

When recorded mail to:

EAGLE CREST PARTNERS LTD. 95-37535
P. O. BOX 1215
REDMOND, OR 97756

DECLARATION OF ANNEXATION

(EAGLE CREST PLANNED COMMUNITY)

THIS DECLARATION OF ANNEXATION, made this 26th day of October, 1995
by EAGLE CREST PARTNERS LTD., an Oregon limited partnership ("Declarant"), is as
follows:

RECITALS

A. Declarant is the developer of certain real property (the "Property") located in the County of Deschutes, State of Oregon, which Property is commonly known as Eagle Crest Planned Community (the "Project"). The Project consists of common area, and other real property developed or to be developed by Declarant, all subject to that certain Declaration of Covenants, Conditions, and Restrictions for the Eagle Crest Planned Community, as amended, dated June 24, 1985, and recorded June 24, 1985, in Book 98, Pages 675 through 717, Official Records of the Deschutes County Recorder (the "Declaration").

B. Declarant is the owner of certain real property adjacent to the Property (the "Master Association Annexable Property") more particularly described in Exhibit A attached hereto and made a part hereof. Declarant has the right pursuant to Article VIII of the Declaration, to cause all or a portion of the Master Association Annexable Property to be annexed to the Project.

C. By this Declaration of Annexation, Declarant intends to annex a portion of the Master Association Annexable Property described in Exhibit B attached hereto and made a part hereof to the Project and to establish a common scheme and plan for the use, enjoyment, repair, maintenance, restoration and improvement of the Master Association Annexable Property described in Exhibit B and the interests therein conveyed or reserved, and for the payment of taxes, assessments, insurance premiums and other expenses pertaining thereto, all as set forth in the Declaration.

NOW, THEREFORE, in furtherance of such intent, Declarant hereby declares as follows:

1. The Master Association Annexable Property described in Exhibit B shall be held, conveyed, hypothecated, mortgaged, encumbered, leased, rented, used, occupied and improved subject to the easements, covenants, conditions and restrictions set forth in the Declaration, as the Declaration may be amended from time to time, and subject to the "Master Association Policies and Procedures", (as the quoted term is defined in the Declaration) all of which easements, covenants, conditions and restrictions and the "Master Association Policies and Procedures" are

declared to be in furtherance of a plan established for the purpose of enhancing and perfecting the value, desirability and enjoyment of the Master Association Annexable Property, and the interest or interests therein to be conveyed or reserved. All such easements, covenants, conditions and restrictions and "Master Association Policies and Procedures" shall constitute covenants running with the land and equitable servitudes and liens, and shall be binding upon and for the benefit of Declarant and each such interest conveyed and shall be binding upon and for the benefit of all parties having or acquiring any right, title, interest or estate in the Master Association Annexable Property, including, but not limited to, the heirs, executors, administrators and assigns of any such parties and all subsequent owners and lessees of all or any part of the Master Association Annexable Property.

2. For all purposes of the Declaration, including, without limitation, voting and assessments, each platted lot described in the attached Exhibit B shall be an "Estate Homesite".

IN WITNESS WHEREOF, Declarant has hereunto caused this Declaration to be executed as of the day and year first above written.

"DECLARANT"
EAGLE CREST PARTNERS LTD., an Oregon
limited partnership, By Eagle Crest
G. P., inc., its General Partner

By Lauri J. Miller, Asst. Secretary
LAURI J. MILLER, Asst. Secretary

STATE OF OREGON, County of Deschutes: ss:

The foregoing instrument was acknowledged before me this 26th day of October, 1995, by LAURI J. MILLER, Asst. Secretary of EAGLE CREST G. P., INC., an Oregon corporation, General Partner of EAGLE CREST PARTNERS LTD., an Oregon limited partnership, on behalf of the partnership.



