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**2010 AMENDED AND RESTATED
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR RIVERWOOD HOMEOWNERS ASSOCIATION**

This 2010 Amended and Restated Covenants, Conditions and Restrictions for Riverwood Homeowners Association ("2010 Amended and Restated Covenants, Conditions and Restrictions") is made this 15 day of October, 2010, by Riverwood Homeowners Association, an Oregon nonprofit corporation ("Association") pursuant to ORS 94.590.

RECITALS

A. Riverwood is a planned community (the "Planned Community") that is governed by the following documents recorded July 19, 1995, in the Records of Multnomah County, Oregon:

Amended Covenants, Conditions and Restrictions for Riverwood Homeowners Association recorded as Document No. 95-84636 (the "1995 Covenants").

Bylaws of Riverwood Homeowners Association recorded as an attachment to the 1995 Covenants.

B. The Association is the association of owners formed to serve as the means through which the owners may take action with regard to administration, management and operation of the Planned Community. The Association was incorporated as a nonprofit corporation under the Oregon law by Articles of Incorporation filed February 12, 1971, in the office of the Oregon Secretary of State, Corporation Division

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C. The property currently subject to the 1995 Covenants and the jurisdiction of the Association is described as follows:

Stonehurst, Block 3, Lots 2 thru 25, recorded December 10, 1970, in Book 1201, Page 81, Plat Records of Multnomah County, Oregon

Stonehurst, Block 3, Lots 26-49, recorded April 4, 1972, in Book 1202, Page 87, Plat Records of Multnomah County, Oregon.

Stonehurst, Block 3, Lots 50 - 93, recorded July 18, 1973, in Book 1204, Page 50, Plat Records of Multnomah County, Oregon.

D. As of January 1, 2002, Riverwood is a Class I Planned Community and subject to the provisions of the Oregon Planned Community Act (ORS 94.550 to 94.783) as provided in ORS 94.572.

E. Pursuant to Section 3 of Article XII of the 1995 Covenants and ORS 94.572 and 94.590, by a vote determined July 31, 2010, owners entitled to cast at least seventy five percent (75%) of the votes of the membership approved amendments to the 1995 Covenants (2010 Amendments to 1995 Covenants").

F. ORS 94.590(6) permits a board of directors, upon the adoption of a resolution, to cause restated covenants to be prepared, executed and recorded to codify individual amendments that have been adopted in accordance with ORS 94.590 without further approval of owners.

G. By resolution adopted September 9, 2010, pursuant to ORS 94.590(6), the Board of Directors voted to cause the 1995 Covenants to be restated to codify the 2010 Amendments to 1995 Covenants and to cause 2010 Amended and Restated Covenants, Conditions and Restrictions to be executed and recorded as provided in ORS 94.590.

H. 2010 Amended and Restated Bylaws of Riverwood Homeowners Association are being recorded concurrently with this 2010 Amended and Restated Covenants, Conditions and Restrictions.

NOW, THEREFORE, pursuant to ORS 94.590, the Board of Directors hereby restates the 1995 Covenant to codify the amendments set forth in Recital E above. The 1995 Covenants are hereby restated to read as follows:

PREAMBLE

WHEREAS, Declarant is the successor and assigns of those individuals who executed, July 23, 1973, the original COVENANTS, CONDITIONS AND RETRICTIONS FOR RIVERWOOD HOWEOWNERS ASSOCIATION, said original Covenants, Conditions and Restrictions affecting the following described real property: Lots 2 thought 25, Tract D, Block 3,; Lots 26 through 49, Tract E, Block 3; and Lots 50 through 93, and Tract F, Block 3, STONEHURST ADDITION TO MULTNOMAH COUNTY, more particularly described in Exhibit A to said original Covenants, Conditions and Restrictions, and by this reference

incorporated therein as if set forth in full; and

WHEREAS, the original Declarant subjected all of Said Property to certain protective covenants, conditions, restrictions, reservations, easements, liens and charges for the benefit of Said Property and its then and subsequent Owners as hereinafter specified and did convey Said Property subject thereto; and

WHEREAS, present Declarant intends to amend and modify the original Covenants, Conditions and Restrictions in certain particulars and to ratify and affirm the same, except as herein modified and amended;

NOW, THEREFORE, this Declarant hereby declares that all of the Said Property is held upon and subject to the easements, conditions, covenants, restrictions and reservations of the original Covenants, Conditions and Restrictions for Riverwood Homeowners Association, except as herein amended and modified; all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of Said Property. These easements, covenants, restrictions, conditions and reservations shall constitute covenants to run with the land and shall be binding upon all persons claiming under them and also that these conditions, covenants, restrictions, easements and reservations shall inure to the benefit of and be limitations upon all future owners of Said Property, or any interest therein.

ARTICLE I **DEFINITIONS**

1. **"Association"** shall mean and refer to RIVERWOOD HOMEOWNERS ASSOCIATION, a non-profit corporation organized under the laws of the State of Oregon, its successors and assigns.

