

AFTER RECORDING RETURN TO:

Jordan Ramis PC
Two Centerpointe Drive, Suite 600
Lake Oswego OR 97035

UNTIL A CHANGE IS REQUESTED
SEND TAX STATEMENTS TO:

Tetherow Rim LLC
2131 NW High Lakes Loop
Bend, OR 97703

Deschutes County Official Records **2015-031744**
D-CCR
Stn=2 PG **08/03/2015 02:00:00 PM**
\$50.00 \$11.00 \$10.00 \$6.00 \$21.00 **\$98.00**

I, Nancy Blankenship, County Clerk for Deschutes County, Oregon,
certify that the instrument identified herein was recorded in the Clerk
records.

Nancy Blankenship - County Clerk

Return to Western Title & Escrow

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accommodation only. No liability
accepted for condition of title or
validity, sufficiency or affect of
document.

DECLARATION OF ANNEXATION TO TETHEROW (Tetherow Rim)

THIS DECLARATION OF ANNEXATION TO TETHEROW (this "**Declaration of Annexation**") is made as of this 30th day of July, 2015, by **SFI CASCADE HIGHLANDS LLC**, a Delaware limited liability company ("**Declarant**"), whose address is 1114 Avenue of the Americas, 39th Floor, New York, New York 10036 and **TETHEROW RIM LLC**, a Washington limited liability company ("**Neighborhood Declarant**"), whose address is 2440 W. Commodore Way, Suite 200, Seattle, Washington 98199. All references in this Declaration of Annexation to "**Neighborhood Declarant**" shall mean Tetherow Rim LLC and its successors and assigns, subject to Section 5 below.

RECITALS

A. Declarant is the successor declarant under the Declaration of Covenants, Conditions, Restrictions and Easements for Tetherow recorded October 3, 2007, in the Official Records of Deschutes County, Oregon, as Document No. 2007-53418 (the "**Declaration**"). The definitions contained in the Declaration are hereby adopted by reference.

B. The plat of "Tetherow Rim" was recorded in the Official Records of Deschutes County, Oregon, on March 27, 2015, as Document No. 2015-10789, in Plat Book I at Pages 39 through 43 (the "**Tetherow Rim Plat**"). Pursuant to Section 2.2 of the Declaration, Declarant wishes to annex the property depicted on the Tetherow Rim Plat as described on "**Exhibit A**" attached hereto (the "**Annexed Property**"), to Tetherow as Additional Property and subject to same to the Declaration, and to designate the Annexed Property as a Neighborhood to be known as "**Tetherow Rim.**" Neighborhood Declarant is the owner of the Annexed Property and wishes to consent to the foregoing annexation. This Declaration of Annexation constitutes a Supplemental Declaration under the Declaration.

NOW, THEREFORE, Declarant and Neighborhood Declarant hereby declare as follows:

1. Property Annexed. Declarant and Neighborhood Declarant declare that the Annexed Property is hereby annexed into Tetherow as Additional Property and that the Annexed Property is held and shall be held, conveyed, hypothecated, encumbered, used, occupied, and improved subject to the covenants, conditions, restrictions and easements contained in the Declaration, as modified or supplemented by the terms and provisions of this Declaration of Annexation.

2. Land Classifications. All of the land within the Annexed Property is included in one or another of the following classifications:

(a) Units which shall consist of Lots 1 through 29, as depicted on the Tetherow Rim Plat.

(b) Neighborhood Common Areas.

(c) There are no Common Areas within the Annexed Property.

3. Neighborhood Designation. Pursuant to Section 3.1 of the Declaration, the Annexed Property is hereby designated as a Neighborhood to be known as "**Tetherow Rim.**"

4. Additional Restrictions. In addition to the restrictions contained in the Declaration, the Annexed Property shall be subject to the following restrictions:

4.1 Single Family Residential Restriction. The use of all Units within the Annexed Property is restricted exclusively to single-family residences.

