



I, Deanna Berman, County Clerk for Crook County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.

Deanna Berman



AFTER RECORDING RETURN TO:

**Ball Janik LLP
15 SW Colorado, Suite K
Bend, OR 97702
Attn: Laura Craska Cooper**

**DECLARATION OF ANNEXATION OF REAL PROPERTY TO
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF IRONHORSE**

This DECLARATION OF ANNEXATION OF REAL PROPERTY TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF IRONHORSE (this "Declaration") is made this 18th day of May 2007, by IronHorse Development LLC, an Oregon limited liability company ("Declarant").

Recitals:

A. Declarant recorded that certain Declaration of Protective Covenants, Conditions, and Restrictions for IronHorse, on December 12, 2006, in the Official Records of Crook County, State of Oregon, at Volume 2006, Page 217283 (as amended from time to time, the "CC&Rs").

B. On May 18, 2007, Declarant recorded the plat (the "Plat") of IronHorse 2, Phase 1 in the Official Records of Crook County, Oregon, at Volume 2007, Page 221309 Plat Cabinet 6, Pages 1-12, platting that certain real property described therein into residential lots, streets and tracts.

C. Pursuant to Article XI of the CC&Rs, Declarant desires to annex those lots shown on the Plat as Lots 1 - 54 and Lots 56 - 59 (each an "Annexed Lot", collectively the "Annexed Property" to the real property that is subject to the CC&Rs, upon the terms and conditions contained in this Declaration).

NOW, THEREFORE, Declarant hereby declares that the Annexed Property shall be held, sold and conveyed subject to the CC&Rs, the Bylaws and the terms of this Declaration and that the easements, covenants, restrictions and charges contained in the CC&Rs, the Bylaws and herein shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest in the Annexed Property, or any part thereof, and shall inure to the benefit of each owner thereof.

ARTICLE 1 DEFINITIONS

Except to the extent otherwise defined herein, capitalized terms used in this Declaration shall have the meanings ascribed to such terms in the CC&Rs.

ARTICLE 2 ANNEXATION OF PROPERTY

The Annexed Property is hereby annexed to and made a part of the Property, and is owned and shall be owned, held, conveyed, hypothecated, encumbered, used, occupied and improved in perpetuity, subject to the easements, covenants, restrictions and charges contained in the CC&Rs, as modified or supplemented by the terms of this Declaration. Commencing as of the date hereof, all of the covenants, conditions and restrictions of the CC&Rs shall apply to the Annexed Property in the same manner as if it were originally covered by the CC&Rs. Each of the Annexed Lots shall constitute a "Lot" under the CC&Rs.

ARTICLE 3 MEMBERSHIP IN ASSOCIATION

The Owner of each Annexed Lot shall become a member of the Association and shall be entitled to voting rights as set forth in the CC&Rs and the Bylaws. Ownership of each Annexed Lot shall be subject to the terms of the Bylaws.

ARTICLE 4 ASSESSMENTS

The Annexed Lots shall be subject to assessment in the manner and on the terms set forth in the CC&Rs. Assessments for the Annexed Lots shall commence on the first day of the first month following the month in which the first Annexed Lot is conveyed to an Owner unrelated to Declarant.

ARTICLE 5 COMMON AREAS

The Common Area included in the Annexed Property, and which shall be conveyed to the Association not later than the Turnover Meeting, is identified on the Plat as "Tract A" consisting of 5.46 acres and including all Improvements located thereon now or in the future.

Until the Turnover Meeting, Declarant reserves the right, in its sole discretion, to (i) install, construct, repair, replace and/or maintain on any of the Common Areas such Improvements (which shall include, without limitation, landscaping and trails) and utilities as it shall deem advisable in its sole discretion; and (ii) grant such easements and/or impose such use restrictions, in the name of the Association, related to such trails, other Improvements and/or utilities, as it shall deem advisable in its sole discretion. Accordingly, an easement is hereby reserved for the Declarant to enter upon the Common Areas, including all trails within the Property, for purposes of installing, constructing, repairing, replacing and/or maintaining trails, other Improvements and/or utilities on any of the Common Areas. Upon construction, any such trails, other Improvements and, subject to the terms of applicable Easements, such utilities, shall be Common Areas of the Association. The use of such trails, other Improvements and utilities shall be subject to any applicable recorded easements and use restrictions, any applicable governmental permits and laws and to such rules and regulations as may be established by the Declarant or Association from time to time. The maintenance, repair and replacement of such trails and other Improvements shall be the responsibility of the Association.

ARTICLE 6 AMENDMENTS

6.1 Term and Amendments. The covenants and restrictions of this Declaration shall run with and bind the Annexed Property for so long as the CC&Rs are valid. This Declaration may be amended in the same manner as the CC&Rs may be amended, pursuant to Section 12.3 of the CC&Rs. Subject to the provisions of Sections 6.2 of this Declaration, and notwithstanding any provisions hereof to the contrary, the Declarant may, at its sole discretion and without consent being required of anyone, modify, amend or repeal this Declaration at any time before the closing of the sale on the first Annexed Lot, provided said amendment, modification, or repeal is in writing and properly recorded in the Official Records of Crook County, Oregon. Declarant further reserves the right at any time to amend this Declaration, or any amendment hereto, in order to correct scrivener's errors. In no event shall an amendment pursuant to this Section create, limit, or diminish Declarant's special rights without Declarant's written consent or change the boundaries of any Lot or any use to which any Lot is restricted unless the Owners of the affected Lots consent to the amendment.

6.2 Regulatory Amendments. Notwithstanding the provisions of Section 6.1 of this Declaration, until the Turnover Meeting described in the Bylaws and CC&Rs, Declarant shall have the right to amend this Declaration, the CC&Rs or the Bylaws in order to comply with the requirements of any applicable statute, ordinance, regulation or guideline of any department, bureau, board, commission or agency of the United States or the State of Oregon, or any corporation wholly owned, directly or indirectly, by the United States or the State of Oregon that insures, guarantees or provides financing for a planned community or lots in a planned community or to comply with the Oregon Planned Community Act.

ARTICLE 7 MISCELLANEOUS PROVISIONS

7.1 Non-Waiver. Failure by the Association or by any Owner of an Annexed Lot to enforce a covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

7.2 Construction; Severability. This Declaration and the CC&Rs shall be liberally construed as one document to effect the annexation of the Annexed Property to the Property. Nevertheless, each provision of this Declaration and the CC&Rs shall be deemed independent and severable, and the invalidity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision.

7.3 Run with Land. This Declaration and the covenants, restrictions and changes described herein shall run with the land and shall be binding on the parties and any person acquiring any right, title, or interest in the Annexed Property.

7.4 Termination. This Declaration shall terminate upon the termination of the CC&Rs in accordance with the terms thereof.

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

DECLARANT:

**IRONHORSE DEVELOPMENT LLC,
An Oregon limited liability company**

By: *[Signature]*
Name: *Kirk Schueler*
Title: *President, Brooks Land and Cattle
Company LLC, Managing Member*

STATE OF OREGON)
 Deschutes) ss.
COUNTY OF ~~CROOK~~)

The foregoing instrument was acknowledged before me the *18* day of *May* 2007, by *Kirk Schueler*, the *President* of IronHorse Development LLC, an Oregon limited liability company, on behalf of the company.

Sheila M Stout
Notary Public, State of Oregon
My Commission Expires: *12/3/10*

