

River Terrace East Condominium Association

**RULES AND
REGULATIONS
MANUAL**

*Adopted 02/2019
Revised 5/2024*

River Terrace East Condominium Association

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INTRODUCTION

Community living requires the full cooperation of all residents. It is important that each owner/resident familiarize themselves with the following rules and regulations in order to ensure that all residents of the River Terrace East Condominium enjoy the quality of life to which they are entitled.

The Board of Directors, pursuant to the authority granted to it in the Declaration of Covenants, Conditions and Restrictions (CC&Rs) and the Bylaws, has established the following Rules and Regulations Manual. The success of any community is founded on the basic principles of common decency, respect, and consideration for the basic rights of neighbors. This Rules and Regulations Manual will serve as a ready reminder and reference of the various obligations we have to one another in our day-to-day living.

Provisions for these Rules and Regulations and the authority for enforcement are contained in the CC&Rs and the By-Laws, which were given to you by the developer or by the seller when you bought your home. This manual is intended as a supplement to the CC&Rs, not as a replacement. All provisions of the CC&Rs not referenced in this document remain in full effect and must be adhered to by all owners and residents. It is the responsibility of each homeowner to make their guests, residents, and tenants aware of the restrictions of the governing documents. **However, it is the owner, as a member of the Association, who remains responsible for the conduct of residents, tenants and guests.** Many homeowners include in their lease/rental agreement a termination and/or eviction clause in the event of a violation of the Association's CC&Rs, By-Laws, or Rules and Regulations by the tenant.

The Board of Directors establishes and enforces the rules contained in this manual, manages the financial affairs of the Association, and oversees the operation and maintenance of the Association facilities and the common area. In each of these areas, a professional property management company assists the Board.

The Board may change this document as needed.

MANAGEMENT COMPANY

The Association employs a professional management company to advise and assist the Board in its duties. Monthly association fees are collected and deposited in the Association's account by the management company. Association bills are then paid out of this same account.

The management company is:

Nova Association Management
5550 S Macadame Ave, Suite 210
Portland, OR 97239
Phone: 503) 973-9213
Solution.Team@Novaamp.com

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DELINQUENT ASSESSMENT COLLECTION POLICY

Assessments are due by the first of each month. Any assessment not received by the 10th of the month will incur a late charge of \$20.00 and the outstanding balance will accrue interest of 12% per annum. If payment is not received by the 10th of the month, a letter will be sent to the homeowner, notifying owner that their account has now become delinquent. If an account becomes 45 days delinquent association will send a notice of intent to file a lien. If the Association files a notice of lien, the lien amount shall also include the recording fees associated with filing the notice, and a fee for preparing the notice of lien established from time to time by resolution of the Board. If the Association brings any suit or action to enforce this Declaration, or to collect any money due hereunder or to foreclose a lien, the defaulting Owner shall pay to the Association all costs and expenses incurred by the Association in connection with such suit of action.

If an owner makes contact with the Managing Agent of the Association, the Board authorizes the Managing Agent to stop the collection process for a period of 10 days to work out payment arrangements. If payment arrangements are agreed upon and not kept by the owner then the collection process will resume.

Coupon Books are sent out to all owners on a yearly basis, UNLESS Automatic Payment is selected. The management company sends owners who buy mid-year a coupon book after the close of escrow.

DOCUMENTATION

All homeowners can obtain copies of the governing documents, financial information, minutes of Board Meetings, or any other pertinent information through the Association's website. If owner requests copies of these documents be provided, there is a charge of \$25.00. All homeowners receive initial copies of the governing documents through the title company at close of escrow.

OWNER INFORMATION

Owners of all units are required to notify the management company in writing of a change of mailing address, current vehicle information or any changes to vehicles belonging to a unit, within 10 days of effective date of change. The Association, Board of Directors nor Management Company, will be responsible for owner not receiving mailing notifications regarding collections, violations, association business, fine imposition, etc. Owners are responsible for providing current and updated information on current residents and all contact information; this includes renters.

KEYS

ACCESS and two (2) KEY FOBs are provided to each home for access to their respective building. An owner may purchase one additional key fob for his/her living unit at a cost of \$50, for a total of 3 key fobs per home. Lost key fobs may also be replaced at the cost of \$50/fob. It is the fob holder's responsibility to replace lost key fobs and notify the management company so they may deactivate the lost key fob.