2. **"Said Property"** shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

3. **"Common Area"** shall mean all real property, and appurtenances thereto, now or hereafter owned by the Association for the common use and enjoyment of the members of the Association.

4. **"Lot"** shall mean and refer to a numerically designated and platted lot on a recorded subdivision plat of Said Property and to any parcel of Said Property under one ownership consisting of a portion of one or more Lots or contiguous portions of two or more contiguous Lots and upon which a dwelling has been constructed. "Lot" does not mean any Common Area.

5. **"Member"** shall mean and refer to every person or entity who holds membership in this Association.

6. **"Owner"** shall mean and refer to the record owner (including contract buyers), whether one or more persons or entities, of all or any part of Said Property, excluding those

having such interest merely as security for the performance of an obligation.

7. **"Declarant"** shall mean the Riverwood Homeowners Association, acting by and through its Board of Directors, as the successor and assigns of those individuals who executed, on July 23, 1973, the original Covenants, Conditions and Restrictions for Riverwood Homeowners Association.

8. **"Mortgage"** shall mean and refer to any mortgage, land sale contract or deed of trust, and "Mortgagee" shall refer to the mortgagee, vendor or beneficiary under a deed of trust.

9. **"Assessment"** shall mean and refer to any charge imposed or levied by the Association on or against an Owner or Lot pursuant to the provisions of these Covenants, the Bylaws or the Act, including Regular Assessments and Special Assessments.

10. **"Regular Assessment"** shall mean and refer to the regular annual or other regular periodic assessment as provided under Article V of these Covenants.

11. **"Special Assessment"** shall mean and refer to additional assessments for special purposes as provided under Article V of these Covenants.

12. **"Act"** shall mean and refer to the Oregon Planned Community Act, ORS 94.550 to 94.783, as it may be amended from time to time.

13. **"Bylaws"** shall mean and refer to Bylaws of Riverwood Homeowners Association recorded July 19, 1995, as Document No. 95-84636 (as an attachment to the Covenants), Records of Multnomah County, Oregon, as the document may be amended from time to time.

14. **"Covenants"**

a) Shall mean and refer to Amended Covenants, Conditions and Restrictions for Riverwood Homeowners Association recorded July 19, 1995, as Document No. 95-84636, Records of Multnomah County, Oregon, as the document may be amended from time to time

b) Unless the content requires otherwise, means a declaration defined under the Act.

15. **"Dwelling," "Dwelling Unit," and "Living Unit"** shall mean and refer to a building or portion of a building located on a Lot and designated for separate occupancy as a residence.

16. **Additional Definitions**

a) **Incorporation by Reference.** Except as otherwise provided in these Covenants, unless the context clearly requires otherwise, terms used in these Covenants, whether or not capitalized, that are defined in ORS 94.550 have the meanings set forth in ORS 94.550.

b) **Other Definitions.** Terms that are not defined in this article but are

defined elsewhere in these Covenants, whether or not capitalized, have the respective meanings given them in the provisions of these Covenants.

ARTICLE II **MEMBERSHIP**

Every person or entity who is a record Owner (including contract buyers) of a fee or undivided fee interest in any Dwelling Unit or any Lot located upon any part of Said Property shall, by virtue of such ownership, be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

Membership shall be appurtenant to and may not be separated from ownership of any such Dwelling Unit or Lot made subject to the jurisdiction of the Association. Such ownership shall be the sole qualification for membership and shall automatically commence upon a person becoming such owner, and shall automatically terminate and lapse when such ownership in Said Property shall terminate or be transferred.

ARTICLE III **VOTING RIGHTS**

Members shall be entitled to one (1) vote for each Dwelling Unit and Lot in which they hold the interest required for membership by Article II. When more than one person holds such interest in any Dwelling Unit or Lot, all such persons shall be members. The vote for such Dwelling Unit or Lot shall be exercised as they, among themselves determine, or if unable to agree, they may cast fractional votes proportionate to their ownership interest, but in no event shall more than one (1) vote be cast with respect to any one Dwelling Unit or Lot.

The vote applicable to any of Said Property being sold under a contract of purchase shall be exercised by the contract buyer unless the contract expressly provides otherwise.

In order to prevent duplication of voting rights, if the Owner of a Dwelling Unit is entitled to a vote by reason of any such ownership, neither he/she nor any other person shall be entitled to a vote by virtue of ownership of any interest in the land upon which is located the building in which such Dwelling Unit is located.

ARTICLE IV **PROPERTY RIGHTS**

1. **Members' Easements of Enjoyment.** Every Member of the Association shall have a right and easement of enjoyment in and to the Common Areas, and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject, however, to the following provisions.

a) The right of the Association to limit the number of members permitted to use a particular part of the Common Areas at any one time;

b) The right of the Association to charge reasonable admission fees for the use of any recreational facility or other facility now or hereafter situated upon the Common Areas or otherwise controlled by the Association, including particularly, the right to charge an annual or other periodic fee for members who desire exclusive use of such facility and who are willing to pay a special fee or assessment for such use; provided, however, that any such fee shall not be in excess of an amount necessary to reimburse the Association for the cost thereof, including operation, maintenance and amortizing replacement cost thereof;

c) The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Areas and facilities and in aid thereof, to mortgage said Common Area facilities for such purposes, and the rights of any mortgages in said properties may be superior to the rights of the homeowners hereunder;

d) The right of the Association to suspend any Member's voting rights and/or right to use of any of the recreational facilities owned by the Association, for any period during which any assessments against said Member's property remains unpaid, and for each infraction for violation of its published rules and regulations, the right of the Association, following notice and opportunity to be heard to suspend for a period not to exceed thirty (30) days a Member's right to use such recreational facilities;

e) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Association; and the right of the Association to exchange property with the Developer or others in interest of the Association.

