

SUNRIVER PHASE II DECLARATION ESTABLISHING

DEER PARK I

AND

ANNEXING DEER PARK I TO RIVER VILLAGE

and subjecting property therein to certain covenants, restrictions, assessments, fines and penalties.

By instrument dated June 24, 1976, and recorded on July 7, 1976, in Volume 233 of the Records of Deeds of Deschutes County, Oregon, at Page 831, SUNRIVER PROPERTIES, INC., an Oregon Corporation, succeeded by SUNRIVER PROPERTIES OREGON, LTD., an Oregon Partnership, "the developer" has established the Plan of Sunriver Phase II.

The Plan of Sunriver Phase II contemplates that Developer will organize within Sunriver Phase II a number of residential areas, each of which will consist of a separate "village". Each village is to have its own development plan and own restrictions as to the use of private areas within the village.

Developer has determined upon a development plan for a village within Sunriver Phase II to be known as "River Village". The plan contemplates that River Village will be a community with diverse types of dwelling arrangements. Homes within River Village will be attractive either for permanent residence or for recreational use. Owners of homes within River Village will have available common areas within River Village for their use along with residents of Sunriver Phase II and that certain Reciprocal Easement Agreement dated June 24, 1976, and recorded on July 7, 1976, in Volume 233 of the Records of Deeds of the County of Deschutes, State of Oregon, Page 823 (the "Reciprocal Easement Agreement").

Developer proposes to establish and maintain a high standard for the improvement of private areas within River Village to the end that property within River Village will have a maximum value for those who acquire it and will not deteriorate in value.

Developer plans to subject to the Plan of Sunriver Phase II the areas which will eventually constitute all of River Village in several stages. By instrument dated July 6, 1976, entitled "Sunriver Phase II Declaration Establishing River Village I and Annexing River Village Unit I to Sunriver Phase II", Developer subjected to the Plan of Sunriver Phase II the initial area which is to constitute part of River Village. Such declaration was recorded on July 7, 1976, in Volume 233 of the Records of Deeds of Deschutes County, Oregon, at Page 886.

On JULY 30, 1981, Developer filed a plat entitled "Deer Park I", which plat is recorded in Volume 19 of the Records of Plats of Deschutes County, Oregon, at Page 68. The area described on such plat is an area in which homes will be single-family houses on individual lots. Developer now wishes to subject the property described on such plat, except Tracts A, B, and C thereof, to the Plan of Sunriver Phase II, to annex such property to River Village and to make provision for the conditions upon which private areas within such property may be used.

NOW, THEREFORE, Developer does hereby declare and provide as follows:

Section 1

DEFINITIONS

When used herein, the terms referred to below shall have the following meanings:

1.1 Incorporated by Reference. Each of the terms defined in Section 1 of the Plan of Sunriver Phase II shall have the meanings set forth in such Section 1. Each of the terms defined in Section 1 of the Sunriver Phase II Declaration Establishing River Village shall have the meanings set forth in such Section 1.

1.2 "Sunriver Phase II Declaration Establishing River Village" shall mean that certain document entitled "Sunriver Phase II Declaration Establishing River Village I and Annexing River Village Unit I to Sunriver Phase II" dated July 6, 1976, recorded July 7, 1976, in Volume 233 of the Records of Deeds of Deschutes County, Oregon at Page 886.

1.3 "Deer Park I" shall mean the area described on the plat entitled "Deer Park I" recorded on the 30TH day of JULY, 1981, in Volume 19 of Plats of Deschutes County, Oregon, at Page 68, as shown on such plat.

Section 2

SUBJECTION OF DEER PARK I
TO PLAN OF SUNRIVER PHASE II AND
ANNEXATION TO RIVER VILLAGE

2.1 Plan of Sunriver Phase II. Pursuant to Section 2.2 of the Plan of Sunriver Phase II, Developer does hereby certify as follows:

(a) The final plat of Deer Park I has been duly filed in Deschutes County, Oregon.

(b) Deer Park I has been subdivided and planned for development substantially in accordance with the Phase II Plan Map;

(c) The addition of Deer Park I to Sunriver Phase II will not require an increase of five percent or more in the maintenance assessment applicable to the units subject to the Plan of Sunriver Phase II or to the units subject to the Plan of Sunriver Phase I; and

(d) This annexation is within three years of the last annexation to the Plan of Sunriver Phase II, which occurred on April 1, 1980.

2.2 Land Classification. Deer Park I shall be subject to the Plan of Sunriver Phase II on the following terms and conditions:

(a) Each lot shown in the Plat of Deer Park I shall constitute a private area for purposes of the Plan of Sunriver Phase II. Each such lot shall constitute a "unit" within the meaning of Section 1.22 of the Plan of Sunriver Phase II. The owner of each such lot shall be a "unit owner" within the meaning of Section 1.23 of the Plan of Sunriver Phase II.

