

SUNRIVER PHASE II DECLARATION ESTABLISHING
FAIRWAY CREST VILLAGE V

AND

ANNEXING FAIRWAY CREST VILLAGE V 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, "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 Sunriver Phase I as set forth in the Plan 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 October 1, 1979, Developer filed a plat entitled "Fairway Crest Village V", which plat is recorded in Volume 18 of the Records of Plats of Deschutes County, Oregon at Page 67. 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 F and G 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 "Fairway Crest Village V" shall mean the area described on the plat entitled "Fairway Crest Village V" recorded on the 1st day of October, 1979, in Volume 18 of Plats of Deschutes County, Oregon, at Page 67, as shown on such plat.

Section 2

SUBJECTION OF FAIRWAY CREST
VILLAGE V
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 Fairway Crest Village V has been duly filed in Deschutes County, Oregon.

(b) Fairway Crest Village V has been subdivided and planned for development substantially in accordance with the Phase II Plan Map;

(c) The addition of Fairway Crest Village V 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 May 16, 1979.

2.2 Land Classification. Fairway Crest Village V shall be subject to the Plan of Sunriver Phase II on the following terms and conditions:

(a) Each lot shown in the Plat of Fairway Crest Village V 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 Fairway Crest Village V.

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

Section 3

DECLARATION AS TO RESTRICTIONS ON USE

Fairway Crest Village V 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. Fairway Crest Village V shall also be subject to the provisions set forth in Section 4 below. All private areas within Fairway Crest Village V 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 Fairway Crest Village V, by written consent of unit owners owning 75 percent of the units within Fairway Crest Village V; 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 Fairway Crest Village V 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 Fairway Crest Village V 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, of 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, Inc., has executed this declaration this 10th day of October, 1979.

SUNRIVER PROPERTIES, INC.

By Charles P. Hansen
Executive Vice President

By Robert Hobart
Secretary

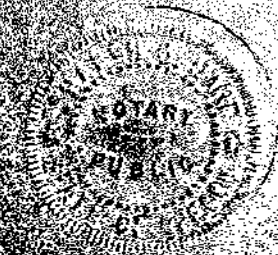
STATE OF OREGON)
) ss.
County of Deschutes)

On this 10th day of October, 1979, personally appeared CHARLES P. HANSEN and ROBERT HOBART, who, being duly sworn, did say that they are the Executive Vice President and Secretary, respectively, of SUNRIVER PROPERTIES, INC., and that the foregoing instrument was signed in behalf of said corporation by authority of its board of directors; and they acknowledged said instrument to be its voluntary act and deed.

Before me:

Harold D. Hart
Notary Public for Oregon

My commission expires: 2-27-82



ESS 706

10587

STATE OF OREGON

County of Deschutes

I hereby certify that the within instrument of writing was received in Record the 11 day of OCT AD 1977 at 10:20 A. M. and recorded in Book 909 on Page 212. Record of

ROSEMARY PATTERSON
County Clerk

By DM Lee Deputy

Ret
McCullough Bryant Associates
409 NE Greenwood
Bend, OR 97701