No such condition or transfer shall be effective unless an instrument signed by members entitled to cast two-thirds (2/3) of the votes of the membership has been recorded in the appropriate county deed records, agreeing to such dedication or transfer and unless written notice of the proposed action is sent to every Member not less than thirty (30) days nor more than ninety (90) days prior to such dedication or transfer;

f) The right of the Directors of the Association to promulgate reasonable rules and regulations governing such rights of use, from time to time, in the interest of securing maximum safe usage of such Common Areas by the members of the Association without unduly infringing upon the privacy or enjoyment of the Owner or occupant of any part of said property, including, without being limited thereto, reasonable rules restricting persons under or over designated ages from using certain portions of Said Property during certain times, and reasonable regulations and restrictions regarding parking.

2. **Delegation of Use.** Any Member may delegate, in accordance with the rules and regulations adopted from time to time by the Directors, his/her right of enjoyment to the Common Areas and facilities to the members of his/her family or his/her tenants, provided they reside on the property. A Member who so delegates his/her right of enjoyment to a tenant and who no longer resides in his/her unit shall forfeit, during such tenancy, his/her right of enjoyment to the Common Areas and facilities.

ARTICLE V
COVENANT FOR ASSESSMENTS

1. Creation of the Lien and Personal Obligation of Assessments

a) Each Owner of any Dwelling Unit, Lot or Building Site by acceptance of a deed or contract of purchase, whether or not it is so expressed in any deed or other conveyance or agreement for conveyance, is deemed to covenant and agree to pay to the Association:

1) Regular annual or other regular periodic assessments; and

2) Special assessments for special purposes, such as capital improvements or extraordinary maintenance described under Section 4 of this article.

b) The assessments described under Subsection a) of this section shall be fixed, established and collected from time to time as provided in these Covenants.

c) Assessments, together with such penalties and costs of collection thereof, as provided in Section 8 of this article, shall be a lien upon the property against which each assessment is made as provided in the Act.

d) Each assessment together with such penalties, costs and reasonable attorney fees, shall also be a personal obligation of the person who was the Owner of the property at the time the assessment was levied. The obligation shall remain a lien on the property until paid or foreclosed.

2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in Said Property, including the improvement and maintenance of Said Property, any Common Areas, the services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, and of the buildings dwellings and other improvements situated upon Said Property, and including, without being limited thereto, the payment of taxes and insurance on all or any part of Said Property.

3. Basis and Maximum Annual Assessments

a) Annual Assessments

1) After consideration of current maintenance costs, an estimate of other common expenses expected to be incurred and future needs of the Association, the Board of Directors shall levy an annual assessment in an amount not in excess of the maximum permitted under Subsection b) of this section.

2) Unless a different assessment schedule or due date is established by resolution of the Board of Directors, the annual assessment shall be payable on a monthly basis and shall be due on the first day of the month.

b) Maximum Annual Assessment Without the approval of members under Subsection c) of this section, during any fiscal year, the Board of Directors may levy an annual assessment that does not exceed the annual assessment for the preceding year by an amount that is the greater of:

1) Ten percent (10 %); or

2) The rise in the Consumer Price Index (published by the Department of Labor, Washington, D.C. or successor U.S. government agency, U.S. City Average.

c) Increase Above Maximum Annual Assessment The maximum annual assessment may be increased above the amount permitted under Subsection b) of this section with the approval of not less than two-thirds (2/3) of the votes of members present, who are voting in person or by proxy, at a special meeting of the Association held in accordance with the Bylaws and Section 6 of this section.

4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto; provided that,

except for repairs or replacements, any such assessment for structural alterations, capital additions or capital improvements reflecting an expenditure in excess of Five Thousand and No/100's Dollars (\$5,000.00) shall require the assent of a two-thirds (2/3) majority of the votes of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting.

5. Uniform Rate of Assessment. Both regular periodic flat charges and any special assessments must be fixed at a uniform rate for all Dwelling Units and Lots and may be collected on an annual, quarterly or monthly basis in the discretion of the Directors, except that assessments may only be levied applicable to some Lots only, with prior consent by the Owners of such Lots, if such procedure is considered equitable in the discretion of the Board in order to construct facilities to be available only to the members desiring to pay for the cost thereof.

6. Quorum for Any Action Authorized under Section 3 and 4. At the first meeting called, as provided in Section 3 and 4 hereof, the presence at the meeting of members or of proxies entitled to cast sixty percent (60%) of all the votes shall constitute a quorum.

