



AFTER RECORDING, RETURN TO:

The Falls Owners Association

P.O. Box 638

Redmond, OR 97756

**FIRST AMENDMENT TO BYLAWS OF
THE FALLS OWNERS ASSOCIATION**

THIS FIRST AMENDMENT to the Bylaws of The Falls Owners Association (the "Association"), adopted this 7 day of APRIL, 2005, is as follows:

RECITALS

A. The Initial Bylaws of the Falls Owners Association were adopted on September 20, 2002 by Eagle Crest, Inc., an Oregon corporation (the "Declarant") and C Corp., Inc., an Oregon corporation (the "Project Declarant") and recorded November 1, 2002, as Document 2002- 61058, in the office of the County Clerk, Deschutes County, Oregon (the "Bylaws").

B. Pursuant to Article 14 of its terms, the Bylaws may be amended by members holding a majority of the voting rights, together with the written consent of the Class B member, if any.

C. Members holding a majority of the voting rights, by vote in person or by proxy at a meeting of members held on April 7, 2005, have approved the amendment to the Bylaws as set forth herein and the written consent of the Class B member has been obtained.

NOW, THEREFORE, the Association hereby adopts the following First Amendment to the Bylaws.

AMENDMENT

1. Section 3.7(a) of the Bylaws is hereby amended by deleting the phrase "ninety percent (90%)" and replacing it with "seventy-five percent (75%)".
2. Except as modified by this First Amendment, the Bylaws and each of its provisions shall remain in full force and effect without change.

(remainder of page intentionally left blank)

IN WITNESS WHEREOF, the parties have caused this First Amendment to Bylaws of The Falls Owners Association to be executed as of the day and year first above written.

THE FALLS OWNERS ASSOCIATION
An Oregon nonprofit mutual benefit corporation

By: [Signature]
President

By: [Signature]
Secretary

CLASS B MEMBER CONSENT:
C CORP., an Oregon corporation

By: [Signature]
Secretary

Certification

The undersigned President and Secretary of The Falls Owners Association hereby certify that the within First Amendment to Bylaws of The Falls Owners Association has been approved and adopted in accordance with Article 14 of the Declaration.

By: [Signature]
President

By: [Signature]
Secretary

STATE OF OREGON)
)ss.
County of Deschutes)

The foregoing was acknowledged before me this 17th day of October, 2005, by David Weigant and George Werner, President and Secretary, respectively, of The Falls Owners Association, on its behalf.



Karil A. Rasmussen
Notary Public for Oregon
My commission expires: 4/19/09

STATE OF OREGON)
)ss.
County of Deschutes)

The foregoing was acknowledged before me this 17th day of October, 2005, by George Werner as Secretary for C CORP., an Oregon corporation.



Karil A. Rasmussen
Notary Public for Oregon
My commission expires: 4/19/05