RULES AND REGULATIONS MANUAL

July 2017

Table of Contents

INTRODUCTION
MANAGEMENT COMPANY
DELINQUENT ASSESSMENT COLLECTION POLICY4
DOCUMENTATION4
NOTIFICATION OF CHANGE OF MAILING ADDRESS4
ANIMALS
DESIGN REVIEW/ARCHITECTURAL CONTROLS
GENERAL RULES
AIR CONDITIONERS
ANTENNA/SATELLITE DISHPOLICY
GUES TS
HOLIDAY DECORATIONS & FLAGS
HOME BUSINESS
HOME MAINTENANCE
LANDS CAPING/USE OF YARD
NUISANCES9
PARKING AND VEHICLE RESTRICTIONS9
PORTABLE PLAY EOUPMENT
Screen Doors
SIGNS
TRASH
ENFORCEMENT OF RULES
REPORTING RULES VIOLATIONS
NOTICE
HEARING
FINE PROCEDURE/SCHEDULE

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 Northwest 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.

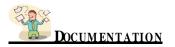
The management company is: Nova Association Management Partners LLC 5550 SW Macadam Ave Ste. 210 Portland, OR 97329 Phone: (877) 824-5723 Solution.Team@Novaamp.com

DELINOUENT 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 30th 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 with a charge of \$10, UNLESS Automatic Payment is selected. The management company sends owners who buy mid-year a coupon book after the close of escrow.



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.

NOTIFICATION OF CHANGE OF MAILING ADDRESS

Owners of all units are required to notify the management company in writing of a change of address, both physical and mailing address, 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.

ANIMALS

- 1. No animals, fowls, reptiles, insects or poultry of any kind shall be raised or kept on any lot, except for dogs, cats or other household pets. No animals shall be kept, bred, manicured or maintained for any commercial purposes.
- 2. No animals may be kept which, in the sole discretion of the Board, constitute a nuisance or annoyance to other owners or residents. 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.
- 3. In no event shall an owner or resident permit any animal to roam from their lot. Animals must be leashed while using common areas.
- 4. Owners are liable for any damage to persons or property caused by their pet. Damage done by a pet to the property of another owner is a matter strictly between the pet owner an the person whose property was damaged.
- 5. Pet owners are responsible for the immediate cleanup of their pet.
- 6. Owners are requested to report any roaming pets directly to City Animal Control.

DESIGN REVIEW/ARCHITECTURAL CONTROLS

Please review Articles 9, 10, 11, 12, 13 and 14 of the CC&R's for details on landscaping installation, maintenance responsibilities, installation of tool sheds, walls, fences, decks, etc. HOWEVER, please remember, that any exterior improvements to a home, must obtain prior approval from the ARC.



GENERAL RULES

- 1. 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 lot or yard to effect 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.
- 2. Each lot shall be used only for single-family dwelling purposes.

- 3. No lot shall be used except for residential purposes.
- 4. 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.
- 5. 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.
- 6. Owners must keep their driveways free and clear of oil stains or other similar type of discoloration damage.

AIR CONDITIONERS

Ground units must be hidden from street view by either fence or shrubbery. Window air conditioners are allowed from May to October. Air Conditioners must be white or beige in color. Clear tape and Plexiglas should be used to fill in around the unit. Plywood or cardboard **ARE NOT** allowed.

ANTENNA/SATELLITE DISHPOLICY

- 1. Satellite dishes that are one meter 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 on the owner's lot as provided in this manual. Satellite dishes larger than one meter in diameter and any other antennas not covered by the Act are prohibited or restricted as provided in the Association's governing documents.
- 2. Application to the Board of Directors or Architectural Committee shall not be required prior to installing a qualified satellite receiver.
- 3. No fee payable to the Association shall be required prior to installation of a qualified satellite receiver.
- 4. An Owner may install a qualified satellite receiver on such location on the owner's lot as owner shall determine is appropriate for the signal strength desired. If more than one location on the lot will provide the requisite signal strength, owner is requested to voluntarily place his or her qualified satellite receiver in such location as will minimize the visual effect of the equipment on the common areas and other residents.

- 5. Owner shall keep the qualified satellite receiver in good repair and maintenance and not permit same to become unsightly, in accordance with the maintenance requirement of the Association's governing documents.
- 6. Qualified satellite receivers may not be installed on Association common area.
- 7. 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.
- 8. Nothing in this manual is intended to unreasonably increase the owner's cost in installing a satellite receiver, unreasonably delay the installation or unreasonably decrease the reception of the signals received. Should any owner believe that anything in this policy does unreasonably affect the cost, delay installation or decreases signal strength, the owner is encouraged to contact the Board to discuss and resolve the matter.
- 9. Nothing in this manual is to be interpreted as being in contravention of the Act regarding the installation, maintenance and use of satellite dishes. Should any portion of this manual be interpreted as contravening the Act, that section or sections shall be considered immediately modified to conform to the Act. Should it be impossible to so modify the section or sections that section or sections shall be deemed severable from the remainder of the manual and shall be of no force and effect whatsoever.



Guests must abide by all rules and regulations in force at the time. Residents/owners are responsible for the conduct and actions of their guests.