The association considers the key fob to be an asset of the living unit and shall be transferred to a new owner whenever a living unit is sold. A new owner who did not receive a key fob as part of sale can purchase one or two at a cost of \$50 each.

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ANIMALS

1. Residents are entitled to keep domestic dogs or cats, birds, hamsters and fish provided that they are not kept, bred or maintained for commercial purposes. Other animals require Board approval and compliance with all other rules and regulations.
2. No animals, fowls, reptiles, insects or poultry of any kind shall be raised or kept in any unit, except for dogs, cats or other household pets. No animals shall be kept, bred, manicured or maintained for any commercial purposes.
3. The Board has the right to determine what may constitute a nuisance. Any such nuisance shall be corrected at the owner's expense. Furthermore, the Board shall have the right to require the removal of any such pet if the nuisance cannot be remedied.
4. Pets will not be allowed on any Common Element unless they are on a leash or being carried and are being walked to or from the Home to a street or sidewalk. This does include cats.
5. Pet owners shall prevent pets from damaging any portion of the Common Property. Additionally, pet owners have the absolute duty and responsibility to immediately pick up any and all pet waste and dispose of it in a sanitary manner. Property damage, including damage to the Common Area grass, will be repaired and charged back to the Owner responsible for the damage.
6. No pet can be attached by leash, chain, rope or any other manner, to the building, decking, posts, etc.
7. Pets are not allowed unattended outside of a Home.
8. Owners are requested to report any roaming pets directly to City Animal Control.

DESIGN REVIEW/ARCHITECTURAL CONTROLS

1. An ARC Request is required for **all** exterior modifications or additions, as well as major changes to the units and garages. Such modifications must be approved by the Board before the work begins. Such work includes, keypad garage door openers, hardwood flooring installation, removal of walls or original interior features, permanent exterior décor, or any other work that may directly affect those around you requires prior approval.
2. Use of the garage electrical outlets may only be used to power the garage door and lights. All other uses, including electric vehicle (EV) or plugin-hybrid (PHEV) charging, large appliances, require ARC approval by the Board and/or ARC Committee.
3. Minor alterations inside of any unit is permissible without Association approval, such as painting, carpet replacement with like-and-kind material and padding.

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4. Decorations/ornamentation may not be attached to the siding or roof of any building, and no penetration of the weather barrier, siding or columns will be allowed for hanging or affixing of any decoration/ornamentation.
5. Damage caused by the penetration of the weather barrier, siding, roof, or columns will be repaired by the Association and the associated costs charged back to the homeowner.
6. The Board has pre-approved the following non-permanent exterior items, which shall not require an ARC request provided that they are aesthetically agreeable, kept in good condition (including needed repairs), do not constitute a nuisance to other residents, and do not cause damage to common areas:
 - Potted plants, provided that the plant(s) is alive and healthy, and does not damage decks/patios
 - Patio furniture, provided that the furniture is originally intended for the outdoors, and does not damage decks/patios

By installation of any of the items above, the homeowner agrees that the Association, Board of Directors, Managing Agent, or any other parties are not responsible for any damage to these items that arises out of condo maintenance obligations, including landscaping.

7. Please review the CC&R's and Bylaws for additional details on interior and exterior modifications.
8. All applicable City and County permits and inspections must be obtained at the expense of the Owner, all contractors used in the community must be properly licensed, bonded and insured for Multi-Family dwellings.
9. Any modification performed outside of the ARC approval process is subject to denial and requirement of reverting to precondition at Owner's expense.
10. No applications will be reviewed by the Board prior to the close of escrow of any unit.

GENERAL RULES

1. The Common Elements shall be used for the enjoyment of the Residents. The common elements shall not be obstructed, damaged or interfered with by a Home Owner, Resident or Guest.
2. Damage to the Common Element is prohibited. In accordance with the Governing Documents any Common Element damage caused by an Owner, or such Owner's family, guests, invitees, tenants, lessees or **pets** shall be charged back to the Owner.
 - A. Bicycles, tricycles, skateboards and other wheeled vehicles and toys are prohibited from being used or left on lawns, landscaping, or walkways nor stored on the patios or decks. Pedestrians always have the right-of-way on walkways.