4.2 Neighborhood Declaration. Prior to the sale of the first Unit within Tetherow Rim to an Owner other than Neighborhood Declarant, Neighborhood Declarant shall execute and record a Neighborhood Declaration for Tetherow Rim (the "**Tetherow Rim Declaration**") and, upon such execution and recording, the Annexed Property shall be subject to all covenants, conditions, restrictions, and easements set forth in the Tetherow Rim Declaration. Pursuant to Section 17.2 of the Declaration, Declarant has the right to approve the Tetherow Rim Declaration. The Tetherow Rim Declaration shall constitute a Neighborhood Declaration under the Declaration.

4.3 Rental of Units. Unless an Owner is prohibited from leasing or renting his or her Unit by the terms of another document, an Owner shall be entitled to rent or lease his or her Unit if: (i) there is a written rental or lease agreement specifying that the tenant shall be subject to all provisions of the Governing Documents and a failure to comply with any provision of the Governing Documents shall constitute a default under the agreement; (ii) the period of the rental or lease is not less than thirty (30) days; (iii) the Owner gives notice of the tenancy to the Board and a copy of the lease, if requested, and has otherwise complied with the Governing Documents; (iv) the Owner gives each tenant a copy of the Governing Documents; and (v) the Unit is rented to not more than one (1) family at any time. Upon satisfaction of the foregoing conditions, all rights to the use and enjoyment of the Common Area shall be exercised by the

tenant rather than the Owner of the lease or rented Unit; however, the Owner shall not be relieved of the obligations and duties imposed by the Declaration. The Owner may be fined for any violations of the Governing Documents committed by the tenant. No Owner may lease or rent an unimproved Unit.

4.4 Timesharing Prohibited. No Unit may be subjected to any timeshare, fractional, co-ownership, or vacation club program without the prior written approval of the Declarant during the Development Period or, after the Development Period, the Board of Directors of the Association.

4.5 Social/Athletic Membership in Club. Pursuant to Sections 3.11 and 4.3 of the Declaration, all Owners within the Additional Property must maintain at least a Social/Athletic Membership in the Club.

5. Neighborhood Declarant. The Neighborhood Declarant for Tetherow Rim shall be Tetherow Rim LLC and its successors and assigns who acquire any of the rights or assume any of the obligations of a Neighborhood Declarant for Tetherow Rim under the Declaration or this Declaration of Annexation. If less than all of a Neighborhood Declarant's rights or obligations are transferred to a successor or assign, then the successor or assign shall only be deemed a Neighborhood Declarant with respect to those rights or obligations that are specifically assigned to or assumed by the successor or assign. One or more persons or entities may be a Neighborhood Declarant for Tetherow Rim at any given time. A Neighborhood Declarant shall not be liable for the obligations or liabilities of any other Neighborhood Declarant or the actions or inactions of any other Neighborhood Declarant, unless expressly assumed by a Neighborhood Declarant in writing or as otherwise provided in the Oregon Planned Community Act. The assignment or transfer of any Neighborhood Declarant rights or obligations shall be evidenced in a written instrument executed by the transferor and transferee and recorded in the Official Records of Deschutes County, Oregon, to the extent required by applicable law.

6. Neighborhood Association. Concurrently with the recording of the Tetherow Rim Declaration, Neighborhood Declarant shall form an Oregon nonprofit corporation by the name of "**The Tetherow Rim Homeowners Association.**" The Tetherow Rim Homeowners Association shall constitute a Neighborhood Association under the Declaration.

7. Neighborhood Maintenance.

7.1 Units. The Units within the Annexed Property shall at all times be maintained by the Owners thereof and/or the Tetherow Rim Homeowners Association, as applicable, in accordance with Section 10.1 of the Declaration and the terms and provisions of the Tetherow Rim Declaration.