If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 3 and 4, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the date of the meeting at which no quorum was forthcoming.

7. Notice of Annual Assessment; Statement of Assessments

a) Notice of Assessments

1) The Board of Directors shall cause notice of the annual assessment to be given at least thirty (30) days before the assessments are payable. The notice may accompany a copy of the budget summary required under ORS 94.645.

2) Owners must be given at least thirty (30) days written notice of a change in the regular periodic payment, payment schedule or due dates.

b) **Statement of Assessments Payable.** The Board shall promptly provide any Owner who makes a request in writing with a written statement of the Owner's unpaid assessments.

8. Effect of Non-Payment of Assessments: Remedies of the Association

a) **Interest, Late Payment Charge and Collection Costs** If any assessment imposed or levied by the Association pursuant to the provisions of these Covenants, the Bylaws or the Act is not paid within thirty (30) days after its due date, the assessment is delinquent and the Owner is obligated to pay:

1) Interest from the due date of the assessment, or such other date as may be specified by resolution of the Board, at the rate of twelve percent (12%) per annum or at such other rate, not to exceed the maximum lawful rate, if any, as may be established by a resolution of the Board of Directors, from time to time.

2) A late charge of ten percent (10%) of the unpaid assessment for each assessment not paid when due. The Board may not establish a late charge that exceeds ten percent (10%) of the unpaid assessment.

3) All expenses incurred by the Association in collecting unpaid assessments including, without limitation:

A) Attorney fees incurred by the Association (whether or not legal proceedings are instituted and including attorney fees at trial, in arbitration, on appeal, or petition for review).

B) If a notice of lien is recorded, the costs associated with the preparation and recording of the notice of lien and any release of the lien.

b) Offsets Prohibited

(1) An Owner may not claim an offset against an assessment for failure of the Association to perform its obligations. An Owner may not offset amounts owing or claimed to be owed by the Association to the Owner.

(2) An Owner by the Owner's action may not claim exemption from liability for contribution towards common expenses by waiver of Owner's use or enjoyment of any Common Area or by abandonment by the Owner of the Owner's Dwelling Unit or Lot.

9. **Priority of Lien; Prior Mortgages** The priority of the lien of the Association against a Lot for assessments is governed by the Act.

10. **Exempt Property.** The following property subject to this Declaration shall be exempt from the assessments created herein:

- a) All properties expressly dedicated to and accepted by a local public authority;
- b) Any Common Areas;
- c) All other properties owned by the Association; and
- d) Property owned by the Declarant prior to the time a Dwelling Unit or other building is constructed thereon and occupied.

However, no land or improvements devoted to dwelling use shall be exempt from said assessments

ARTICLE VI

PARTY WALLS, ENCROACHMENTS, ETC.

1. **General Rules of Law to Apply.** Each wall which is built as part of the original construction of the homes upon the Properties and placed on or immediately adjacent to the dividing line between the Lots owned by different persons shall constitute a party wall and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

2. **Sharing of Repair and Maintenance.** The cost of reasonable repair and maintenance of a party shall be shared equally by the Owners whose Lots abut such wall.

3. **Destruction by Fire or Other Casualty.** If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions. The word "use" as referred to herein means ownership of a Dwelling Unit or other structure which incorporates such wall or any part thereof.

4. **Weatherproofing.** Notwithstanding any other provisions of this Article, an Owner who by his/her negligent or willful act causes the party wall to be exposed to the elements

shall bear the whole cost of furnishing the necessary protection against such elements.

5. **Right to Contribution Runs with Land.** The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

6. **Arbitration.** Any dispute concerning a party wall or any provisions of these Covenants shall be arbitrated. Each party shall choose one (1) arbitrator, and such arbitrators shall choose an additional arbitrator, and the decision shall be by a majority of all the arbitrators.

7. **Encroachments.** If any portion of a party wall or other part of a building or structure now or hereafter constructed upon Said Property encroaches upon any part of the Common Areas or upon the Lot or Lots used or designated for use by another Lot Owner, an Easement for the encroachment and for the maintenance of same is granted and reserved and shall exist and be binding upon the Declarant and upon all present and future Owners of any part of Said Property for the benefit of the present and future Owners of such encroaching building or structure for the purpose of occupying and maintaining the same.

In the event a structure consisting of more than one Dwelling Unit becomes partially or totally destroyed or in need of repair or replacement, mutual and reciprocal easements are granted and reserved upon the Common Areas and in and upon each Dwelling Unit and Lot for the benefit of the Association and the adjacent Owner or Owners to the extent reasonably necessary or advisable to make repairs and replacements; and minor encroachments resulting from any such repairs and/or replacements and the maintenance thereof are hereby granted and reserved for the benefit of the present and future Owners thereof.

The easements for encroachment herein granted and reserved shall run with the land.

8. **Authority of the Association.** Paragraph 3 above notwithstanding, the Association has the sole authority to decide whether to repair or reconstruct a unit that has suffered damage or whether a unit must be repaired or reconstructed.