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3. No owner has the right to alter, paint, decorate, remodel, landscape or adorn any part of the Common Element without the written consent of the Board of Directors. Including but not limited to, planting of flowers and bulbs in the flowerbeds at the front entry of the Homes.
4. If you use a garden hose or other equipment, the hose and equipment must be detached from your outside bib and returned to the inside of your garage and *out of sight when not in use*.
5. No pots or other items shall be placed on top of or outside of any wall or railing. Each Resident shall take reasonable steps to capture water from potted plants and to protect the patio/deck surface from staining or rotting.
6. Plants of the “vining” nature are not allowed to attach and grow upon the exterior of the buildings, including the fixed trellises, columns, posts, siding, railings, etc. All plants must be kept pruned away from the buildings.
7. Hanging, drying or airing of clothes, towels, rugs, etc., in windows or outside is prohibited. No exterior clotheslines are permitted anywhere in the Community. Rugs, drapes, towels or other articles shall not be draped or hung on balcony railings, patio walls, or from windows.
8. No Resident shall interfere with the surface or any subsurface drainage of any patio, entry or balcony as established by the Builder.
9. Bird feeders may be used, but only sterile birdseed may be used. Bird feeders are not to be attached to siding or columns. The Board reserves the right to deny use of bird feeders if disruption ensues.
10. Wind Chimes are allowed in the community provided there are no complaints from neighboring Residents. If the Board of Directors determines that a wind chime is a nuisance it must be removed immediately.
11. The Board reserves the right to prohibit any exterior decorations that may be considered offensive, a noise nuisance or inappropriate for the community.
12. Residents may not install lattice type material or vinyl screening to the exterior balcony railings.
13. Each unit shall be used only for single-family dwelling purposes, specifically for sleeping, eating, food preparation and on-site consumption, and similar activities commonly conducted within a residential dwelling. No unit shall be used except for residential purposes.
14. All Residents are responsible for noise caused by families, invitees, pets and guests, as well as themselves.
15. No noxious or offensive activity shall take place on any Lot, nor shall anything be done or placed on any Lot that interferes with or jeopardizes enjoying of other lots within the Property.

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16. Garages shall not be used for any purpose which impedes parking the number of vehicles intended. Garages may not be used as a rec-room, living area, or home office at any time. Any garage use, including storage that prevents parking is not permitted.
17. Parking of vehicles in a Fire Lane is prohibited and vehicles will be towed without notice to the vehicle owner and at the vehicle owner's expense.
18. Owners must keep their driveways free and clear of oil stains or other similar type of discoloration damage. Any caused discoloration, staining, damage, etc. will be repaired by the Association at the Owner's expense.
19. Only two (2) signs per Home are allowed. For Sale signs not to exceed approximately 24" x 30" are permitted in the Home's window only. Open House signs may only be placed on the day of the Open House and shall not exceed 6 hours. No other directional signage is allowed to be placed throughout the community. Board approval is required for placement of a For Rent sign or any additional signage due to special circumstances. Political signs may be placed in the window of a Home 60 days prior to an election and must be removed immediately following the election. No other signs of any kind or for any purpose may be displayed without prior written consent from the Board of Directors. Absolutely no signs may be attached to the exterior portion of the buildings.
20. No aluminum foil, paint, newspaper or similar covering shall be applied to the windows or doors of any Home or garage. All window coverings that are visible from the exterior of a Home shall be a solid neutral color, such as white, cream, beige or natural wood tones.
21. The mailboxes are **not** bulletin boards and may **not** be used for this purpose. Anything posted on the Association mailboxes will be immediately removed and any damage will be charged back to the homeowner. Any fines imposed by the post office will be billed back to the owner.
22. Garage, yard, patio or estate sales or any similar activities are not permitted within the Community. The Board reserves the right to have a COMMUNITY SALE once per year if there is Resident interest and volunteers to coordinate.
23. Window air conditioners are allowed from May through October. Air Conditioners must be white or beige in color and in good condition. Clear tape and Plexiglas should be used to fill in around the unit. Plywood or cardboard are not allowed. Air Conditioning Unit must be small enough to not need support brackets to be placed under Unit. No installation of support brackets will be approved. The Board may require removal if not aesthetically pleasing or noise from air conditioner initiates complaints from neighboring homes.
24. Only gas or electric barbecues are allowed. No charcoal or wood burning barbecues, smokers, turkey fryers, fire pits, tiki torches are allowed anywhere in the community. Residents must make sure the barbecues are away from the vinyl siding and anything combustible. Barbecues may not be kept on the front patio or by the front entrance door. The Owner will be responsible for the full cost of repairs or replacement from any damage caused by barbecues.