Cindy Barker
12/8/97

EXHIBIT A

EAGLE CREST PLANNED COMMUNITY
ANNEXABLE PROPERTY

The South Half of the Southeast Quarter (S1/2 SE1/4), and the Northwest Quarter of the Southeast Quarter (NW1/4 SE1/4) of Section Fourteen (14), Township 15 South, Range 12 East, Willamette Meridian, Deschutes County, Oregon, EXCEPT those portions described as follows:

Beginning at the Northeast corner of the Northwest Quarter of the Southeast Quarter (NW1/4 SE1/4) of said Section 14; said point also being 1309.8 feet West of the Quarter corner on the East line of said Section 14; thence South along line between the Northwest Quarter of the Northeast Quarter of said Southeast Quarter (NW1/4 NE1/4 SE1/4) a distance of 518.8 feet to a point on the Northerly bank of the Deschutes River; thence along the bank of said river as follows: North 72° 12' West a distance of 83.9 feet; thence North 48° 05' West a distance of 280.0 feet; thence North 1° 45' East a distance of 155.0 feet; thence North 24° 49' East a distance of 166.5 feet to a point on the North line of said Southeast Quarter (SE1/4) of Section 14; thence East along said North line a distance of 213.7 feet to the Point of Beginning.

ALSO EXCEPT: Beginning at the Northwest corner of said Northwest Quarter of the Southeast Quarter (NW1/4 SE 1/4), and running thence East along the North line thereof a distance of 271.43 feet, more or less, to the Easterly right-of-way line of the Tumalo Cline Falls Market Road, as now located over said premises, being the Point of Beginning; thence East along said North line to the Westerly bank of the Deschutes River, thence Southerly along said Westerly bank of said river a distance of 260 feet; thence West on a line parallel to the North line of said Northwest Quarter of the Southeast Quarter (NW1/4 SE 1/4) to the intersection of the said Easterly right-of-way line of said Tumalo-Cline Falls Road, thence Northerly along said Easterly right-of-way line to the Point of Beginning.

ALSO EXCEPT: Starting at the center of said Section 14, the initial point; thence North 87° 52' East along the North line of said NW1/4 SE1/4, 474.00 feet; thence South 15° 19' West 272.53 feet to the Point of Beginning; thence North 87° 52' East 443.15 feet to the high water mark on the Westerly side of the Deschutes River; thence South 12° 59' East 310.70 feet; thence South 87° 52' West 794.05 feet to the Easterly boundary line of Cline Falls-Tumalo State Highway; thence North 04° 54' East 113.10 feet along the Easterly boundary of the said Cline Falls-Tumalo Highway to the point of curve right; thence North 14° 51' East 202.95 feet; thence North 87° 52' East

220.45 feet the Point of Beginning.

ALSO EXCEPT: A parcel of land, situated in the NW1/4 SE1/4, more particularly described as follows: Starting at the center of said Section 14, the initial point; thence North 87° 52' East along the North line of said NW1/4 SE1/4, 474.00 feet; thence South 15° 10' West 272.53 feet; thence South 87° 51' West 202.95 feet; thence South 04° 54' West 113.10 feet to the Point of Beginning; thence North 87° 52' East 600.00 feet; thence South 02° 08' East 25.00 feet; thence South 87° 52' West 603.09 feet; thence North 04° 54' East 25.19 feet to the Point of Beginning.

ALSO EXCEPT: A parcel of land containing 11.90 acres, more or less, located in the Southeast One-Quarter of Section 14, Township 15 South, Range 12 East, Willamette Meridian, Deschutes County, Oregon, being more particularly described as follows:

