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7000 SW Varns Street
Portland, OR 97223

Plus S. Gilbert

GRANTOR: Riverwood Homeowners Association,
an Oregon corporation
GRANTEE: Public

Multnomah County Official Records
R Weldon, Deputy Clerk

2013-011738



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

This First Amendment to 2010 Amended and Restated Covenants, Conditions and Restrictions for Riverwood Homeowners Association is made by Riverwood Homeowners Association, an Oregon nonprofit corporation ("Association").

RECITALS

A. Riverwood is a planned community (the "Planned Community") that is governed by the following documents recorded October 20, 2010, in the Records of Multnomah County, Oregon:

2010 Amended and Restated Covenants, Conditions and Restrictions for Riverwood Homeowners Association recorded as Document No. 2010-131839 ("2010 Amended and Restated Covenants").

2010 Amended and Restated Bylaws of Riverwood Homeowners Association recorded as Document No. 2010-131840 ("2010 Amended and Restated Bylaws").

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 2010 Amended and Restated 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. The Association and owners wish to amend 2010 Amended and Restated Covenants in the manner set forth below.

NOW, THEREFORE, pursuant to Section 3 of Article XII of 2010 Amended and Restated Covenants and ORS 94.572 and 94.590, with the consent or approval of owners holding at least seventy five percent (75%) of the votes, Association hereby amends 2010 Amended and Restated Covenants in the manners set forth below.

The following new Article XIII is added:

ARTICLE XIII
RENTAL AND LEASING OF UNITS

The rental and leasing of units shall be in accordance with this article.

1. **Definitions.** As used in this article:

a) "Grandfather Exception" means the right of an Owner to rent or lease a Lot under Section 3 of this article.

b) "Renting or Leasing a Lot" or "To Rent or Lease a Lot" means to grant a right to use or occupy a Lot for a specific term or indefinite term (with rent stated on a periodic basis), in exchange for the payment of rent (money, property or other goods or services of value). "Renting or Leasing a Lot" or "To Rent or Lease a Lot" does not mean:

1) Joint ownership of a Lot by means of joint tenancy, tenancy-in-common or other forms of co-ownership; or

2) An agreement between the Owner and a roommate under which the Owner and another person or persons share joint use of the Dwelling Unit.

c) "Tenant" means a person who is granted the right to use or occupy a Lot as described in Subsection b) of this section.

2. **Limit on the Number of Lots That May Be Rented or Leased; Other Restrictions.** Subject to the Servicemembers Civil Relief Act (SCRA), in addition to other restrictions in these Covenants and the Bylaws, Owners and Lots are subject to the following restrictions:

a) **Rental-Lease Limit.**

1) An Owner may not rent or lease a Lot if the rental or lease results in more than ten percent (10%) of the Lots (the "Rental-Lease Limit") being rented or leased. The rental or lease of a Lot under Section 3 or 5 of this article counts as a rental or lease for the purpose of calculating the Rental-Lease Limit.

2) Except for Owners with a Mortgagee Exception or an Owner with a Grandfather Exception for more than one Lot, an Owner is not eligible to rent more than one Lot until the pending applications of:

A) All Owners who are not currently renting or leasing a Lot are approved; and

B) All Owners who are currently renting or leasing fewer Lots than the applicant are approved.

b) **Specific Restrictions.** Lots and Owners, including Lots permitted to be rented or leased under this article, are subject to the following restrictions:

1) An Owner may not rent or lease less than the entire Dwelling Unit.

2) A Dwelling Unit may not be rented or leased for transient or hotel purposes.

3) A Dwelling Unit may not be rented or leased for a period of less than thirty (30) consecutive days.

c) **Board Approval.** Except as provided in Section 3 of this article, a Lot may not be rented or leased without the approval by the Board of Directors of an application of the Owner in accordance with Section 4 or 5 of this article.

3. **Grandfather and Mortgagee Exceptions.**

a) **Grandfather Exception.**

1) Section 2 b) and c) of this article do not apply to an Owner who, as of date of recording of this amendment in the office of the recording officer of Multnomah County, Oregon, is renting or leasing a Lot in compliance with Section 2 a) of this article. The

Owner may continue to rent or lease the Lot to the existing tenant or subsequent tenants. The right of an Owner to rent or lease a Lot under this subsection terminates once the Owner no longer has an interest in the Lot or the Owner occupies the Lot as a residence.

2) The successor in interest to a Lot with a grandfather exception has no rights under this subsection and is subject to the restrictions of Section 2 of this article.

b) Mortgagee Exception. Section 2 b) and c) of this article do not apply to a first mortgagee who acquires a Lot by foreclosure or deed in lieu of foreclosure. A successor to the first mortgagee is subject to the restrictions of Section 2 of this article.

4. Application and Approval to Rent or Lease Lot.

a) Application and Approval. Subject to Section 3 of this article and Subsection e) of this section, before renting or leasing a Lot, an Owner shall submit a written application to the Board of Directors for a determination that the rental or lease of the Lot will not be in violation of the Rental-Lease Limit under Section 2 a) of this article and receive approval to rent or lease the Lot.

b) Board Procedure for Review and Determination.