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25. Fireworks and firearms are not permitted to be discharged in the Community. This includes during recognized holidays.
26. Any activity or condition that endangers the health and safety of others or property is not permitted.
27. Use of the garage electrical outlets may only be used to power the garage door and lights. All other uses, including electric vehicle (EV) or plugin-hybrid (PHEV) charging, large appliances, require ARC approval by the Board and/or ARC Committee.

HARASSMENT

The Association has a zero tolerance policy for verbal or physical abuse. Residents are prohibited from verbally or physically abusing, harassing, annoying or threatening any Owner, Board of Directors, Resident, Guest, employee, vendor or volunteer of the Community. Any and all threats will be taken seriously and will be handled by whatever legal means are available to the Association. The board shall have the right to determine what is considered abuse, harassment and annoyance and threatening behavior.

ANTENNA/SATELLITE DISH POLICY

1. Satellite dishes that are 39 inches in diameter or smaller and other communication receiving antennas or devices covered by the Federal Telecommunications Act of 1996 (the Act) (collectively referred to in this policy as a qualified satellite receiver) may be installed with granted ARC approval by the Board and/or ARC Committee.
2. Approved satellite dishes must be located within a Limited Common Element of the unit requesting installation on a tripod, within a deck, patio or balcony and use of flat wire is required for entrance into the home through a door or window. No penetration of the siding is allowed or cable entrance.
3. Satellite dishes shall be removed and disposed of upon sale of home, or owner no longer residing in the home.

Non-compliance

- (1) Installation without ARC approval may result in removal of the satellite dish
 - (2) Owner will be required to pay the cost of repairs for all damage to the building, both interior and exterior.
4. Owner shall indemnify and hold harmless the Association and its agents, directors, officers, and employees from any and all loss, claim, damage, injury, judgment or cost, including attorney's fees and court costs, resulting from or arising out of owner's installation, maintenance or use of the qualified satellite receiver, to the extent that owner's negligence in installation, maintenance and/or use of the qualified satellite receiver caused or resulted in the loss, claim, damage, injury, judgment or cost, including attorney's fees and court costs being indemnified.

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HOLIDAY DECORATIONS

1. All holiday decorations can be present 30 days prior to the holiday and must be removed within 21 days after the holiday.
2. Decorations must be contained to the Limited Common Element (patios, decks, etc. of each condominium) and may not extend into the General Common Element (flower beds, landscaped areas, walkways, general building exteriors).
3. All exterior lighting must comply with holiday decoration requirements, and must be turned off by midnight each night.
4. Decorations may not be attached to the siding or roof of any building. Decorations may not be nailed, pinned, stapled onto the building.
5. Door hanging decorations must be displayed using an over the door hook and cannot be nailed/pined into the door or door frame.
6. Homeowners are responsible for any and all damage caused by the Resident's display of holiday decorations, this includes to Common Areas and landscaping. Should repairs be necessary to common area property due to use or display of holiday decorations, the repairs will be made by the Association in accordance with the Declarations and Bylaws and will be charged back to the owner.

MAINTENANCE

1. All maintenance, repairs and replacements to the General Common elements and the Limited Common Elements shall be made by the Association and shall be charged to all Home Owners as a common expense. This includes the painting, staining, repair and replacement of the exterior surfaces of all Homes (including the repair and replacement of roofs, gutters, siding, windows; and the cutting, pruning, trimming, and watering of all landscaping).
2. All maintenance of and repairs to any Home shall be made by the Owner of such Home, who shall keep the same in good order, condition, and repair. Without limitation of the foregoing, each Owner shall be responsible for repairing and replacing any automatic opening or similar device installed for the garage door of that Owner's Home or Parking Unit. If an Owner fails properly to perform his or her maintenance and repair responsibility, the Association may enter on to the Owner's Home and perform such maintenance and/or repair and assess all costs incurred by the Association against the Home and the Owner as a special assessment pursuant to the Bylaws.
3. Each Home Owner shall keep the Limited Common Elements that pertain to the Home in a neat, clean and sanitary condition. Patios, walkways and balconies must be kept clean and tidy. Potted plants, patio tables, umbrellas, etc., must be kept in good condition and be aesthetically agreeable.
4. Owners shall maintain electricity in their homes at all times. During freezing weather the home's temperature shall not be less than 60 degrees.