Beginning at a point from which a 1/2" iron rod marking the South one-quarter corner of said Section 14 bears South 51° 50' 21" West a distance of 930.81 feet and from which a 1" iron rod marking the Southeast corner of said Section 14 bears South 74° 04' 02" East a distance of 1999.52 feet; thence North 61° 26' 48" West a distance of 125.00 feet; thence North 00° 23' 34" West a distance of 100.00 feet; thence North 14° 46' 09" East a distance of 354.30 feet; thence North 05° 24' 51" West a distance of 313.89 feet; thence North 20° 56' 08" West a distance of 185.78 feet; thence North 13° 28' 08" East a distance of 179.93 feet; thence North 80° 53' 25" East a distance of 64.95 feet; thence South 76° 28' 11" East a distance of 130.00 feet; thence South 57° 25' 57" East a distance of 167.06 feet; thence South 00° 25' 55" West a distance of 259.16 feet; thence South 37° 27' 13" East a distance of 435.07 feet; thence South 07° 36' 22" West a distance of 299.49 feet; thence South 19° 32' 26" West a distance of 180.58 feet; thence North 87° 30' 10" West a distance of 419.74 feet to the Point of Beginning, the terminus of this description.

ALSO EXCEPT: That portion of the NW1/4 of the SE1/4 of said Section 14 lying within the right-of-way of the Tumalo-Cline Falls Market Road (right-of-way is 60 feet in width).

That portion of Section Twenty-three (23), Township Fifteen (15) South, Range Twelve (12) East, Willamette Meridian, Deschutes County, Oregon, lying northerly and easterly of the following described line:

Beginning at the Northwest corner of the Northeast One-Quarter of the Northwest One-Quarter (NE1/4 NW1/4) of said Section 23;

thence following the West Line of said Northeast One-Quarter of the Northwest One-Quarter (NE1/4 NW1/4) South 00° 15' 28" East 1316.00 feet to a 1/8" iron rod, set during plat, being the Northwest corner of Lot 3 of Canyon River Territories (a plat on file with Deschutes County Surveyor prepared by Century West Resources Corporation dated 10/11/72); thence following the north line of Lot 3 and 4 of said plat, South 89° 23' 47" East 133.16 feet to a 5/8" iron rod, set for plat, marking the NE corner of said Lot 4; thence along the East line of said Lot 4 South 00° 25' 33" East a distance of 1308.13 feet to a 1 1/2" iron pipe, set during plat, marking the Southeast corner of said Lot 4; thence following the North line of Lots 9 and 10 of said plat South 89° 45' 44" East a distance of 1331.54 feet to a 5/8" iron rod, set during plat, marking the Northeast corner of said Lot 10; thence along the east line of said Lot 10 South 00° 40' 24" East a distance of 1326.85 feet to a 5/8" iron rod set for plat marking the Southeast corner of said lot; thence leaving said plat boundary and following the South line of the Northeast One-Quarter of the Southeast One-Quarter (NE1/4 SE1/4) South 89° 45' 31" East a distance of 1337.27 feet to the Southeast corner of said Northeast One-Quarter of the Southeast One-Quarter (NE1/4 SE1/4) being the terminus of this described line.

Except therefrom: That portion of the NE1/4 of the NW1/4 of Section 23 lying within the right-of-way of the Tumalo Cline Falls Market Road.

AND

IN TOWNSHIP FIFTEEN (15) SOUTH, RANGE TWELVE (12) EAST OF THE WILLAMETTE MERIDIAN, Deschutes County, Oregon:

Section Twenty-four (24): That portion of the Southwest Quarter of the Northwest Quarter (SW1/4 NW1/4) lying West of the centerline of the Deschutes River and that portion of the Northwest Quarter of the Southwest Quarter (NW1/4 SW1/4) lying West of the centerline of the Deschutes River.

AND

That portion of the Northwest Quarter of the Northwest Quarter (NW1/4 NW1/4) of Section Twenty-four (24), lying Westerly of the centerline of the Deschutes River in TOWNSHIP FIFTEEN (15) SOUTH, RANGE TWELVE (12) EAST OF THE WILLAMETTE MERIDIAN, Deschutes County,