ARTICLE VII

Article VII was deleted by amendment. Subsequent articles were not renumbered.

ARTICLE VIII

ARCHITECTURAL AND LANDSCAPING CONTROL

1. **Architectural and Landscaping Review**

a) No building, fence, wall, hedge, structure, improvement, obstruction, ornament, landscaping or planting may be placed or permitted to remain upon any part of Said Property unless an application for approval has been submitted to the Architectural Committee or the Landscape Committee, as applicable, and approved by the Board of Directors as provided in this article.

b) The application required under Subsection a) of this section must be on a form required by Architectural Standards and Guidelines adopted under Section 3 of this article.

c) In all cases in which approval of the Architectural Committee or Landscaping Committee is required by these Covenants or the Bylaws, the provisions of this article apply.

2. Architectural Committee and Landscape Committee

a) Membership; Appointment. The Architectural Committee and the Landscape Committee shall each be comprised of no fewer than four (4) members who shall be appointed by the Board of Directors. The term of office of each member of the Architectural Committee and Landscape Committee is one (1) year unless lengthened or shortened by the Board at the time of appointment.

b) Removal of Members. Members of the Architectural Committee and the Landscape Committee serve at the pleasure of the Board of Directors. When in the judgment of the Board of Directors the best interest of the Association will be served, any member of the Architectural Committee or the Landscape Committee may be removed, with or without cause, by an affirmative vote of a majority of the members of the Board.

c) Compensation. No member of the Architectural Committee or the Landscape Committee may receive any compensation from the Association or make any charge for his or her services.

d) Definition of Member. The definition of member under Article 1 of these Covenants does not apply to this article. Members of the Architectural Committee and the Landscape Committee need not be members of the Association.

3. Architectural and Landscaping Standards and Guidelines

a) Adoption. The procedure and specific requirements for review and approval of an application required under Section 1 of this article must be set forth in design guidelines and standards ("Architectural and Landscaping Standards and Guidelines") adopted from time to time by resolution of the Board of Directors at its sole discretion.

b) Required Provisions The Architectural and Landscaping Standards and Guidelines shall:

1) Interpret and implement the provisions of these Covenants for architectural and landscaping review, guidelines for architectural design of Dwelling Units and other improvements, exterior color schemes, exterior finishes and materials and similar features that may be used in Said Property and landscaping. However, Architectural and Landscaping Standards and Guidelines may not be in derogation of the minimum standards established by these Covenants.

2) Prescribe an application form required under Section 1 of this

article. The form shall include:

A) The plans and specification including exterior color schemes.

B) Any other information the Board of Directors determines appropriate.

3) Prescribe the procedure and time periods for review of an application by the Architectural Committee and the Landscape Committee and recommendation to the Board under Section 4 of this article.

4) Prescribe the procedure and time periods for submission to the Board of Directors for reconsideration of application rejected as provided under Section 5 of this article.

c) Optional Provisions The Architectural and Landscaping Standards and Guidelines may:

1) Prescribe a reasonable application fee and charge applicants additional costs incurred or expected to be incurred by the Architectural Committee or the Landscape Committee to retain architects, attorneys, engineers, landscape architects and other consultants to advise the Architectural Committee or the Landscape Committee concerning any aspect of the application or compliance with any appropriate architectural criteria or standards. The fee is collectible as an assessment under these Covenants and the Act.

2) Provide that a decision of the Board of Directors is automatically revoked after a stated period unless construction or other work relating to the proposal has been commenced or the Owner has applied for and received an extension of time from the Architectural Committee or the Landscape Committee.

3) Provide for inspection by any person authorized by the Architectural Committee or the Landscape Committee at any reasonable hour after reasonable notice, to enter and inspect from time to time, all work performed and determine whether the work is in substantial compliance with the approval granted by the Board of Directors under Section 5 of this article.

4) Prescribe a procedure for notice to the Owner and enforcement if the Architectural Committee or the Landscape Committee determines that the work was not performed in substantial conformance with the approval granted under Section 5 of this article or that the approval required was not obtained.

4. Committee Review and Recommendation to Board The Architectural Committee and the Landscaping Committee shall review an application submitted under Section 1 of this article and shall render a recommendation to the Board of Directors either approving or rejecting the application in accordance with Architectural and Landscaping Standards and

Guidelines adopted under Section 3 of this article.

5. Board of Directors Decision

a) Not later than the regular Board meeting following receipt of a recommendation rendered under Section 4 of this article, the Board of Directors shall render a decision, either approving or rejecting the application.

b) The decision of the Board is final and binding, except that when an application is rejected, the application may be submitted to the Board by the Architectural Committee or the Landscape Committee, as applicable, for reconsideration at a later date in accordance with the Architectural and Landscaping Standards and Guidelines adopted under Section 3 of this article.

c) A copy of the application, including all plans and specifications, as finally approved must be retained as a permanent record of the Association.

6. Nonwaiver, Precedent and Estoppel Approval or denial by the Board of Directors of any matter proposed to it or within its jurisdiction under this article may not be deemed to constitute precedent, waiver or estoppel impairing its right to withhold approval or grant approval as to any similar matter thereafter proposed or submitted to it.