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5. For the purpose of performing the maintenance of the Association property and the Common Area or for any purpose reasonably related to the performance by the Board of its responsibilities, the Association's agents or employees shall have the right to enter any Common or Limited Common Element to complete repairs, improvements, replacements or maintenance as necessary or to inspect for rule violations; provided, however, except in case of an emergency, there shall be no entry onto a lot without the owner's consent, which consent shall not unreasonably be withheld. Consent shall be presumed if the owner makes no objection to such entry within five (5) days after the Board delivers notice of its intent to enter.

QUIET ENJOYMENT

1. Residents are encouraged to contact local law enforcement, animal control or other governmental agencies to enforce control of nuisances. This includes noise disturbances, pet/animal concerns, etc.
2. No resident shall permit any activity to be performed or any substance or material to be kept anywhere on the Community which will obstruct or interfere with the rights of quiet enjoyment of the other Residents of the Community, or annoy them by unreasonable noises, odors, fumes, etc., nor will any Resident commit or permit any nuisance in his home.
3. The Board shall have the right to determine if any noise, odor, interference or activity producing such noise, odor or interference constitutes a nuisance.
4. In general, all noise shall be kept at a level that does not unduly disturb your neighbors or the other Residents.
5. Noise that is plainly audible outside any Home or building is not conducive to living in the Community and is a violation.
6. All Residents are responsible for noise caused by families, invitees, pets and guests, as well as themselves.
7. Prolonged idling or revving up of vehicles is prohibited.
8. Car radios must be turned to a volume that cannot be heard outside the vehicle.
9. Recognized quiet hours of the community are from 10 p.m. to 7 a.m.
 - a. During these quiet hours, activities that may be restricted can include but are not limited to, household chores such as vacuuming and laundry should they unduly disturb neighbors.

PARKING AND VEHICLE RESTRICTIONS

1. Every resident is required to utilize their respective reserved parking spaces (including garages **and** full-sized driveways if applicable) prior to utilizing any other non-reserved/guest parking bays within the community.
2. Owners may only use their own driveways/garages and their reserved parking space as marked

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for the parking of their vehicles. Any unauthorized use of another Owner's parking space(s) may result in immediate towing at the vehicle Owner's expense and without prior warning to the vehicle Owner. Guests may use the non-reserved/guest parking bays.

3. Each owner may use the garage portion of his or her lot for parking automotive vehicles (cars, passenger vans and trucks), the storage of non-hazardous materials and similar uses. However, no owner shall convert any garage to any use, which prevents its use for parking of the number of vehicles intended.
4. No dune buggy, boat, trailer, recreational vehicle (RV), mobile home, motor home, van, camper shell, nor truck which is larger than one ton capacity or has a mounted camper shell which protrudes from the truck from either side or from beyond the rear gate or above the cab ceiling, shall be parked in any driveway, parking spot, on a private street or anywhere else in the Community where visible to other owners.
5. Commercial vehicles over one ton capacity shall be permitted within the Community for the purposes of making deliveries and similar purposes. Resident parking of commercial vehicles over one ton capacity is not allowed except if the vehicle is parked wholly within a garage.
6. No dismantled, inoperable, unregistered or wrecked vehicle or equipment shall be parked, stored or deposited within the Community.
7. Only minor maintenance such as vehicle cleaning, changing flat tires, and changing of a dead battery, etc. is allowed. No on-site vehicle maintenance or repair involving motor oils, fuels, or other lubricants or solvents shall be permitted anywhere on or within the community. Owners permitting vehicles to leak on Common Elements will be responsible for all cleanup and repair costs. Any vehicle repair shall take place only within a garage.
8. On-site vehicle washing shall be permitted only in paved areas that discharge all waste to a water quality treatment facility.
9. Any motor vehicle operated on the property, including automobiles, trucks, dune buggies, motorcycles and trail bike's, shall have a muffler on its exhaust system and shall be ridden only on paved roads within the community or other areas specifically designated for such use by the Association.
10. No trailer, truck, boat, camper or recreational vehicle (RV) shall be used as a living area in the community.
11. All vehicles shall be parked in a manner not to cause difficulty for residents to back out of their garage, driveway, or parking space or safely drive within the Community.
12. Parking is not allowed in marked fire lanes, private streets, alleyways, in front of a unit that does not have a full-size driveway or sidewalks within the community. If a vehicle is parked in violation of this rule, the vehicle will be towed without notification to the owner/operator.