Oregon. EXCEPTING THEREFROM a portion of the Northwest Quarter of the Northwest Quarter (NW1/4 NW1/4) of Section 24, TOWNSHIP 15 SOUTH, RANGE 12 EAST OF THE WILLAMETTE MERIDIAN, lying Westerly of the centerline of the Deschutes River in Deschutes County, Oregon, and more particularly described as follows: Commencing at a 1 1/2 inch pin at the Northwest section corner of said Section 24, the initial point; thence South 00° 37' 10" East along the section line common to said Sections 24 and 23, 685.48 feet to a 1/2 inch pipe and the POINT OF BEGINNING; thence North 88° 15' 13" East, 967.23 feet to the centerline of the Deschutes River witness by a 1/2" pipe 217.58 feet from the Easterly extremity; thence 720.40 feet along the arc of a 857.30 foot radius curve right forming a delta angle of 48° 08' 47" and a long chord bearing South 16° 22' 29" East, 699.39 feet; thence North 89° 58' 46" West along the Southerly line of said Northwest Quarter of the Northwest Quarter (NW1/4 NW1/4), 1157.02 feet to a 1/2 inch pipe; thence North 00° 37' 10" West along the section line common to said Sections 24 and 23, 641.16 feet to the POINT OF BEGINNING.

AND

Description of a parcel of land situated in a portion of the Southwest Quarter of the Southwest Quarter (SW1/4 SW1/4) of Section Twenty-Four (24), TOWNSHIP FIFTEEN (15) SOUTH, RANGE TWELVE (12) EAST OF THE WILLAMETTE MERIDIAN, Deschutes County, Oregon, more particularly described as follows:

Commencing at a 1" rod monumenting the South 1/4 corner of Section 24, TOWNSHIP 15 SOUTH, RANGE 12 EAST OF THE WILLAMETTE MERIDIAN, the Initial Point, thence North 89° 58' 31" West, along the South line of the Southwest Quarter (SW1/4) of said Section 24, 1391.13 feet to the East line of the Southwest Quarter of the Southwest Quarter (SW1/4 SW1/4); thence North 00° 05' 47" West, along said East line, 1325.32 feet to the North line of said Southwest Quarter of the Southwest Quarter (SW1/4 SW1/4); thence North 89° 55' 47" West, along said North line, 678.15 feet to the centerline of the Deschutes River and the TRUE POINT OF BEGINNING; thence North 89° 55' 47" West, along said North line 713.83 feet to the West line of said Southwest Quarter (SW1/4); thence South 00° 07' 58" East, along said West line 1124.02 feet to a 1/2" pipe with a plastic cap stamped "PLS 1652," a point witnessed by the Southwest corner of said Section 24 which bears South 00° 07' 58" East 202.42 feet and also witnessed by a 1/2" pipe per Mansfield's 1972

survey which bears South 89° 58' 31" East 30.16 feet; thence South 89° 58' 31" East, parallel with the South line of said Southwest Quarter (SW 1/4), 218.43 feet to the centerline of the Deschutes River; thence along said centerline as follows: North 33° 52' 04" East, 95.39 feet; thence North 30° 31' 12" East, 160.32 feet; thence North 46° 04' 29" East, 382.57 feet; thence North 22° 16' 24" East, 269.87 feet; thence North 04° 07' 05" East, 168.73 feet; thence North 08° 07' 04" West, 224.75 feet to the TRUE POINT OF BEGINNING.

AND

A portion of the Northwest Quarter of the Northwest Quarter (NW1/4 NW1/4) of Section Twenty-four (24), TOWNSHIP FIFTEEN (15) SOUTH, RANGE TWELVE (12) EAST OF THE WILLAMETTE MERIDIAN, Deschutes County, Oregon, lying Westerly of the centerline of the Deschutes River, and more particularly described as follows:

Commencing at a 1 1/2" point at the Northwest section corner of said Section 24, the Initial Point; thence South 00° 37' 10" East along the section line common to said Sections 24 and 23, 685.48 feet to a 1/2 inch pipe and the POINT OF BEGINNING; thence North 88° 15' 13" East, 967.23 feet to the centerline of the Deschutes River witness by a 1/2 inch pipe 217.58 feet from the Easterly extremity; thence 720.40 feet along the arc of a 857.30 foot radius curve right forming a delta angle of 48° 08' 47" and a long chord bearing South 16° 22' 29" East, 699.39 feet; thence North 89° 58' 46" West along the Southerly line of said Northwest Quarter of the Northwest Quarter (NW1/4 NW1/4), 1157.02 feet to a 1/2 inch pipe; thence North 00° 37' 10" West along the section line common to said Sections 24 and 23, 641.16 feet to POINT OF BEGINNING.