ARTICLE IX
MAINTENANCE

Subject to Article XIV of the Bylaws:

1. Maintenance of Common Areas The Association shall provide for the maintenance, repair and replacement of the Common Areas.

2. Lots Except as otherwise provided in this article, the Association shall provide exterior maintenance upon and for each Lot, including without being limited to, paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, landscaped areas, walks and other exterior improvements. The exterior maintenance does not include glass surfaces or patios.

3. Damage or Destruction Due to Act of Owners or Others In the event that the need for maintenance or repair to Common Area or a Lot that would otherwise be a common expense is caused through the willful or negligent act or omission of an Owner, or a member of the Owner's family or household pet, or of tenants, guests, invitees or other authorized occupants or visitors of Owner, the cost of such maintenance or repairs as determined by the Board of Directors shall be an assessment against the Lot and Owner who caused or is responsible for the damage and is collectable pursuant to Article V of these Covenants.

4. Damage Due to Casualty Damage caused by fire, flood, storm, earth quake, riot, vandalism, or other causes other than normal wear from use and the elements is the responsibility of each Owner and not included in any maintenance provided by the Association, except to the

extent of any insurance proceeds payable to the Association.

5 Interior Maintenance of Dwelling Units Each Owner shall be responsible for maintaining and keeping in good order and repair the interior of Owner's Dwelling Unit, including patio, crawl space, plumbing and sewer to the property line.

6. Right of Entry

a) Lots Upon request in accordance with Subsection b) of this section, the Association and any person authorized by the Association may at any reasonable time, and from time to time at reasonable intervals, enter upon any Lot for the purpose of performing maintenance referred to in this article and determining whether or not the Lot is then in compliance with these Covenants and the Bylaws.

b) Requests for Entry Requests for entry must be made in advance and at a time and a day, other than a Sunday, reasonably convenient to the Owner, except in the case of emergency, when the right is immediate. An emergency entry may not be deemed to constitute a trespass or otherwise create any right of action in the Owner of the Lot.

ARTICLE X
PROPERTY USE AND RESTRICTIONS

The following restrictions shall be applicable to the real property described in Exhibit A of the original Covenants, Conditions and Restrictions, and shall be for the benefit of and limitations upon all present and future Owners of Said Property or of any interest therein.

1. Unless written approval is first obtained from the Architectural Committee, no sign of any kind shall be displayed to public view on any building or Lot on Said Property except one (1) professional sign of not more than five (5) square feet advertising the property for sale or rent. If a property is sold or rented, any sign relating thereto shall be removed immediately.

2. No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of Said Property, except dogs, cats, or other tame, domestic household pets, provided that such household pets are not kept, bred or maintained for any commercial purpose. The Directors may, in their discretion, by rule adopted from time to time, require that any or all such pets or certain types of pets be restrained by leash or otherwise when not confined in any building on the Property, and/or limit the number of pets which may be kept on each Lot (but such number may not be reduced below two (2) per Lot by any such rules).

3. No part of Said Property shall be used or maintained as a dumping ground for rubbish, trash, garbage, or other waste. No garbage, trash, or other waste shall be kept or maintained on any part of Said Property except in a sanitary container. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

4. No noxious or offensive or unsightly conditions shall be permitted upon any part of Said Property, nor shall anything be done thereon which may be or become any annoyance or

nuisance to the neighborhood.

5. No trailer, camper-truck, tent, garage, barn, shack, or other building shall at any time be used as a residence, temporarily or permanently, on any part of Said Property.

6. Parking spaces are restricted to use for parking of operative automobiles; other items and equipment may be parked or kept therein subject only to the rules or regulations of the Board and no recreational vehicles, boats or motorcycles may be parked on the premises other than those that may be parked in a garage with the door closed.

The Board may require removal of any inoperative vehicle, or any unsightly vehicles, and any other equipment or item improperly stored in parking spaces. If the same is not removed, the Board may cause removal at the risk and expense of the Owner thereof, with the proviso that said removal shall take place only in compliance with the laws of the State of Oregon and County of Multnomah.

Use of all parking areas is regulated and is subject to the provisions of this Declaration.

7. The records of the Secretary of the Association shall be conclusive evidence as to all matters shown by such records, and the issuance of a certificate of completion and compliance by the secretary or assistance secretary of the Association showing that the plans and specifications for the improvement or other matters herein provided for have been approved and that said improvements have been made in accordance therewith, or a certificate as to any matters relating to and within the jurisdiction of the Association by the secretary thereof shall be conclusive evidence that shall fully justify and protect any title company certifying, guarantying, or insuring title to Said Property, or any portion thereof, or any lien thereon and/or any interest therein as to any matters referred to in said certificate, and shall fully protect any purchaser or encumbrancer from any action or suit under this Declaration.