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13. No vehicle may be parked in any open non-reserved/guest parking space for more than 48 consecutive hours without prior Board approval.
14. The speed limit within the Community is **5 mph**.
15. Violations of any Parking Rules and Regulations may result in towing at the owners' expense without prior notice to the vehicle owner. The towing company, Board of Directors nor the Managing Company will be responsible for refunding any of the fees charged by the towing company, associated parties and/or companies.

The Association may impose fines in addition to any fees levied by the towing company. When a vehicle is towed, the Owner has 10 days from the date of the towing to request a hearing with the Board of Directors to discuss the alleged violation and towing incident with the Board. If the owner feels a vehicle was towed improperly it is suggested a hearing is requested and appropriate evidence is provided. If an owner does not request a hearing it is assumed the Owner agrees there is a violation.

TRASH, REFUSE/WASTE

1. Residents are required to dispose of waste, garbage, recycling within the appropriate containers at all times. Residents may not accumulate garbage in their garage or store garbage that has an excessive odor. Residents may not accumulate or store garbage in plain sight or in the Common Areas, this includes patios, entry ways, in front of garages etc.
2. Large items such as appliances, air conditioners, furniture, mattresses, etc. must be disposed of by the owner or resident at his/her own expense.
3. Residents are responsible for the breakdown and proper disposal of boxes.
4. Holiday/Christmas trees may not be placed for pick up until the first garbage pickup day after Christmas or the holiday. Homeowners must follow designated discard location for holiday trees, trees cannot be placed in the dumpsters.

ENFORCEMENT OF RULES

The Board, owners, and all residents have the right and duty to report any violation of the rules and regulations as defined in the CC&Rs, By-Laws, and Rules and Regulations Manual. In addition, the Board has the right and duty to take action, as necessary and appropriate, to gain compliance of violators in order to protect the rights, safety, and property of the Association members and residents.

In addition to any other means of enforcement provided in the CC&Rs and/or Bylaws, the Board has the right to suspend the voting rights of or use of Association facilities by a lot owner or to impose a monetary penalty. The procedures for utilizing such enforcement techniques are listed below.

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Reporting Violations

- A) Any person wishing to report a rules violation must provide a written description to a member of the Board or to the management company. The Board will review the report for completeness and then direct the report to the management company for corrective action.
- B) Verbal reports cannot and will not be acted on.
- C) All written reports will be held in confidence to the extent permitted by law.

Notice

When an alleged violation occurs, and is reported to the management company, the owner will be notified in writing with a courtesy 1st reminder. If the violation is not corrected within the provided correction period, or a similar violation occurs again within a year, then the owner will be notified in writing with a 2nd reminder. If the violation continues to go uncorrected after the 2nd reminder, the homeowner will be notified via a 3rd letter of the enforcement measures to be taken, including any fines imposed.

If an owner makes contact with the Managing Agent of the Association, the Board of Directors authorizes the Managing Agent to stop enforcement procedures for a period not to exceed 30 days, to work out an agreement that will bring the owner into compliance with the Rules and Regulations and governing documents. If the owner violates the agreement, further enforcement will continue per policy.

Hearing

If the homeowner receives the third letter notifying them that the violation has not been corrected, the homeowner is given 10 days to request a hearing with the Board of Directors. The purpose of the hearing is to provide an opportunity for the homeowner to discuss the alleged violation with the Board. If a homeowner does not agree that a violation exists, the Board hearing provides the homeowner the opportunity to present the relevant facts in support of that position. Failure to respond to the violation notice may be considered an admission by the lot owner that a violation exists.

Fine Procedure

The Board may impose a \$75.00 fine for any violation of the CC&R's, Bylaws or Rules and Regulations Manual after notice has been sent and the homeowner has failed to respond, correct the violation or request a hearing on the matter within 10 days. Should the violation remain unremedied an additional fine of \$100.00 will be imposed every 14 days thereafter until the violation is corrected. A foreclosure lien may be placed on the property if the fine amount totals \$250. Additional fines and legal action will commence should the violation continue. All fees, charges, and cost incurred by the Association for action to gain compliance will be borne by the Owner.

The Association may also elect to suspend the right of a homeowner to vote at meetings of the Association (such suspension may not be longer than thirty (30) days).

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RENTAL PROCEDURE

Approval of the Board is required to rent or lease a Home within the Community. Prior to renting or leasing your home and/or prior to entering into any Lease agreement, an Owner shall obtain written Board rental approval through the managing agent. A rental request must be submitted in writing to the Managing Agent for Board review and approval; the review process may take up to 21 days.