AND

That certain real property situated in Deschutes County, State of Oregon, described as follows:

That portion of the Southwest Quarter of the Southwest Quarter (SW1/4 SW1/4) of Section Thirteen (13), lying Westerly of the centerline of the Deschutes River, in TOWNSHIP FIFTEEN (15) SOUTH, RANGE TWELVE (12) EAST OF THE WILLAMETTE MERIDIAN, Deschutes County, Oregon.

SUBJECT TO: All easements, restrictions,
and rights-of-way of record and those common
and apparent on the land.

AND

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That certain real property situated in Deschutes
County, State of Oregon, described as follows:

That portion of the Northeast Quarter of
the Southeast Quarter (NE 1/4 SE 1/4) of Section
Fourteen (14), lying Southerly of the
centerline of the Deschutes River in TOWNSHIP
FIFTEEN (15) SOUTH, RANGE TWELVE (12) EAST OF
THE WILLAMETTE MERIDIAN, Deschutes County,
Oregon.

AND

That certain real property situated in Deschutes
County, State of Oregon, described as follows:

That portion of the East Half, Southwest
Quarter (E 1/2 SW 1/4), Section Fourteen (14)
lying Easterly of Cline Falls Market Road,
TOWNSHIP FIFTEEN (15) SOUTH, RANGE TWELVE (12)
EAST OF THE WILLAMETTE MERIDIAN, Deschutes
County, Oregon.

AND

That certain real property situated in Deschutes
County, State of Oregon, described as follows:

That portion of the Northwest Quarter,
Southwest Quarter (NW 1/4 SW 1/4), Section
Twenty-three (23) lying Easterly of Cline
Falls Market Road, TOWNSHIP FIFTEEN (15)
SOUTH, RANGE TWELVE (12) EAST OF THE
WILLAMETTE MERIDIAN, Deschutes County, Oregon;

AND

The East 440 feet of the North 990 feet of the Southeast Quarter of the
Southeast Quarter (SE 1/4, SE 1/4) of Section Twenty-three (23), Township
Fifteen (15) South, Range Twelve (12) East of the Willamette Meridian, Deschutes
County, Oregon.

AND

The Southeast Quarter of the Southeast Quarter (SE 1/4, SE 1/4) of Section
Twenty-three (23), Township Fifteen (15) South, Range Twelve (12) East of the
Willamette Meridian, Deschutes County, Oregon.

AND

The South 330 feet of the Southeast Quarter of the Southeast Quarter (SE 1/4,
SE 1/4) of Section Twenty-three (23), Township Fifteen (15) South, Range Twelve
(12) East of the Willamette Meridian, Deschutes County, Oregon.

Beginning at the Southwest corner of Section Twenty-three (23), Township Fifteen (15) South, Range Twelve (12) East of the Willamette Meridian, Deschutes County, Oregon; thence South 89° 45' 18" East 3357.512 feet to the TRUE POINT OF BEGINNING; thence North 00° 32' 58" West, 663.379 feet; thence South 89° 45' 25" East 335.035 feet; thence South 00° 36' 41" West 663.400 feet; thence North 89° 45' 18" West 335.751 feet to the TRUE POINT OF BEGINNING.

AND

389 - 0335

A portion of the Northwest one-quarter of the Southeast one-quarter of Section 23, Township 15 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon, described as follows: Commencing at the E 1/4 corner of said Section 23, the initial point; thence North 89° 45' 44" West along the North line of the said SE 1/4 - 1331.54 feet to the center East 1/16th corner; thence South 00° 40' 24" East along the East line of said NW 1/4 SE 1/4 - 663.42 feet to the point of beginning; thence South 00° 40' 24" East along the East line of the said NW 1/4 SE 1/4 - 663.42 feet to the center 1/16th corner of said NW 1/4 SE 1/4; thence North 89° 45' 31" West along the south line of the said NW 1/4 SE 1/4 - 334.32 feet; thence North 00° 36' 41" West - 663.40 feet; thence South 89° 45' 37.5" East - 333.60 feet to the point of beginning.