7.2 Neighborhood Common Areas. Prior to the formation of the Tetherow Rim Homeowners Association and the recording of the Tetherow Rim Declaration, Neighborhood Declarant shall be responsible, at its sole cost and expense, for operating, managing, administering, insuring, maintaining, repairing, and replacing the Neighborhood Common Areas within the Annexed Property in accordance with the Declaration, as modified or

supplemented by this Declaration of Annexation. Upon the formation of the Tetherow Rim Homeowners Association and the recording of the Tetherow Rim Declaration, the Tetherow Rim Homeowners Association shall be responsible for operating, managing, administering, insuring, maintaining, repairing, and replacing the Neighborhood Common Areas within the Annexed Property in accordance with the Declaration, as modified or supplemented by this Declaration of Annexation, and shall perform any additional maintenance, repair, or other obligations as set forth in the Tetherow Rim Declaration. Neighborhood Declarant shall convey the Neighborhood Common Areas within the Annexed Property to the Tetherow Rim Homeowners Association in accordance with the Tetherow Rim Declaration. Notwithstanding the foregoing, the Tetherow Rim Homeowners Association may contract with, or otherwise arrange for, the Association or any other third party to provide management, administrative, maintenance, repair, or other services on behalf of the Tetherow Rim Homeowners Association with respect to the Neighborhood Common Areas within the Annexed Property or any other portion of the Annexed Property on such terms and conditions as agreed upon by the Tetherow Rim Homeowners Association and the Association or such other party, subject to any limitations contained in the Declaration or the Tetherow Rim Declaration.

7.3 Corrective Maintenance. If any portion of the Annexed Property is not maintained in accordance with the Declaration, as modified or supplemented by this Declaration of Annexation, or the Tetherow Rim Declaration, then the Association may exercise its corrective maintenance rights pursuant to Section 10.4 of the Declaration after giving the responsible party reasonable notice and an opportunity to correct the deficient maintenance. If the Association exercises its corrective maintenance rights in respect to the Neighborhood Common Areas within Tetherow Rim, then the Association may levy Individual Assessments in equal amounts against all Units within Tetherow Rim (including Units owned by Neighborhood Declarant) to fund the costs incurred by the Association for the corrective maintenance. If the Association exercises its corrective maintenance rights in respect to any Unit within Tetherow Rim, then the Association may levy an Individual Assessment against that Unit (including any Unit owned by Neighborhood Declarant) to fund the costs incurred by the Association for the corrective maintenance of that Unit.

8. Assessments. Each Unit within the Annexed Property shall be subject to assessment in the manner and to the extent provided in Article 11 of the Declaration, as modified or supplemented by this Section 8. The costs of operating, managing, administering, insuring, maintaining, repairing, and replacing the Neighborhood Common Areas within the Annexed Property shall be Neighborhood Expenses of Tetherow Rim Homeowners Association and the Tetherow Rim Homeowners Association shall assess such Neighborhood Expenses to each Unit within Tetherow Rim as Neighborhood Assessments and shall have the right to levy, enforce, and collect such Neighborhood Assessments in accordance with the Tetherow Rim Declaration. As provided in Section 11.2(a) of the Declaration, no Assessments (other than Individual Assessments) shall be levied against a Unit within the Annexed Property owned by Neighborhood Declarant until such time as the Unit is occupied for residential use.

9. Enforcement of Declaration. The Tetherow Rim Homeowners Association shall have a non-exclusive right, but no obligation, to enforce the terms and provisions of the Declaration, including any rules and regulations of the Association promulgated under the Declaration, as against any Owner of a Unit within Tetherow Rim, and the Tetherow Rim

Homeowners Association shall be entitled to the same remedies as the Association under the Declaration in connection with the exercise of any such enforcement rights. Nothing in this Section 9 shall be construed as to limit, restrict, or otherwise affect any of the enforcement rights of the Association under the Declaration.

10. Addition or Removal of Property from Neighborhood. Notwithstanding any provision in the Declaration to the contrary, no Property shall be added to or removed from Tetherow Rim unless it is also made subject to or withdrawn from, as applicable, to the Tetherow Rim Declaration in accordance with the terms and provisions of the Tetherow Rim Declaration.