A. Approval

- (1) The Association has a 30% rental cap in the Community or noted in the governing documents.
- (2) Provided the rental cap has not been met, the Board shall approve the request to lease as long as:
 - i) Any charge due the Association in connection with its review of the lease agreement has been paid.
 - ii) The Board determines that the lease agreement satisfies the requirements of the Governing Documents.
 - iii) Owner is current in all assessments due the Association.
 - iv) Owner has no unresolved violations.

Once an owner is notified that the unit can be rented/leased, the owner shall provide a copy of the following forms to the managing agent: Updated Owner/Occupant Information Form, the Rental Approval and Acknowledgement Form, the Lease Agreement and the \$25 Processing Fee. If an owner has not provided these forms within 45 days of receiving the approval to rent, that approval shall be revoked and the owner shall re-request approval to rent.

In the event the cap has been reached the owner will be placed on the waiting list. Once an owner has received approval from the Board, the owner may continue to rent such unit as specified until the lease expires or the tenant vacates the unit, the owner shall then have 30 days to secure a new lease/renter or they must reapply for rental approval.

The owner is required to submit the Updated Owner/Occupant Information Form, the Rental Approval and Acknowledgement Form, the Lease Agreement each time the unit changes renters within 30 days of the change and annually.

Processing Fee – The unit owner will pay the Association a processing fee of \$25.00 at the time of the submittal of the lease. If the Association incurs extraordinary actual expenses not included in the standard processing fee, the Unit Owner will reimburse those expenses upon demand to the Association.

B. Guidelines for Owners

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- (1) All leasing agreements shall be in writing and shall expressly state that the lessee shall be subject to the Governing Documents and that a default by the tenant in complying with the Governing Documents is a default under the lease.
- (2) Owners are encouraged to obtain a tenant screening on each adult application. At the time the lease is submitted for review and approval by the Board, the owner is requested to submit the completed tenant screening. The Association will be responsible for treating the information as confidential and safeguarding against disclosure as required by all applicable fair credit reporting laws.
- (3) The owner is responsible for notifying the management company of any change in tenancy so that new tenant contact information, etc. may be kept up-to-date.
- (4) Owners are responsible to provide his or her tenant(s) with a current copy of the Rules & Regulations. Tenants are responsible for knowing and abiding by the rules. Additional copies of the Rules and Regulation can be obtained from the managing agent for a small fee.
- (5) Owners can be held liable for any violation incurred by their tenants.
- (6) Rentals less than 30 days are not permitted.

C. Rental Cap

- (1) No additional leases will be approved once the 30% rental cap has been obtained.
- (2) Owners desiring to rent his or her Home may request placement on a waiting list which will be processed on a first-come, first served basis.
- (3) All Owners must notify the Association when a leased Home becomes vacant.
- (4) Owners with an existing approved lease prior to reaching the rental cap are allowed a period of 30 days to release the Home without having to go onto the waiting list.

D. Hardship Exception

- (1) If an Owner requests approval to lease a Home and the rental cap has been met, the Board may consider a request from an Owner for a Hardship Exception.
- (2) Hardship Exception Process
 - i) The request for a hardship lease approval must be in writing via regular mail, e-mail or fax to the managing company.
 - ii) The Board will review the request at the next regularly scheduled Board Meeting.
 - iii) The Owner must specify the nature of the hardship and provide applicable documentation. Qualifying hardships may include a job transfer, severe illness, and financial crisis - such as job loss.
 - iv) Upon Approval
- (3) The Owner and BOD must sign an Undo Hardship Authorization to lease agreement. Quarterly status reports are required.
- (4) The hardship request is valid for 1 year.
- (5) At the expiration of 1 year a new approval is required.

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Non-compliance to the rental process will result in Enforcement of the Rules & Regulation as defined above. In accordance with the Enforcement of the Rules and Regulations above, an additional fine of \$1,000 every 30 days will be assessed to the Owner.

Move in/ Move out

- A. Temporary (less than 6 hours) parking of a moving truck, van, pickup truck, etc. is allowed in the Community provided access to other homes is not impeded.
- B. Storage containers are not allowed on any private street or in any driveway in the community. This includes containers designed for drop shipment of household items, such as PODS® (PODS® is a registered trademark of PODS Enterprises, Inc.) or similar movement or storage device. Owners need to check with the local jurisdiction for placement of a storage container on public streets.
- C. Owners are responsible for any damage to Common Areas during the moving process, this includes damaged walls/sheet rock, proper disposal of all moving materials, etc.