After the expiration of one (1) year following the issuance of a building permit therefor by municipal or other governmental authority, any structure, work, improvement, or alteration shall, as to any purchaser or encumbrancer in good faith and for value and as to any title company which shall have insured the title thereof, be deemed to be in compliance with all the provisions hereof, unless a notice of non-compliance executed by the Association shall have appeared of record in the office of the County Clerk of the county in which Said Property is situate, or unless legal proceedings shall have been instituted to enforce completion or compliance.

8. All Owners are members of the Association and entitled to an equal share in the rights and interests and privileges and obligations as such, including the right to use all recreational and other Common Areas owned by the Association, subject to the rules, regulations and restrictions applicable thereto; provided, however, an owner who has delegated his/her rights to a tenant and who no longer resides in his/her unit, shall not be allowed the use of the recreational facilities during the period of such tenancy.

9. All Common Areas are to be maintained by the Association, and no changes in

landscaping, removal or trimming of trees, lawns or shrubs will be permitted without written authorization of the Landscape Committee.

10. All walks and streets are for the use of the members on an equal basis, subject to reasonable rules and regulations promulgated from time to time in writing by the Directors. It shall be the responsibility of each Member to allow maximum ease or pedestrian and vehicular ingress and egress over walks and streets and driveways by prohibiting automobile parking in front of garages or driveways and allowing no obstruction or barrier on, across or adjacent to sidewalks which would interfere with any Member's use of the Common Areas or access to his/her own Lot.

11. Exterior painting, maintenance and roof repair or replace will be performed by the Association. Owners are expressly prohibited from painting or changing the exterior of any building, garage, fence or wall without written permission of the Architectural Committee.

12. Installation of radio and/or televisions antennae or security system sign is prohibited outside any building without written permission of the Architectural Committee.

13. Lots may only be used for single family residential purposes.

ARTICLE XI **COVENANTS AND EASEMENTS**

1. **Covenants** All conveyances of land situate in the Said Property, made by the Declarant, and by all persons claiming by, through, or under the Declarant, are subject to the provisions of these Covenants, whether or not the same is expressed in the instrument of conveyance.

2. **Easements** In addition to any other easements granted under these Covenants or the Act:

a) Each and every instrument of conveyance is deemed to grant and reserve, whether or not the same is declared therein, mutual and reciprocal easements over and across all of the Common Areas of Said Property for the purpose of traveling by foot or conveyance or resting or otherwise being thereon.

b) An easement is granted and reserved:

1) Over, under and across all portions of Said Property (except those portions thereof actually intended to be occupied as living space in any building now or thereafter located upon Said Property) and specifically including, without being limited thereto, the interior of party walls, attic crawl spaces and the area below the living space in any living unit;

2) Over, under, across and upon all land upon which no building is located and which is situate within five (5) feet of the side and rear lines of each Lot now or hereafter recorded or platted with respect to Said Property, all for the purpose of building,

constructing and maintaining underground or concealed electric and telephone lines, gas, water, storm drainage lines, radio and television antennae and cables, and other utilities and services now or thereafter commonly supplied by public utilities or municipal corporations; and

3) Upon all Common Areas for constructing and maintaining thereon streets, driveways, community and recreational facilities, ornaments and statues, swimming pools, lawns, landscaping and planted areas thereon.

c) All easements granted and reserved under this article are for the benefit of all present and future Owners of the property subject to the jurisdiction of the Association by recorded covenants and restrictions, recorded as provided in these Covenants and their tenants, contract purchasers and guests.

d) The easements rights of use under this article however, may not be unrestricted but are subject to reasonable rule and regulations governing right of use, as adopted from time to time by the Board of Directors in the interest of securing maximum safe usage of easements without unduly infringing upon the privacy of the Owner or occupant of any part of Said Property.

3. **Association Easement** An easement over, upon and across all parts of Said Property is granted and reserved to the Association, its successors and assigns, to the extent reasonably necessary to perform other maintenance necessary or advisable to protect or preserve the value of the Said Property and the Living Units.

ARTICLE XII **GENERAL PROVISIONS**

1. Enforcement

a) The Association, or any Owner, or the Owner of any recorded mortgage on any part of Said Property, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, easements, liens and charges now or hereafter imposed by the provisions of these Covenants.

b) The Association, acting by and through the Board of Directors, may impose charges for late payments of assessments, and in accordance with the Act may levy reasonable fines for violations of the these Covenants, the Bylaws, or rules of the Association.

2. Invalidity; Number; Construction; Captions

a) **Invalidity** Invalidation of any part of these Covenants by judgment or court order does not impair or affect in any manner the validity, enforceability or effect of the balance of these Covenants which shall remain in full force and effect.

b) **Number; Construction** As used in these Covenants:

1) The singular includes the plural and the plural the singular as the context requires.

2) "May not" and "shall not" are equivalent expressions of an absolute prohibition.

3) The masculine feminine and neuter each include the masculine, feminine, and neuter, as the context requires.

c) Captions All captions used in these Covenants are intended solely for convenience of reference and in no way limit any of the provisions of these Covenants.