(b) Areas designated as "common" in said plat shall be common areas for all purposes of the Plan of Sunriver Phase II.

(c) Each roadway shown on said plat shall be a private way for all purposes of the Plan of Sunriver Phase II.

(d) There are no limited common areas in Deer Park I.

2.3 Annexation to River Village. Developer hereby declares that Deer Park I shall be a part of that certain village known as River Village referred to in the Sunriver Phase II Declaration Establishing River Village, and Deer Park I accordingly is hereby annexed to River Village.

Section 3

DECLARATION AS TO RESTRICTIONS ON USE

Deer Park I shall be subject to all of the covenants and restrictions set forth in the Sunriver Phase II Declaration Establishing River Village, including the reservation of easements set forth in Section 9 thereof. Deer Park I shall also be subject to the provisions set forth in Section 4 below. All private areas within Deer Park I are held and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved only in accordance with the provisions made in the Plan of Sunriver Phase II, the Sunriver Phase II Declaration Establishing River Village and this instrument.

Section 4

MISCELLANEOUS

4.1 Amendment and Repeal. Any provisions of this Sunriver Phase II Declaration may at any time be amended or repealed or provision may be added by any of the following methods:

(a) While Developer retains the beneficial ownership of 50 percent or more of the units within Deer Park I, by written consent of unit owners owning 75 percent of the units within Deer Park I; or

(b) By either of the methods provided in Section 10.1 of the Sunriver Phase II Declaration Establishing River Village.

Any amendment or repeal of a provision of this Sunriver Declaration or additional provisions shall become effective only upon the filing in the Records of Deeds of Deschutes County, Oregon, of a certificate of the secretary or assistant secretary of the Administrator Phase II setting forth in full the amendment, amendments, additional provision or repeal approved as provided in this section and certifying that said amendment, amendments, additional provision or repeal have been approved in the manner required therefor herein.

4.2 Duration. The covenants and provisions contained herein shall run with the land affected thereby and shall be and remain in full force and effect at all times with respect to all property included within Deer Park I and the unit owners thereof for an initial period of 45 years commencing upon July 7, 1976. Thereafter such provisions and covenants shall continue to run with the land and be and remain in full force and effect at all times with respect to all property in Deer Park I affected thereby and the unit owners thereof for successive additional periods of ten years each. The continuation from the initial or any additional period into the next subsequent period shall be automatic and without the necessity of any notice or consent whatever, provided, however, that such provisions and covenants may be terminated at the end of the initial or any additional period by any of the methods provided in Section 4.1 for the amendment, repeal or addition of a provision to this Sunriver Phase II Declaration. Any such termination shall become effective upon the filing in the Records of Deeds of Deschutes County, Oregon, a certificate of the secretary or assistant secretary of the Administrator Phase II certifying that termination as of a specified termination date has been approved in the manner required therefor herein not less than one year prior to the intended termination date.

4.3 Construction; Severability; Number; Captions.

This Sunriver Phase II Declaration shall be construed as an entire document to accomplish the purposes stated in the introductory paragraphs of this declaration. Nevertheless, each provision of this Sunriver Phase II Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision.

As used herein, the singular shall include the plural, and the plural the singular. The masculine and neuter shall each include the masculine, feminine and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of this Sunriver Phase II Declaration.

IN WITNESS WHEREOF, Sunriver Properties Oregon, Ltd., has executed this declaration this 7th day of May, 1981.

*SUNRIVER PROPERTIES OREGON, LTD.

By Charles P. Hansen
President, *Sunriver Management Corp.,
its Attorney-in-Fact.

By Sharon S. Hart
Secretary, *Sunriver Management Corp.,
its Attorney-in-Fact.

STATE OF OREGON)
) ss.
County of Deschutes)

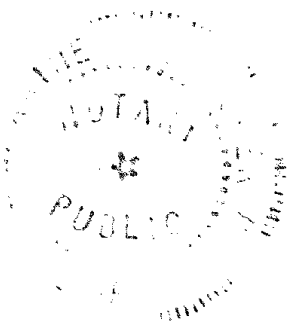
On this 7th day of May, 1981, personally appeared CHARLES P. HANSEN and SHARON S. HART, who being duly sworn, did say that they are the President and Secretary, respectively, of SUNRIVER MANAGEMENT CORP., Attorney-in-Fact for SUNRIVER PROPERTIES OREGON, LTD., and that the foregoing instrument was signed in behalf of said partnership by authority of its partners, and they acknowledged said instrument to be its voluntary act and deed.

Before me:

Maurice B. Fletcher
Notary Public for Oregon

My commission expires: 10-27-84

2305



STATE OF OREGON
County of Deschutes

I hereby certify that the within instrument of writing was received for Record the 30 day of July A.D. 1981 at 1:46 o'clock P. M. and recorded in Book 345 on Page 163 Records of Seeds

ROSEMARY PATTERSON
County Clerk

By Rhonda Lang Deputy