Insurance

- A. Each Owner shall be responsible for obtaining, at his or her own expense, insurance covering his or her property not insured under the By-Laws and against his or her liability not covered under the By-Laws.
- B. When an insurance claim is made and/or any loss incurred by the Association for which the Association has insurance (hereinafter an "insured loss"), and where the Board reasonably can allocate the cause of such loss (in whole or in part) to any individual Home Owner, whether unintentional, intentional, a negligent act, misconduct, failure to maintain or repair a home or any space under the control of a Home Owner, and/or failure to otherwise comply with the Declaration and Bylaws and/or rules on the part of any Home Owner (the term "Owner" as used in this section to include any tenant, occupant, agent, or other person residing in or visiting a Home), then the homeowner shall pay any insurance deductible incurred by the Association that is related to such deductible loss to the Association (up to the amount of loss so caused, if the loss is less than the deductible). In the event of multiple entities causing loss, the homeowner shall be jointly and severally liable with any other loss-causing entities with respect to the Association. In the event of any loss greater than the deductible, the provisions of this section shall not limit the Association or its assigns from pursuing a claim against the homeowner for the entire loss, under precepts of applicable Oregon law and of the Declaration.
- C. Such payment of a deductible loss shall not limit the rights, if any, of any insurer to proceed under its own subrogated rights against the homeowner based on any such insured loss, and any insurer (and/or its assigns) is not limited from proceeding against such Home Owner for all loss so caused by such Home Owner by this section.
- D. The Association shall have the right and may elect to file a lien against the Home for the deductible loss as set forth herein, as provided for elsewhere in the Declaration and/or may

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otherwise enforce the right to payment as a Special Assessment allocable to that Home and/or Home Owner.

- E. In the event of dispute with respect to the determination by the Board allocating responsibility for such deductible loss, the determination of the Board shall be upheld unless arbitrarily and capriciously made, provided that a Home Owner so affected may request, in writing, a hearing before the Board (or before a subcommittee appointed by the Board, if the Board so elects) to contest imposition of liability for such deductible loss. Upon any such request, the Board shall provide for an opportunity for hearing to such Home Owner, the hearing to be held not more than 60 days from the date of request.
- F. If the matter is not resolved by such hearing, the Board may elect to submit the matter to binding arbitration by an independent committee of three Home Owners (not affected by such loss) for arbitration of same (one arbitrator selected by the Board, one selected by the Home Owner, and one selected by the two arbitrators so selected, which three arbitrators shall constitute the Arbitration Committee for that deductible loss), to which the Board and the Home Owner shall submit, subject to the provisions of this section. The arbitrary and capricious standard of review of the Board's determination as set forth in the prior paragraph shall apply at such arbitration. The arbitration shall be conducted in the Portland Metro Area, in accordance with the then-current commercial Arbitration Rules of a professional arbitration service mutually acceptable to the parties, but if the parties cannot agree to the selection of rules within 21 days of the demand for arbitration, then in accordance with the rules of the American Arbitration.
- G. The arbitration shall be held before the Arbitration Committee. All facts and other information relating to any arbitration arising under this section shall be kept confidential to the fullest extent permitted by law, and the members of the Arbitration Committee shall be held harmless for service on such committee. The Arbitration Committee members shall be reasonably compensated for time expended in the arbitration, and shall have authority to award attorney's fees and costs, as well as any costs, compensation for time expended by the Arbitration Committee members, and/or other reasonable expenses, to the prevailing party. Arbitration shall take place not later than 75 days from the date the Board elects to request same.
- H. The Association's enforcement rights are not limited by any hearing and/or by the arbitration, provided that if enforcement has been commenced, the results of the hearing and/or arbitration shall retroactively modify such enforcement with the Association having no liability for having taken enforcement measures prior to any such hearing or arbitration.
- I. The Board may set the deductible amounts on insurance policies of the Association in such amounts, as the Board deems reasonable. The determination of the Board as to same shall be subject to the arbitrary and capricious standard set forth above.
- J. The provisions of this amendment shall be liberally construed so as to effect the terms and remedies set forth herein. Nothing herein shall require the Association to pay any insurance deductible payable under a homeowner's individual insurance policy.