AND

A tract of land in Section 23, Township 15 South, Range 12 East, of the Willamette Meridian, Deschutes County, Oregon described as follows: Commencing at the East 1/4 corner of said Section 23, thence North 89° 45' 44" West along the North line of said Southeast 1/4 - 1331.54 feet to the Center East 1/16 corner; thence South 00° 40' 24" East along the East line of the said Northwest 1/4 Southeast 1/4 - 663.42 feet; thence North 89° 45' 37.5" West 333.60 feet to the true point of beginning; thence South 00° 36' 41" East 663.40 feet to the South line of the said Northwest 1/4 Southeast 1/4; thence North 89° 45' 31" West along the South line of the said Northwest 1/4 Southeast 1/4 334.33 feet; thence North 00° 32' 58" West 663.38 feet; thence South 89° 45' 37.5" East 333.60 feet to the point of beginning.

AND

The Northeast Quarter of the Northwest Quarter of the Southeast Quarter (NE1/4, NW1/4, SE1/4) of Section 23, Township 15 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon.

AND

The Northwest Quarter of the Northwest Quarter of the Southeast Quarter (NW1/4, NW1/4, SE1/4) of Section 23, Township 15 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon.

AND

The South Half of the Northeast Quarter of the Northeast Quarter of the Southwest Quarter (S1/2, NE1/4, NE1/4, SW1/4) of Section 23, Township 15 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon.

AND

The North Half of the Northeast Quarter of the Northeast Quarter of the Southwest Quarter (N1/2, NE1/4, NE1/4, SW1/4) of Section 23, Township 15 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon.

AND

The East Half of the Southeast Quarter of the Southeast Quarter of the Northwest Quarter (E1/2, SE1/4, SE1/4, NW1/4) of Section 23, Township 15 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon.

AND

389 - 0336
The West Half of the Southeast Quarter of the Southeast Quarter of the Northwest Quarter (W1/2, SE1/4, SE1/4, NW1/4) in Section 23, Township 15 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon.

AND

The Northeast Quarter of the Southeast Quarter of the Northwest Quarter (NE1/4, SE1/4, NW1/4) of Section 23, Township 15 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon.

AND

The East half of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter (E1/2, NW1/4, SE1/4, NW1/4) of Section 23, Township 15 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon.

AND

The West half of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter (W1/2, NW1/4, SE1/4, NW1/4) of Section 23, Township 15 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon.

AND

That part of the Southwest Quarter of the Northwest Quarter of Section 23, Township 15 South, Range 12 East of the Willamette Meridian lying Easterly of the Tumalo-Cline Falls Highway, Deschutes County, Oregon.

AND

Such other real property situated in Deschutes County, State of Oregon, as may hereafter be acquired by Declarant and be adjacent to the subject property on the Annexable Property;

EXCEPTING THEREFROM all those parcels previously annexed to the Master Association.

389 - 0337

EXHIBIT B

LEGAL DESCRIPTION OF
MASTER ASSOCIATION ANNEXABLE PROPERTY
BEING ANNEXED TO THE DECLARATION

The following described property as shown on Eagle Crest Plat XIII recorded October 26, 1995
in the office of the County Recorder in Deschutes County, Oregon:

Estate Homesite Lots: 5, 8, 31, 32, 33, 37, 40, 41, 42, 43 and 44

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:

95 OCT 26 PM 4:21

MARY SUE PENHOLLOW
COUNTY CLERK

BY: Wallace DEPUTY

NO. 95-37535 FEE 5500
DESCHUTES COUNTY OFFICIAL RECORDS