11. Use of Neighborhood Common Areas. The Neighborhood Common Areas within the Annexed Property shall be for the sole and exclusive use of the Owners and occupants of Units within Tetherow Rim. Notwithstanding any provision in the Declaration to the contrary, neither Declarant nor the Association shall assign use of any portion of the Neighborhood Common Areas within the Annexed Property to any other Neighborhoods or to any other portion of the Property without the written consent of the Tetherow Rim Homeowners Association, and the written consent of Neighborhood Declarant as long as Neighborhood Declarant owns any portion of the property depicted on the Tetherow Rim Plat.

12. Delegation of Obligations to Neighborhood Association. Except as otherwise expressly provided in this Declaration of Annexation and notwithstanding any contrary provision in the Declaration, neither Declarant nor the Association shall delegate to the Tetherow Rim Homeowners Association any obligations under the Declaration with respect to the Annexed Property or any other Common Area that the Owners within Tetherow Rim have access to without the written consent of Neighborhood Declarant as long as Neighborhood Declarant owns any portion of the property depicted on the Tetherow Rim Plat.

13. Amendment.

13.1 This Declaration of Annexation may be amended by the affirmative vote or written consent of the Owners representing not less than seventy-five percent (75%) of all Units, based upon one (1) vote per Unit, including the affirmative vote or written consent of the Owners representing not less than seventy-five percent (75%) of the Units within Tetherow Rim, together with the written consent of Neighborhood Declarant as long as Neighborhood Declarant owns any portion of the property depicted on the Tetherow Rim Plat and the written consent of the Class B member of the Association, if such Class B membership has not been terminated as provided in the Declaration.

13.2 In no event shall an amendment under this Section 13 create, limit, or diminish any special rights of Declarant or Neighborhood Declarant without the written consent of Declarant or Neighborhood Declarant, as applicable, or change the boundaries of any Unit or any uses to which any Unit is restricted under this Declaration of Annexation or change the method of determining liability for common expenses, the method of determining the right to common profits, or the method of determining voting rights of any Unit unless the Owners of the affected Units unanimously consent to the amendment. Neither Declarant nor Neighborhood Declarant may amend this Declaration of Annexation to increase the scope of any special rights reserved in this Declaration of Annexation for Declarant or Neighborhood Declarant after the

sale of the first Unit within the Annexed Property to an Owner other than Neighborhood Declarant unless the Owners representing at least seventy-five percent (75%) of all Units, including at least seventy-five percent (75%) of the Units within Tetherow Rim, other than Declarant or Neighborhood Declarant, as applicable, agree to the amendment.

13.3 Any such amendment shall become effective only upon recordation in the Official Records of Deschutes County, Oregon, of a certificate of the President and Secretary of the Association setting forth in full the amendment so approved and certifying that such amendment has been approved in the manner required by the Declaration, this Declaration of Annexation and ORS 94.590, and acknowledged in the manner provided for acknowledgement of deeds.

IN WITNESS WHEREOF, Declarant and Neighborhood Declarant have executed this Declaration of Annexation as of the date first written above.

DECLARANT:

SFI CASCADE HIGHLANDS LLC, a Delaware
limited liability company

By: Eric Brooks
Name: Eric Brooks
Its: Vice President

STATE OF OREGON)
) ss.
County of _____)

This instrument was acknowledged before me on this _____ day of _____, 2015, by _____ as _____ of SFI Cascade Highlands LLC, a Delaware limited liability company.

*See attached
Acknowledgment
form. ANG*

NOTARY PUBLIC FOR OREGON
My Commission Expires: _____

[Acknowledgements and Signatures Continued on Following Page]

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Orange

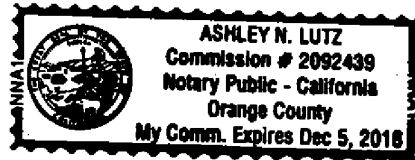
On 7/8/2015 before me, Ashley N. Lutz
(insert name and title of the officer)

personally appeared Eric Brooks
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in
his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Ashley N. Lutz (Seal)



NEIGHBORHOOD DECLARANT:

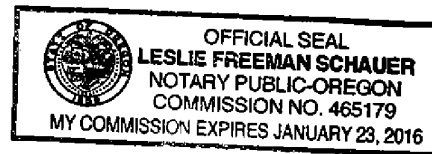
TETHEROW RIM LLC, a Washington limited liability company

By: Jack Lyle Willing

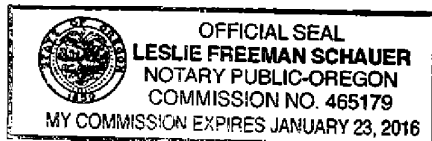
Name: JACK WILLING

Its: Member

STATE OF OREGON)
County of Deschutes) ss.



This instrument was acknowledged before me on this 30th day of July, 2015, by Jack Lyle Willing as Member of Tetherow Rim LLC, a Washington limited liability company.



Leslie Freeman Schauer
Notary Public for Oregon
Exp. 1/23/2016

EXHIBIT A

(Legal Description of the Annexed Property)

BEGINNING AT THE INITIAL POINT, MARKED BY A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "W&H PACIFIC," AND BEING THE NORTHEAST CORNER OF SAID DEVELOPMENT TRACT 'AC' OF TETHEROW PHASE 1 PLAT;

THENCE, ALONG THE BOUNDARY OF SAID DEVELOPMENT TRACT 'AC' OF TETHEROW PHASE 1, THE FOLLOWING FIVE COURSES;

THENCE, ALONG THE ARC OF A 370.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 28°45'01", AN ARC LENGTH OF 185.66 FEET (THE CHORD OF WHICH BEARS SOUTH 14°18'16" EAST 183.72 FEET);

THENCE SOUTH 28°40'47" EAST 223.81 FEET;

THENCE, ALONG THE ARC OF A 180.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 103°11'45", AN ARC LENGTH OF 324.20 FEET (THE CHORD OF WHICH BEARS NORTH 22°55'05" EAST 282.12 FEET);

THENCE SOUTH 74°30'58" WEST 255.86 FEET;

THENCE, ALONG THE ARC OF A 440.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 9°06'34", AN ARC LENGTH OF 69.95 FEET (THE CHORD OF WHICH BEARS SOUTH 69°57'41" WEST 69.88 FEET) TO THE MOST SOUTHERLY CORNER OF SAID DEVELOPMENT TRACT 'AC' OF TETHEROW PHASE 1;

THENCE, ALONG THE SOUTH BOUNDARY OF SAID DEVELOPMENT TRACT 'AB' OF TETHEROW PHASE 1, ALONG THE ARC OF A 440.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 13°07'06", AN ARC LENGTH OF 100.74 FEET (THE CHORD OF WHICH BEARS SOUTH 58°50'51" WEST 100.52 FEET) TO THE BOUNDARY OF SAID RECONFIGURED DEVELOPMENT TRACT 'AC';

THENCE, ALONG THE BOUNDARY OF SAID RECONFIGURED DEVELOPMENT TRACT 'AC,' THE FOLLOWING FIVE COURSES;

THENCE NORTH 34°27'24" WEST 37.09 FEET;

THENCE, ALONG THE ARC OF A 325.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 5°29'47", AN ARC LENGTH OF 31.17 FEET (THE CHORD OF WHICH BEARS SOUTH 37°12'18" EAST 31.17 FEET);

THENCE NORTH 39°57'11" WEST 332.71 FEET;

THENCE SOUTH 50°2'49" WEST 39.02 FEET;

THENCE NORTH 43°09'47" WEST 170.83 FEET TO THE BOUNDARY OF SAID
DEVELOPMENT TRACT 'AC' OF TETHEROW PHASE 1;

THENCE, ALONG THE BOUNDARY OF SAID DEVELOPMENT TRACT 'AC' OF
TETHEROW PHASE 1, THE FOLLOWING TWO COURSES:

THENCE NORTH 13°52'57" EAST 31.94 FEET;

THENCE NORTH 65°42'50" EAST 820.53 FEET TO THE INITIAL POINT.