

AFTER RECORDING, RETURN TO:

Ms. Lesley Edwards
Resort Resources, Inc.
P. O. Box 1466
Bend, OR 97709

200 OCT 17 AM 11:19

MTL 43649

**TERMINATION DECLARATION OF PHASE 1
OF RANCH VIEW HOMESITES
TO
RUNNING Y RANCH RESORT**

THIS TERMINATION DECLARATION made this 13th day of October, 2000, by **RUNNING Y RESORT, INC.**, an Oregon corporation, ("**Declarant**") is as follows:

RECITALS

A. Running Y Ranch Resort consists of certain real property ("**Property**") located in the County of Klamath, State of Oregon. The "**Property**", known as Running Y Ranch Resort, within Klamath County, Oregon, is subject to that certain Declaration of Protective Covenants, Conditions, Restrictions and Easements for Running Y Ranch Resort, dated August 2, 1996, and recorded August 2, 1996, in Volume M96, Page 23548, Official Records of Klamath County Recorder (hereinafter referred to as the "**Declaration**"). Each of the definitions contained in the Declaration are hereby adopted by reference.

B. By Declaration Annexing Phase 1 of Ranch View Homesites to Running Y Ranch Resort dated May 15, 2000 and recorded May 15, 2000 in Volume M00, Page 17848, Official Records of the Klamath County Recorder, Declarant caused certain Additional Property ("**Annexed Property**") described in **Exhibit A** attached hereto and made a part hereof to be annexed to the Declaration and the Project known as Ranch View Homesites (the "**Project**").

C. Declarant has the right pursuant to Article 2, Section 2.4 of the Declaration, to cause the Annexed Property to be withdrawn at any time without prior notice and without the consent of any Owner at any time prior to the sale of the first Lot in the Annexed Property. As of the date of this Termination Declaration, Declarant has not conveyed title to any of the Annexed Property.

D. By this Termination Declaration, Declarant intends to deannex the Additional Property from the Property and the Project.

NOW, THEREFORE, in furtherance of such intent, Declarant hereby declares that the Annexed Property shall be removed and deannexed from the Declaration and the Project, and shall be free from the obligations, requirements, declarations, limitations, covenants, conditions and restrictions set forth in the Declaration and the Association Policies and Procedures. The Annexed Property contains one hundred one (101) Lots together with related Common Areas and Project Common Areas.

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

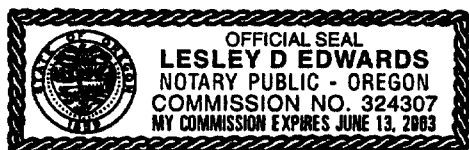
"DECLARANT"

RUNNING Y RESORT, INC., an Oregon corporation

By Lauri Miller
Its Asst. Secretary

STATE OF OREGON)
)ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 13th day of October, 2000, by Lauri Miller, the Asst. Secretary of RUNNING Y RESORT, INC., an Oregon corporation.



Lesley D. Edwards
Notary Public for Oregon
My commission expires: 6/13/2003

EXHIBIT A**"Annexed Property"**

All of the following described property as shown on Running Y Resort, Phase 8 plat recorded on May 5, 2000 in the office of the County Recorder, Klamath County, Oregon.

Residential Lots: Lots 606 - 706 as shown on Running Y Resort, Phase 8 plat.

Common Areas: Merlin Way, Grosbeak Drive, Horned Lark Drive, Goshawk Drive, and Fox Sparrow Drive, "Common Area A", "Common Area B", "Common Area C", "Common Area D", "Common Area E" and "Common Area F" shall be Common Area.

State of Oregon, County of Klamath
Recorded 10/17/00, at 11:19 a. m.
In Vol. M00 Page 37761 -
Linda Smith,
County Clerk Fee\$ 31⁰⁰