1) Subject to Subsection f) of this section, the Board of Directors shall review applications in chronological order based on the date of receipt of the application. Within twenty (20) business days of receipt of a written application, the Board shall:

A) Subject to the limitation imposed under Section 2 a) 2) of this article, approve the application unless the rental or lease would result in more than ten percent (10%) of the Lots (the "Rental-Lease Limit") being rented or leased.

B) Deny the application if approval of the application would result in the number of Lots being rented or leased exceeding the Rental-Lease Limit.

2) Within thirty (30) business days of receipt of the application, the Board shall give the Owner written notice of the Board's decision, including, if denied, the reason.

3) Failure of the Board of Directors to respond within the time period specified in this subsection does not constitute approval by the Board.

c) Waiting List. If an Owner's application is denied, unless otherwise directed in writing by the Owner, the applicant (including applicants who receive approval of a hardship application under Section 5 of this article) shall be placed on a waiting list according to the date the application was received so that the Owner whose application was earliest received shall have first opportunity to rent or lease the Lot when the number of Lots rented or leased falls below the Rental-lease Limit, subject to the limitation imposed under Section 2 a) 1) of this article.

d) Notice of Ability to Rent or Lease Living Unit. Any time the number of Lots rented or leased falls below the Rental-Lease Limit, the Board shall promptly notify the Owner who is first on the waiting list that Owner's request is approved unless Owner requests in writing that one (1) or more Owners be placed on the waiting list before Owner or that Owner's name be removed from the waiting list and Owner's request be withdrawn.

e) Authorization of Others to Perform Duties under this Section. The Board of Directors may grant a management agent or other person the authority to review and, except for hardship applications under Section 5 of this article, to approve or deny applications under this section.

f) Requirement if Lease or Rental Terminated. If a rental or lease approved by the Board of Directors under this section is terminated, an Owner shall apply to the Board of Directors for approval to rent or lease the Lot thereafter in accordance with this section unless the Owner rents or leases the Lot within ninety (90) days of termination of the rental or lease.

5. Hardship Exception.

a) Board Discretion to Approve Hardship Exception. If an application is denied under Section 4 b) of this article, to avoid undue hardships or practical difficulties such as the Owner's death, job relocation, extended vacation, disability, difficulty in selling the Lot due to market conditions in the area or other similar circumstances, the Board of Directors has discretion to approve a hardship application of an Owner or authorized representative of an Owner to temporarily rent or lease the Owner's Lot.

b) Hardship Application. An application for a hardship exception must be on a form prescribed by resolution of the Board of Directors adopted under Section 10 of this article. The Board shall review applications for hardship exception according to time periods specified in Section 4 b) of this article.

c) Extension of Hardship Exception. At the termination of any hardship exception, the Owner or authorized representative of the Owner may submit an application for extension of the hardship exception.

6. Rental and Lease Agreement; Copies of Documents.

a) Rental and Lease Agreement Requirements. A rental or lease agreement must be in writing and provide that:

1) The agreement and tenants are subject in all respects to the provisions of the Covenants, the Bylaws and any amendments thereto, and all rules and regulations adopted at any time by the Association.

2) The tenant must comply with all applicable requirements of the documents specified in Paragraph 1) of this subsection.

3) Failure by a tenant to comply with the terms of the documents specified in Paragraph 1) of this subsection constitutes a default under the rental or lease agreement and that the Association has the remedies specified in Section 7 of this article, including, without limitation, the right of the Association to require the Owner to:

- A) Terminate the rental or lease agreement;
- B) Terminate the tenancy; and
- C) Evict the tenant.

b) Copies of Documents Required to be Provided Tenants. The Owner shall provide the tenant with a copy of the Covenants, the Bylaws, including any relevant amendments to the documents, and all rules and regulations of the Association then in effect and shall take a receipt for delivery of the documents. If any document is amended, revised, changed, or supplemented by the Association, the Owner shall provide the tenant with a copy of the amendment, revision, change or supplement within twenty (20) calendar days of adoption by the Association or the Board of Directors.

c) Information and Documents Required to be Furnished Association.

1) After the date of recording of this amendment in the office of the recording officer of Multnomah County, Oregon, within ten (10) business days of the commencement of the rental or lease period, the Owner shall provide the Association a statement of the number and names of the occupants and contact information, a copy of the receipt specified in Subsection b) of this section and, if requested, a copy of the rental or lease agreement.

2) If the Owner fails to provide the receipt, the Association shall provide the documents to the tenant and take a receipt therefore, and shall assess the Owner a reasonable charge for the cost incurred in providing the documents as provided in Section 8 of this article.

d) Providing Information Electronically. The requirements of Subsections b) and c) of this section are satisfied if copies of the documents and information are provided to the tenant by electronic mail or a posting on a website and the tenant signs a receipt for or otherwise acknowledges delivery of the documents.

