

Recording Requested By:

When Recorded Mail To:

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

MTC 42926

DECLARATION OF ANNEXATION TO VACATION OWNER PROGRAM

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

(Units 109, 110, 209-214, 309-316, 404-409 and 501-505)

THIS DECLARATION OF ANNEXATION is made October 15, 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.

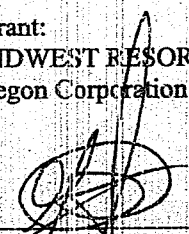
B. Declaration. Declarant and Co-Declarant previously recorded a Declaration of Vacation Owner Program (WorldMark, The Club - The Running Y Ranch Resort) dated December 23, 1996, and recorded on February 5, 1997, in Volume M97, at Page 3592 Records of Klamath County, Oregon ("Declaration"), as the same 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 Variation Credit Allocation.

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

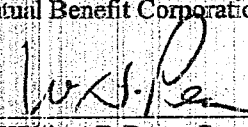
Declarant:
TRENDWEST RESORTS, INC.,
an Oregon Corporation

By 
Jeffery P. Sitis, Secretary

Owner:
RUNNING Y RESORT
an Oregon corporation

By 
David M. Sillis, Secretary

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

By 
William F. Pearce, President

STATE OF WASHINGTON)

) ss

COUNTY OF KING)

On this 16th day of October, 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.


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

STATE OF WASHINGTON)

) ss

COUNTY OF KING)

On this 16th day of October, 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.


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

STATE OF Oregon)
COUNTY OF Klamath) ss

On this 17 day of October, 1997, before me, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared Laura Miller to me known to be the Real Estate Owner of Property located in the County of Klamath, 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.

Terry L Brown

Notary Public in and for the State of Oregon,
residing at Deschutes County
My commission expires: 3-27-98

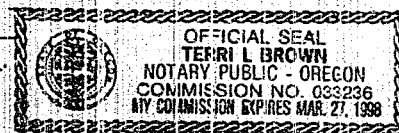


EXHIBIT A
TO
DECLARATION OF ANNEXATION
LEGAL DESCRIPTION
&
VACATION CREDIT ALLOCATION

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

Lot 88, 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>
109	406,000
110	406,000
209	406,000
210	406,000
211	406,000
212	358,000
213	358,000
214	358,000
309	406,000
310	406,000
311	406,000
312	358,000
313	358,000
314	358,000
315	406,000
316	502,000
404	406,000
405	358,000
406	358,000
407	358,000
408	406,000
409	502,000
501	358,000
502	358,000
503	358,000
504	406,000
505	406,000

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of America Title the 21st day
of October A.D., 19 97 at 3:35 o'clock P.M., and duly recorded in Vol. M97
of Deeds on Page 34696

FEE \$30.00

By Bernetha G. Leisch, County Clerk
Kittler Ross