

87- 6235

SECOND AMENDMENT TO
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
(EAGLE CREST ESTATE HOMESITES)

This Second Amendment to Declaration of Covenants, Conditions and Restrictions for Eagle Crest Estate Homesites (the "Amendment") is made this 29th day of March, 1987, by the EAGLE CREST ESTATE HOMESITE OWNERS ASSOCIATION, an Oregon non-profit corporation (the "Association"), is as follows:

R E C I T A L S:

A. On or about June 24, 1985, Eagle Crest Partners, Ltd., an Oregon limited partnership, recorded that certain Declaration of Covenants, Conditions and Restrictions for Eagle Crest Estate Homesites in Book 98, Page 718 in the official records of the County Recorder of Deschutes County, Oregon (the "Declaration").

B. The Declaration encumbers that certain Eagle Crest Estate Homesite Project (the "Project") located in Deschutes County, Oregon, and more particularly described in Exhibit A attached hereto and made a part hereof.

C. The Association desires to amend the Declaration to provide for ownership of not more than twenty (20) Estate Homesites to be divided into tenant-in-common interests, with periodic exclusive use rights assigned to each such interest, subject to certain limitations specified below.

D. Paragraph 12.1 of the Declaration provides that the Declaration may be amended by a vote of a "Super Majority of Owners," as evidenced by a written instrument recorded in the Office of the County Recorder of Deschutes County, and executed by the Secretary of the Estate Homesite Owners Association, an Oregon nonprofit corporation. A "Super Majority of Owners" is defined, in Article I of the Declaration, as the "vote or written assent of Non-Declarant Owners entitled to vote or so asset and who collectively are entitled to exercise more than 75% of votes which may be exercised by such Non-Declarant Owners, and (ii) the consent of the Declarant." "Non-Declarant Owners" is defined in the Declaration as "all Owners other than Declarant." The Declarant is "Eagle Crest Partners Ltd., an Oregon limited partnership."

E. At a Special Meeting held by the Association on March 3, 1987, a Super-Majority of Owners has voted or given their written assent to the amendments set forth herein.

Bend Title Company

F. By this Amendment and pursuant to the power reserved to the Association to amend the Declaration, as provided in paragraph 12.1 thereof, the Association desires to amend the Declaration as hereinafter set forth.

AMENDMENTS

1. Paragraph 4.2 of the Declaration is hereby amended by deleting paragraph 4.2(b), and by substituting the following paragraph 4.2(b) therefor:

"4.2(b) Certain Timeshare or Interest Ownership Prohibited. Except as permitted in this Section 4.2(b), no purchaser of an Estate Homesite, or interest therein, or use thereof, shall receive a right in perpetuity, for life, or for a term of years, to the recurrent, exclusive use or occupancy of such property annually or on some other periodic basis if four or more such use or occupancy periods over a period of three years or more have been created with respect to such Property, and any such attempted conveyance shall be void; provided, however, this restriction shall not be interpreted to prevent joint ownership of Estate Homesites not including such exclusive use periods. Notwithstanding the preceding sentence, ownership of not more than twenty (20) Estate Homesites may be divided into tenant-in-common interests with periodic use rights assigned to each such interest, subject to the following limitations:

"(i) Lot 8, Block 7, and Lot 10, Block 9, Eagle Crest, may be divided into not more than five (5) tenant-in-common interests, and Lot 11, Block 9, Eagle Crest, may be divided into not more than six (6) tenant-in-common interests. An additional seventeen (17) Estate Homesites may be divided into not more than four (4) tenant-in-common interests each. Such seventeen (17) Estate Homesites shall be selected from Lot 5, Block 7, Lot 5, Block 9, Lot 12, Block 6, Lot 7, Block 7, Lot 3, Block 7, Lot 8, Block 9, and eleven (11) additional Estate Homesites to be selected by Declarant from time to time.

"(ii) No tenant-in-common owner may use the Estate Homesite Association Property or the Master Association Property except when in occupancy of the Estate Homesite during such owner's specific use period or when as a guest of the owner in occupancy.

"(iii) Any Estate Homesite owned by such tenants-in-common shall be subject to a maximum occupancy limit determined by multiplying the number of bedrooms in the home by two and adding three. For example, maximum occupancy for a three-bedroom home would be nine persons. A 'loft' shall be included in the definition of a bedroom."

2. Except as modified by this Amendment, the Declaration and each of its provisions shall remain in full force and effect without change.

EXECUTED the day and year first above written.

ASSOCIATION:

EAGLE CREST HOMESITE OWNERS ASSOCIATION, an Oregon nonprofit corporation

By William D. Dyche
Its President

By Karen A. Smith
Its Secretary

STATE OF OREGON)
County of Deschutes) ss.

The foregoing instrument was acknowledged before me this 24th day of March, 1987 by William D. Dyche and Karen A. Smith, president and secretary, respectively, of EAGLE CREST HOMESITE OWNERS ASSOCIATION, an Oregon nonprofit corporation, on its behalf.

Katherine C. Betsch
Notary Public for Oregon
My commission expires: 3-3-89

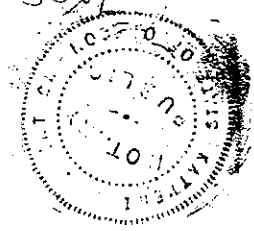


EXHIBIT A

Eagle Crest Estate Homesite Project
"First Subdivision"

All of the following-described lots as shown on the Eagle Crest Plat filed June 24, 1985 in the Office of the County Recorder in Deschutes County, Oregon:

Estate Homesites:

- Lots 3-12, Block 6
- Lots 2-12, Block 9
- Lots 14-24, Block 9
- Lots 3-10, Block 7
- Lots 13-22, Block 7

Recreation Lots:

- Lot 11, Block 7
- Lot 1, Block 8

Recreation Pathways:

- Lot 12, Block 7
- Lot 13, Block 9

Road Lots:

- Lot 10, Block 11
- Lot 11, Block 11

Open Space:

- Lot 13, Block 6
- Lot 2, Block 7

STATE OF OREGON)
COUNTY OF DESCHUTES) SS.

I, MARY SUE PENHOLLOW, COUNTY CLERK AND RECORDER OF CONVEYANCES, IN AND FOR SAID COUNTY, DO HEREBY CERTIFY THAT THE WITHIN INSTRUMENT WAS RECORDED THIS DAY:

87 MAR 31 AM 9:51

MARY SUE PENHOLLOW
COUNTY CLERK

BY: *Mary Sue Penhollow* DEPUTY

NO. 6235 FEE 17

DESCHUTES COUNTY OFFICIAL RECORDS