3. Amendment

a) Proposal of Amendments Amendments to these Covenants may only be proposed by either a majority of the Board of Directors or by Owners holding thirty percent (30%) or more of the votes delivering the proposed amendment to the Board for presentation to the Owners. The proposed amendment must be reduced to writing and included in the notice of any meeting at which action is to be taken thereon or attached to any request for approval or consent to the amendment.

b) Approval Required Except as otherwise provided in Subsection c) of this section, or by other provisions of these Covenants or by the Act, these Covenants may be amended if the amendment is approved by Owners holding at least seventy-five percent (75%) of the votes.

c) Additional Approval Requirements Any amendment to any easement granted or reserved under these Covenants requires the approval of all owners of the affected properties.

d) Execution and Recording An amendment is not effective until the amendment is:

1) Executed and acknowledged by the president and secretary of the Association;

2) Certified by the president and secretary of the Association as being adopted in accordance with these Covenants and the applicable provisions of the Act; and

3) Recorded in the office of the recording officer of Multnomah County, Oregon.

4. No Right of Reversion. Nothing herein contained in this Declaration or in any form of deed which may be used by Declarant, or its successors and assigns, in selling Said Property, or any part thereof, shall be deemed to vest or reserve in Declarant or the Association any right of reversion or re-entry for breach or violation of any one or more of the provisions thereof.

5. Rights of Mortgagees Relating to Maintenance. At any time that any part of the Common Areas, or any other part of Said property or any Living Unit or building or

improvement located thereon is not properly maintained and kept in good order and repair by the Association or otherwise, to the extent reasonably necessary to protect and preserve the appearance and value thereof and the appearance and value of the remainder of Said Property, then the record owner of any mortgage or deed of trust upon any part of Said property or Living Unit or building thereon, upon giving written notice as hereinafter provided, shall be entitled to exercise the rights of the owner-mortgagor of such property as a Member of the association to vote at all regular and special meetings of the members of the Association for a period of one (1) year following the date of such notice.

During said period of time, such mortgagee shall be given notice of all regular and special meetings of the Association; the owner-mortgagor shall receive such notice also and may attend such meetings as an observer. Said notice shall quote this paragraph and shall be sent by certified United States mail, return receipt requested, to the owner-mortgagor, a copy by regular mail to the Association, at the last known address of each.

6. **Waiver, Precedent and Estoppel** No restriction, condition, obligation or provision contained in these Covenants the Bylaws or rules and regulations may be deemed to have been abrogated or waived by the Association or any Owner by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur and any failure to enforce the same may not be deemed to constitute precedent or estoppel impairing the right of the Association or Owner as to any similar matter.

7. **Common Area Taxes.** It shall be the obligation of the Association and its officers to pay any real property taxes assessed against the Association for the Common Areas, and to pass on to the Owners of each lot, an assessment for any equal share of any Common Area real property taxes. If any real property taxes assessed against the Common Areas become delinquent, and equal pro-rata portion of such taxes shall be a first lien against each Lot in Said Property and enforceable as such, together with interest and penalties, if any, against each such Lot by the taxing authority and/or this Association.

8. **Duration** These Covenants perpetually run with the land and are and remain in full force and effect at all times with respect to the Said Property and the Owners.

**RIVERWOOD HOMEOWNERS
ASSOCIATION, an Oregon nonprofit
corporation**

By: Billie Dean Mihaloew
Billie Dean Mihaloew, President

By: Delores M. Gradin
Delores Mae Gradin, Secretary

CERTIFICATION

The undersigned President and Secretary of Riverwood Homeowners Association, an Oregon nonprofit corporation, hereby certify that:

1. The 2010 Amendments to 1995 Covenants described in Recital E above were adopted in accordance with Section 3 of Article XII of the 1995 Covenants and ORS 94.572 and 94.590.

2. 2010 Amended Restated Covenants, Conditions and Restriction for Riverwood Homeowners Association includes all previously adopted amendments in effect and includes no other changes, except to correct scrivener's errors or to conform format and style.

Billie Dean Mihalow

Billie Dean Mihalow, President
Riverwood Homeowners Association, an Oregon
nonprofit corporation

STATE OF OREGON)
) ss.
County of Multnomah)

The foregoing instrument was acknowledged before me this 1 day of October 2010, by Billie Dean Mihalow, President of Riverwood Homeowners Association, an Oregon nonprofit corporation, on its behalf.

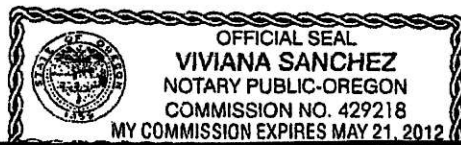


Viviana Sanchez
Notary Public for Oregon
My Commission Expires: May 21, 2012

Delores M. Gradin
Delores Mae Gradin, Secretary
Riverwood Homeowners Association, an Oregon
nonprofit corporation

STATE OF OREGON)
) ss.
County of Multnomah)

The foregoing instrument was acknowledged before me this 1 day of October 2010, by Delores Mae Gradin, Secretary of Riverwood Homeowners Association, an Oregon nonprofit corporation, on its behalf.



Viviana Sanchez
Notary Public for Oregon
My Commission Expires: May 21, 2012