

Recording Requested By:

MTL 40270

When Recorded Mail To:

Trendwest Resorts, Inc.  
Legal Department  
12301 N.E. 10th Place  
Bellevue, WA 98005

**DECLARATION OF ANNEXATION TO VACATION OWNER PROGRAM**

**(WORLD MARK, THE CLUB - THE RUNNING Y RANCH RESORT)**

(Unit 208)

THIS DECLARATION OF ANNEXATION is made July 24, 1997, by TRENDWEST RESORTS, INC., an Oregon Corporation ("Declarant"), WORLD MARK, THE CLUB, a California Non-Profit Mutual Benefit Corporation ("Club" or "Co-Declarant") and RUNNING Y RESORT., an Oregon corporation ("Owner").

A. Property. Owner is or was the equitable owner of all of the property specifically described on Exhibit A attached hereto and incorporated herein (the "Property"). The Property was or will be transferred at Declarant's direction from Declarant's contract vendor directly to Club as owner. In addition, Club owns the property covered by the "Declaration" described in Paragraph B below.

B. Declaration. Declarant and Co-Declarant previously recorded a Declaration of Vacation Owner Program (World Mark, The Club - The Running Y Ranch Resort) dated December 23, 1996, and recorded on February 5, 1997, in Volume M97, at Page 3592 Records of Klamath County, Oregon ("Declaration"), as the same may be amended, which covers the property described in Exhibit "A" to the Declaration. Except as may be specifically modified herein, the provisions and definitions of the Declaration are hereby incorporated herein in their entirety.

C. Annexation. Declarant, Owner and Club hereby declare that from and after the date of the Declaration of Annexation all of the Property is held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved subject to the Declaration. This Declaration of Annexation is adopted according to the procedures and authority of Restriction 8 of the Declaration.

- D. Reservation of Easements. In accordance with Restriction 8 of the Declaration, there are hereby reserved reciprocal easements of use, enjoyment, access, ingress and egress over the Property and appurtenant to all property subject to the Declaration.
- E. Exhibits. The following exhibit is attached hereto and incorporated herein:  
A - Property Description and Vacation Credit Allocation.

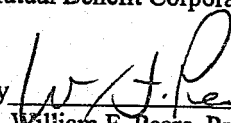
IN WITNESS WHEREOF, Declarant, Owner and Club have executed this Declaration of Annexation on the day and year first above written.

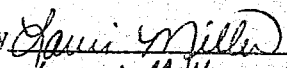
Declarant:  
TRENDWEST RESORTS, INC.,  
an Oregon Corporation

By   
Jeffery P. Sites, Secretary

Owner:  
RUNNING Y RESORT  
an Oregon corporation

Club/Co-Declarant:  
WORLDMARK, THE CLUB,  
a California Non-Profit  
Mutual Benefit Corporation


By   
William F. Peare, President

By   
Lauri Miller, Asst. Secretary

STATE OF WASHINGTON )  
 ) ss  
 COUNTY OF KING )

On this 9 day of August, 1997, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Jeffery P. Sites to me known to be the Secretary of **TRENDWEST RESORTS, INC.**, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned and on oath stated that he is authorized to execute the said instrument.

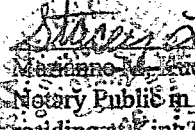
Witness my hand and official seal hereto affixed the day and year first above written.

  
Stacey Lawrence  
 Notary Public in and for the State of Washington  
 residing at King County  
 My commission expires: 10/09/00 8/98

STATE OF WASHINGTON )  
 ) ss  
 COUNTY OF KING )

On this 9 day of August, 1997, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared William F. Peare to me known to be the President of **WORLD MARK, THE CLUB**, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.

  
Stacey Lawrence  
 Notary Public in and for the State of Washington  
 residing at King County.  
 My commission expires: 10/09/00

STATE OF Oregon )  
 ) ss  
COUNTY OF Deschutes )

On this <sup>23</sup>21 day of August, 1997, before me, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared Laura J. Miller to me known to be the Asst Secretary of Eagle Crest Inc, the Corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said Corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.

Terr L Brown  
Notary Public in and for the State of Oregon  
residing at Deschutes County  
My commission expires: 3/27/98



**EXHIBIT A**  
**TO**  
**DECLARATION OF ANNEXATION**

**LEGAL DESCRIPTION**  
**&**  
**VACATION CREDIT ALLOCATION**

That certain real Property located in the County of Klamath, State of Oregon described as follows:

Lot 87, RUNNING Y RESORT, PHASE 1, according to the official plat recorded August 2, 1996, on file in the office of the Klamath County Clerk, and all improvements located thereon; located in the County of Klamath, State of Oregon.

Vacation Credits are hereby allocated to the Units as follows:

<u>Unit No.</u>	<u>Vacation Credits</u>
208	502,000

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Amerititle the 12th day  
of August A.D., 19 97 at 11:08 o'clock A. M., and duly recorded in Vol. 197,  
of Deeds on Page 26377.

FEE \$30.00

By Bernetha G. Letsch, County Clerk  
Kathleen Ross