

AFTER RECORDING, RETURN TO:

Ms. Lesley Edwards  
Resort Resources, Inc.  
P. O. Box 1466  
Bend, OR 97702

2000 OCT 17 AM 11:19

mtc 43649  
**DECLARATION ANNEXING PHASE 2  
OF RANCH VIEW HOMESITES  
TO  
RUNNING Y RANCH RESORT**

**THIS DECLARATION** is made this 13<sup>th</sup> day of October, 2000, by **RUNNING Y RESORT, INC.**, an Oregon corporation ("**Declarant**").

**RECITALS**

A. Declarant is the Declarant under 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 the records of Klamath County, Oregon, in Volume M96, Page 23548 (the "**Master Declaration**").

B. Declarant wishes to annex certain real property described on attached **Exhibit A** (the "**Additional Property**") to the Master Declaration and to designate the Additional Property as Phase 1 of the Ranch View Homesites Project.

C. The Master Declaration provides that additional properties may be annexed to Running Y Ranch Resort pursuant to the provisions of Section 2.2 of the Master Declaration. Declarant wishes to annex the Additional Property to Running Y Ranch Resort upon the terms and conditions set forth in this Declaration.

**NOW, THEREFORE**, Declarant does hereby declare and provide as follows:

1. **DEFINITIONS.** As used in this Declaration, the terms set forth below shall have the following meanings:

1.1 **Additional Property.** Additional Property means all the real property described in **Exhibit A**.

1.2 **Master Declaration.** Master Declaration means the Declaration of Protective Covenants, Conditions, Restrictions and Easements for Running Y Ranch Resort, dated August 2, 1996 and recorded August 2, 1996, in the records of Klamath County, Oregon, in Volume M96, Page 23548.

1.3 **Incorporation by Reference.** Except as otherwise specifically provided in this Declaration, each of the terms defined in Article 1 of the Master Declaration shall have the meanings set forth in such Article.

2. **ANNEXATION.** The Additional Property is hereby annexed to Running Y Ranch Resort and made subject to the Master Declaration on the terms and conditions set forth in this Declaration.

3. **PROJECT.** The Additional Property shall be Phase 2 of the Project known as Ridge View Homesites.

4. **LAND CLASSIFICATIONS.** The Additional Property is included in one or another of the following classifications:

4.1 **Residential Lots.** All numbered platted lots within the Additional Property, but excluding any tract labeled as "Common Area" or "Common Lot" on such plat, shall be Residential Lots as defined in Section 1.32 of the Master Declaration.

4.2 **Other Classifications.** There are no Common Areas, Limited Common Areas, Common Easement Areas, Project Common Areas or Public Areas in the Additional Property.

5. **MASTER DECLARATION.** The Additional Property shall be subject to all of the terms and provisions of the Master Declaration, except that Section 7.16 (Minimum Dwelling Size) shall not be applicable to the Additional Property.

6. **ADDITIONAL RESTRICTIONS.** The Additional Property shall be subject to the following additional restrictions:

6.1 **Noise; Exterior Lighting and Noise-making Devices.** Occupants of Living Units shall exercise extreme care not to make noises which may disturb occupants of other Living Units. Except with the consent of the Association and the Architectural Review Committee, no exterior lighting or noise-making devices shall be installed or maintained on any Lot within Ranch View Homesites. Owners shall not tamper with exterior lighting except to replace expended bulbs with similar new bulbs.

6.2 **Windows, Decks, Porches, Outside Walls and Yards.** In order to preserve the attractive appearance of Ranch View Homesites, the Association may regulate the nature of items which may be placed in or on windows, decks, entry porches, outside walls and yards so as to be visible from outside of the Lot. Garments, rugs, laundry and other similar items may not be hung from windows, facades, porches or decks.

6.3 **Alterations.** Owners are expressly prohibited from painting or changing the exterior of the building or other structure without written permission of the Architectural Review Committee and the Association. No fences or other structures may be installed outside of the Living Unit without the prior written approval of the Association and Architectural Review Committee. Garage space may not be modified to enclose garages as living space unless such modification includes construction of a replacement garage and is approved in advance by the Association and Architectural Review Committee.

6.4 **Minimum Dwelling Size.** No dwelling intended or used as the primary dwelling on a Residential Lot may be constructed or maintained unless the interior floor area of such dwelling (excluding garage) contains at least 1,400 square feet. The maximum permissible interior floor area shall be limited only by constraints of the building site area and other reasonable limitations as may be established by the Architectural Review Committee.

6.5 **Design Specifications.** In order to maintain the visual integrity of Ranch View Homesites, the Architectural Review Committee will limit its approval of all Improvements and front yard landscaping to Committee specified designs, colors and materials as described in pre-approved design plans in the Design Guidelines as adopted from time to time by the Committee. Pre-approved building plans are specified for each Lot as described on attached **Exhibit B** and approved structures must be located within the building envelope established by the Committee for each Lot. For purposes of this section, the establishment of pre-approved design plans for structures shall not be deemed to waive the requirement that all construction plans and specifications must be submitted to and approved in writing by the Architectural Review Committee as provided in Article 8 of the Master Declaration.

6.6 **Insurance.** Nothing shall be done or kept on any Lot or Common Area which will increase the cost of insurance on the Living Units or Common Areas. No Owner shall permit anything to be done or kept in his Living Unit or in the Common Areas which would result in cancellation of insurance on any Lot or any part of the Common Areas.

6.7 **Landscape.** All exterior landscape installations and plantings must be approved by the Association and the Architectural Review Committee.

