 80. Lots 1 through 54 and 56 through 74 and Lot 80 are to be used for only residential purposes. Except with the consent of the Board, no trade, craft, business, profession, commercial or similar activity of any kind shall be conducted on any residential lot; nor shall any goods, equipment, vehicles, materials or supplies used in connection with any trade, service or business be kept or stored on any Lot. Nothing in this paragraph shall be deemed to prohibit (a) activities relating to the sale of residences, (b) the right of Declarant or any contractor or homebuilder to construct residences on any Lot, to store construction materials and equipment on such Lots in the normal course of construction, and to use any residence as a sales office or model home for purposes of sales in Bella Beach, and (c) the right of the Owner of a Lot to maintain his professional or personal library, keep his personal business or professional records or accounts, handle his personal business or professional telephone calls or confer with business or professional associates, clients or customers in his residence. The Declarant or Board shall not approve commercial activities otherwise prohibited by this paragraph for residential properties unless the Declarant or Board determines that only normal residential activities would be observable outside of the residence and that the activities would not be in violation of Lincoln County ordinances. In determining whether such activity would comply with Lincoln County ordinance requirements, the Board will review and apply the standards for home occupations set forth in Lincoln County Code Section 1.1620(6).

4.1.2 Use Restrictions for Lot 75. Lot 75 has been designated for commercial or retail use. Such uses would include, but not be limited to a café, grocery, jewelry store, barbershop, ice cream shop, snack shop, bookstore, general mercantile, fitness center, recreation center, or professional offices.

4.1.3 Use Restriction on Lots 76 - 79. Lots 76 through 79 in Bella Beach Phase 5, have been designated for mixed residential/commercial or retail use. These live/work units will consist of a commercial or retail space on the first floor of the building, with residential use on the upper floor(s). The retail/commercial uses could include, but not be limited to, a café, grocery, jewelry store, barbershop, ice cream shop, snack shop, bookstore, general mercantile, fitness center, recreation center, bed and breakfast, or professional offices.

4.1.4 Use Restriction and Development Restriction for Lots 81 through 88. Lots 81 through 88 are to be used for residential purposes subject to additional development restrictions.

(a) No structures shall exceed 30 feet in height, as defined in Lincoln County Code Section 1.1115 (44).

(b) Dwellings on Lots 82 and 83 shall be limited to no more than 1.5 stories. Dwellings on all other lots in Phase 6 shall be limited to a maximum of two stories.

(c) Side yards on the north sides of Lots 82 and 83 shall be not less than 5 feet, or 1 foot for each 3 feet of building height, whichever is greater.

(d) Rear yards on Lots 85 through 88 shall not be less than 10 feet.

(e) Garages located on Lots 85 through 88 shall have roof ridges oriented in an east-west direction.

(f) Dwellings on Lots 82 and 83 and garages located on Lots 85 through 88 shall have no north facing windows located above the first story.

(g) Living space on the second floor of garages located on Lots 85 through 88 shall not include bathrooms.

(h) No parking will be allowed in the Cavalier Avenue right-of-way.

IN WITNESS WHEREOF, the Declarant of BELLA BEACH Phase 5, Lincoln County, Oregon and BELLA BEACH Phase 6, Lincoln County, Oregon, has executed this stipulation and repeal of the Declaration of Protective Covenants, Conditions and Easements for Lots 76 Through 88, BELLA BEACH Phase 5, Lincoln County, Oregon and BELLA BEACH Phase 6, in Lincoln County, Oregon, which were recorded on September 9, 2004 as Doc: 200413755, Rect: 406532 this 23 day of March, 2006.

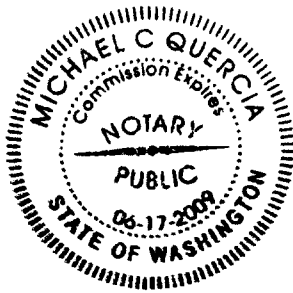
[Signature]
Casey Roloff

CURRENT DEVELOPMENT COMPANY

By: [Signature]
Casey Roloff

STATE OF Washington
County of Grays Harbor) ss.

This instrument was acknowledged before me on this 23 day of March, 2006, by Casey Roloff, individually and by Casey Roloff on behalf of Current Development.



Michael C. Quercia
NOTARY PUBLIC FOR State of Washington
My Commission Expires: 6-17-09

The President and Secretary of the Bella Beach Homeowners' Association do hereby certify and acknowledge that this Declaration of Annexation to Bella Beach and Second Amendment of the Declaration of Protective Covenants, Conditions, Restrictions and Easements for Bella Beach is an amendment adopted in accordance with Subsection 11.6 of the Declaration of Protective Covenants, Conditions, Restrictions and Easements for Bella Beach, which was originally recorded on November 2, 2000, in Book 410, at page 1360 of the Lincoln County records and this First Amendment has been adopted by affirmative vote of 75% or more of all owners of lots within Bella Beach in accordance with the declaration and the provisions of ORS 94.590(3).

Robert W. Donaldson
President

STATE OF Oregon)
County of Mult.) ss.

Personally appeared before me on the 27th day of February, 2006, Robert W. Donaldson and acknowledged the foregoing instrument to be his/her voluntary act and deed.

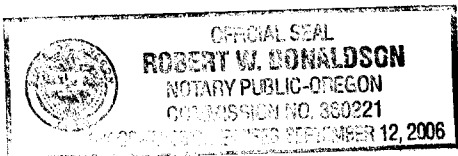


Christine M. Sanchagrin
NOTARY PUBLIC FOR Oregon
My Commission Expires: March 14, 2007

Alfred G. Watkins
Secretary

STATE OF Oregon)
County of Lincoln) ss.

Personally appeared before me on the 4th day of MARCH, 2006, Alfred G. Watkins, and acknowledged the foregoing instrument to be his/her voluntary act and deed.



Robert W. Donaldson
NOTARY PUBLIC FOR Oregon
My Commission Expires: 9/12/2006

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