AFTER RECORDING, RETURN TO:

Elk Horn Development LLC Attn: Nancy Kowalski 63088 NE 18 Street, Suite 100 Bend OR 97701

DESCHUTES COUNTY OFFICIAL RECORDS BLANKENSHIP, COUNTY

02/10/2006 11:33:53 AM

D-CCR Cnt=1 Stn=23 TRACY \$10.00 \$11.00 \$10.00 \$5.00

DECLARATION OF ANNEXATION TO CRESCENT CREEK (Crescent Creek No. 2)

THIS DECLARATION OF ANNEXATION TO CRESCENT CREEK is made as of this 5 day of January, 2006, by ELK HORN DEVELOPMENT LLC, an Oregon limited liability company ("Declarant").

Declarant is the declarant under the Declaration of Protective Covenants, Conditions, Restrictions and Easements of Crescent Creek recorded November 4, 2004 in the Records of Deschutes County, Oregon, as Document No. M2004-66326 as amended by the First Amendment to Declaration of Protective Covenants, Conditions, Restrictions (the "Declaration").

Declarant is the owner of the property platted as Crescent Creek No. 2. Pursuant to Section 2.2 of the Declaration, Declarant wishes to annex such property to Crescent Creek as Additional Property and subject the same to the Declaration.

NOW, THEREFORE, Declarant hereby declares as follows:

1. PROPERTY ANNEXED. Declarant hereby declares that all of the property described below shall be annexed to Crescent Creek and the Declaration as Additional property and that such property is held and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the Declaration:

CRESCENT CREEK, Phase 2, County of Deschutes, State of Oregon

- 2. LAND CLASSIFICATIONS. All of the land within the Additional Property annexed hereby is included in one or another of the following classifications:
 - Lots, which consist of Lots 50 through 98 as shown on the Plat of the Additional 2.1 Property;
 - Common Areas, which consist of Tracts K, L, and M as shown on the Plat of 2.2 the Additional Property.
 - 2.3 Limited Common Areas, which shall be the area marked Tract M as shown on the Plat of the Additional Property, which shall pertain to and be used for vehicular assess to and from, in conjunction with Tract D of the Initial

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Page 1 of 2

Development, Lots 20 through 32 of the Initial Development together with Lots 75 through 80 as shown on the Plat of the Additional Property.

- 2.4 Public Areas, which shall be each of the streets shown on the Plat of the Additional Property and the Public Trail Easements located between Lots 49 and 50, 58 and 59, 73 and 74.
- 2.5 Common Easement Areas. There are no Common Easement Areas within the Additional Property.

3 RESTRICTIONS ON USE.

- 3.1 Each of the Lots in the Additional Property shall be subject to the use restrictions set forth in the Declaration.
- 3.2 Lots containing a Public Trail Easement are restricted from constructing within or obstructing the use of the trail in any way.

IN WITNESS WHEREOF, Declarant has executed this Declaration of Annexation as of the day first written above.

ELK HORN DEVELOPMENT LLC, an Oregon limited liability company

Nancy E. Kowalski

V.P. Land Acquisition & Financing

STATE OF OREGON))ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 5 day of 2006, by Nancy E. Kowalski, V.P. Land Acquisition & Financing of Elk Horn Development LLC, an Oregon limited liability company, on its behalf.

OFFICIAL SEAL
PENNY FREE
NOTARY PUBLIC - OREGON
COMMISSION NO. A369154
MY COMMISSION EXPIRES JUL. 7, 2007

Notary Public for Oregon
My Commission Expires: 2007