6.8 **Project Policies and Procedures.** In addition, the Association from time to time may adopt, modify or revoke such policies and procedures governing the conduct of persons in the operation and use of Lots, Living Units and Project Common Areas within Ranch View Homesites as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of Ranch View Homesites. A copy of the Policies and Procedures, upon adoption, and a copy of each amendment, modification or revocation thereof, shall be furnished by the Association Board of Directors to each Owner within Ranch View Homesites and shall be binding upon all Owners and occupants of all Lots within Ranch View Homesites upon the date of delivery. The method of adoption of such Policies and Procedures shall be as provided in the Bylaws of the Association.

6.9 **Household Composition.** No policy adopted as provided in Section 6.8 of this Declaration shall interfere with the freedom of Owners to determine the composition of their households, except that the Association shall have the power to require that all occupants be members of a single housekeeping unit and to limit the total number of occupants permitted in each Living Unit on the basis of the size and facilities of the Living Unit and its fair use of the Common Area.

6.10 **Leasing of Living Units.** "Leasing," for purposes of this Section, is defined as regular, exclusive occupancy of a Living Unit by any person, other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument. All leases shall be in writing, and must have a minimum lease term of 28 days or longer. Notice of any lease, together with such additional information as may be required by the Association, shall be given to the Association by the Owner within 10 days of execution of the lease. The Owner must make available to the lessee copies of the Declaration, Master Declaration, Bylaws, and Policies and Procedures.

7. **AMENDMENT.** This Declaration may be amended by Declarant at any time prior to the closing of the sale of the first lot in the Additional Property. Thereafter, this Declaration may only be amended by the vote or written consent of Owners owning not less than seventy-five percent (75%) of the Lots within Ranch View Homesites, together with the written consent of the Class B member of the Association, or if a Project Association has been established, the written consent of the Class B member of the Project Association for Ranch View Homesites, if such Class B membership has not been terminated. Any such Amendment shall become effective only upon recordation in the Deed Records of Klamath County, Oregon, of a certificate of the President or Secretary of the Association, or of the Project Association if a Project Association has been established, setting forth in full the amendments so approved and certifying that the Amendment has been approved in the manner required by this Declaration. In no event shall such an Amendment create, limit or diminish special Declarant rights without Declarant's written consent.

8. **BINDING EFFECT.** The Additional Property, including all Lots, Common Areas, Common Easement Areas and Project Common Areas therein, shall be held, conveyed, hypothecated, encumbered, used, occupied, and improved only in accordance with the provisions of the Master Declaration, as modified by this instrument, which easements, covenants, restrictions, and charges shall run with the Additional Property and shall be binding upon all parties having or acquiring any right, title or interest in the Additional Property, or any part thereof, and shall inure to the benefit of each Owner thereof. Declarant may assign its status as Declarant under this Declaration to a Successor Declarant for Ranch View Homesites.

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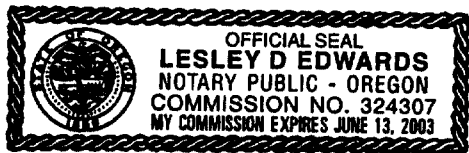
IN WITNESS WHEREOF, Declarant has executed this Declaration as of the day and year first set forth above.

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 13<sup>th</sup> 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 614 – 620, Lots 633 – 650, Lots 676 – 680 and 682 - 706 as shown on Running Y Resort, Phase 8 plat.

**EXHIBIT B**  
**MODELS**

The following is a list of Models outlined in Ranch View Master Plan prepared by Rozewski & Co. that Declarant has assigned to such Lots in Phase 2 of Ranch View Homesites:

**Models assigned to each Lot**

|         |         |
|---------|---------|
| Model A | Lot 614 |
| Model A | Lot 615 |
| Model A | Lot 616 |
| Model C | Lot 617 |
| Model B | Lot 618 |
| Model B | Lot 619 |
| Model B | Lot 620 |
| Model A | Lot 633 |
| Model A | Lot 634 |
| Model A | Lot 635 |
| Model A | Lot 636 |
| Model A | Lot 637 |
| Model A | Lot 638 |
| Model A | Lot 639 |
| Model A | Lot 640 |
| Model E | Lot 641 |
| Model D | Lot 642 |
| Model D | Lot 643 |
| Model D | Lot 644 |
| Model D | Lot 645 |
| Model B | Lot 646 |
| Model B | Lot 647 |
| Model B | Lot 648 |
| Model B | Lot 649 |
| Model B | Lot 650 |
| Model D | Lot 676 |
| Model D | Lot 677 |
| Model D | Lot 678 |
| Model D | Lot 679 |
| Model D | Lot 680 |
| Model E | Lot 682 |
| Model E | Lot 683 |
| Model E | Lot 684 |
| Model E | Lot 685 |
| Model E | Lot 686 |
| Model E | Lot 687 |
| Model E | Lot 688 |
| Model E | Lot 689 |
| Model A | Lot 690 |
| Model E | Lot 691 |
| Model C | Lot 692 |
| Model C | Lot 693 |
| Model C | Lot 694 |
| Model C | Lot 695 |
| Model C | Lot 696 |
| Model C | Lot 697 |
| Model C | Lot 698 |
| Model C | Lot 699 |
| Model C | Lot 700 |
| Model B | Lot 701 |
| Model B | Lot 702 |
| Model B | Lot 703 |
| Model B | Lot 704 |
| Model B | Lot 705 |
| Model B | Lot 706 |

State of Oregon, County of Klamath  
Recorded 10/17/00, at 11:19 a.m.  
In Vol. M00 Page 37773  
**Linda Smith,**  
County Clerk Fee \$ 51<sup>00</sup>