7. Remedies.

a) If an Owner fails to submit the required application and receive approval under Section 4 or 5 of this article and rents or leases a Lot, or rents or leases a Lot in violation of Section 2 a), b) or d) of this article or after the Board of Directors has denied the Owner's application, the Board of Directors may:

1) Assess fines against the Owner and Owner's Lot in an amount to be determined by the Board of Directors pursuant to a schedule of fines adopted by the Board in accordance with the Act.

2) Regardless of whether any fines have been imposed, proceed with any other available legal remedies, including, without limitation, an action to require the Owner to terminate the rental or lease agreement, terminate the tenancy; and evict the tenant.

b) Pursuant to rules adopted under Section 9 of this article, if the Board of Directors determines that a tenant has violated a provision of the Covenants, Bylaws, any amendments thereto or rules and regulations adopted pursuant to the documents, after the Owner of the rented or leased Lot is given notice and an opportunity for a hearing as prescribed in the adopted resolution, the Board of Directors may require an Owner to terminate a rental or lease agreement, terminate the tenancy and evict the tenant.

8. Costs and Attorney Fees.

a) Fines, charges, and expenses incurred in enforcing these Covenants, the Bylaws and rules and regulations with respect to the tenant or tenancy, and for any costs incurred by the Association in connection with any action under Section 7 of this article, including reasonable attorney fees, are assessments against the Owner and Lot that may be collected and foreclosed by the Association as provided under these Covenants and the Act.

b) In addition to the rights of the Association under Subsection a) of this section, the Association is entitled to recover from an Owner determined in violation of this article its costs and attorney fees incurred for enforcement of this article, regardless of whether any lawsuit or other action is commenced. The Association may assess the costs and attorney fees against the Owner and the Lot as an assessment as provided under these Covenants and the Act.

9. Rules.

a) Pursuant to ORS 94.630, the Board of Directors shall adopt by resolution rules establishing the application and approval process, a waiting list and such other rules as it deems necessary to implement this article.

b) If the Board of Directors deems that it is in the best interest of Owners and the Association, a resolution adopted under this section may prohibit an Owner from renting or leasing a Living Unit unless the Owner utilizes the services of a tenant screening service and receives a report from the service that the proposed tenant has not been convicted of a crime involving conduct of a nature which endangered the safety or welfare of persons or property, including, without limitation, any criminal sex offense, regardless of whether the convicted offender is required to register as a sex offender. The resolution must specify what conduct is of a nature which endangers the safety or welfare of persons or property.

CERTIFICATION

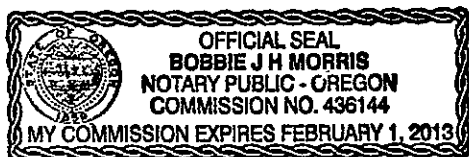
The undersigned President and Secretary of Riverwood Homeowners Association, an Oregon nonprofit corporation, hereby certify that the within First Amendment to 2010 Amended and Restated Covenants, Conditions and Restrictions for Riverwood Homeowners Association has been approved in accordance with Section 3 of Article XII of 2010 Amended and Restated Covenants and ORS 94.572 and 94.590.

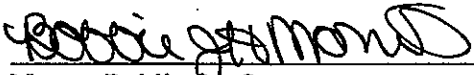


Michael Glenn Koch, President
Riverwood Homeowners Association, an Oregon
nonprofit corporation

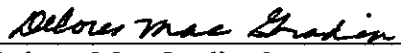
STATE OF OREGON)
) ss.
County of Multnomah)

The foregoing instrument was acknowledged before me this 25th day of January 2013, by Michael Glenn Koch, President of Riverwood Homeowners Association, an Oregon nonprofit corporation, on its behalf.





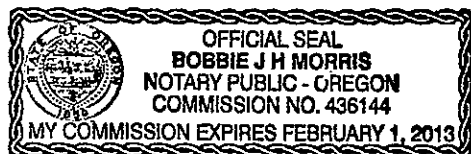
Notary Public for Oregon
My Commission Expires: 2/1/2013

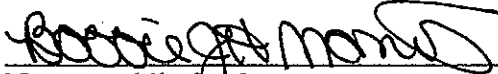


Delores Mae Gradin, Secretary
Riverwood Homeowners Association, an Oregon
nonprofit corporation

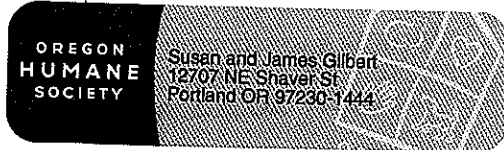
STATE OF OREGON)
) ss.
County of Multnomah)

The foregoing instrument was acknowledged before me this 25 day of January 2013, by Delores Mae Gradin, Secretary of Riverwood Homeowners Association, an Oregon nonprofit corporation, on its behalf.





Notary Public for Oregon
My Commission Expires:



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