- 1. All holiday decorations can be present 30 days prior to the holiday and must be removed within 30 days after the holiday.
- 2. Flagpole brackets may be installed on the exterior of the home without ARC approval. Sports Team flags and National Flags may be flown. No other types of flags may be flown without Board approval.



No lot shall be used except for residential purposes (CC&Rs Paragraph 9.2)



HOME MAINTENANCE

- 1. Each owner shall be responsible for all maintenance of his or her lot and residence including, but not limited to, the exterior walls, roof, foundation, windows, doors and all interior portions of the residence, the back and side yards and all yard improvements, drainage systems and pipes, wires and other utility installations. The lot and improvements on each Unit shall be maintained in a clean and attractive condition, in good repair, and in such a manner as not to create a fire hazard.
- 2. Each owner shall maintain the interior and exterior surface of any fences and/or walls, which are located at the boundary of the lot. The owner who has sole access to a side yard from within his/her residence in responsible for the repair and maintenance of the interior and exterior of the whole fence that encloses their yard. Owners are responsible to repair and maintain the interior and exterior walls or fences, which divide the owner's lot from common area, or city maintained property. Only clear weather-proofing products may be used on the interior/exterior of the fence.
- 3. In the event an owner does not perform any of the above maintenance to the satisfaction of the Association, the Board may give written notice of such default, stating what needs to be done and requesting that the work be completed in a reasonable period of time.



- 1. Approval for **MAJOR** yard modifications is required from the ARC when modifications are visible from the street. These modifications include the addition/subtraction of trees, lawn, and nonliving materials (e.g. rocks, bark dust). Association landscape and common areas are any areas outside the fenced area of a home. The association is responsible for maintaining all association landscape and common areas. Each homeowner is responsible for maintaining and caring for any landscaping within his or her fenced area. Under no circumstance should a homeowner alter association landscaping or common areas without prior approval from the association board.
- 2. The owner of each lot shall seed, sod or install ground cover in the backyard within 90 days of close of escrow. It is the sole responsibility of the lot owner to maintain the backyard/side yard in a manner that is neither a nuisance nor hazard to the community and neighboring homes. The owner of

each lot shall keep and maintain the exterior of his or her residence in good condition and appearance at all times.

3. Trellis must be located as not to block any street line of sight by neighbors. Plans must be submitted for approval.



Residents are encouraged to contact local law enforcement, animal control or other governmental agencies to enforce control of nuisances. The Association should be the last option available to the resident.

PARKING AND VEHICLE RESTRICTIONS

- 1. 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 vehicles used by the lot occupants.
- 2. 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, on a private street or anywhere else in the Community where visible to other owners. No RV's, trailers, boats, or the like shall be parked on a lot or in the street adjacent to a lot for more than five consecutive days in a calendar month.
- 3. 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.
- 4. No dismantled, inoperable, unregistered or wrecked vehicle or equipment shall be parked, stored or deposited within the Community.
- 5. No vehicle shall be repaired, dismantled or serviced on any lot except in the garage.
- 6. 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.

7. No trailer, truck, boat, camper or recreational vehicle (RV) shall be used as a living area in the community.



Charcoal barbecues and wood burning fire pits are not permitted on townhome balconies. Gas and electric barbecues are allowed.

PORTABLE PLAY EOUPMENT

All portable/temporary equipment (tools, toys, portable play equipment, roller hockey nets/equipment, skateboard ramps, etc.) shall not be allowed to remain visible when not in use. All of these types of items should be stored in the garage or back yard (so that they are not visible from the street) when not in use.

SCREEN DOORS

Approval from the Board is required for a Screen Door. You must submit an application to modify and have it approval before installing.



- 1. No sign shall be placed or displayed in any home or on any lot, building or other structure other than one (1) sign of customary and reasonable dimensions advertising a lot for sale or lease which may be placed on the lot.
- 2. No more than one (1) security sign may be displayed on any lot.
- 3. Political signs may be placed in the owner's yard 90 days prior to an election and must be removed by the completion of the election. Signs may not be placed in the mow strip area (between the street and the sidewalk).

TRASH

- 1. All trash and refuse containers must be placed in the secure containers on the days designated by the City as trash collection day.
- 2. Trash and refuse containers should be placed at curbside not more than 24 hours prior to the day preceding trash pick-up day. Containers should be removed from curbside within 24 hours of trash pick-up day.
- 3. Large items such as appliances, air conditioners, furniture, mattresses, etc. must be disposed of by the owner or resident at his/her own expense.
- 4. Trash and refuse containers must be stored out of sight except on pick up day.

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, 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.



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. Verbal reports cannot and will not be acted on.



When an alleged violation occurs, and is reported to the management company, the owner will be notified in writing and the response form must be completed and returned to the management company in 15 days.

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.



If the homeowner receives the second 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. When 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.



The Board may impose a \$50.00 fine for any violation of the CC&R's, Bylaws or Rules and Regulations Manual after notice has been sent and the homeowner hasn't failed to respond, correct or requested a hearing on the matter within 15 days. Should the violation remain un-remedied an additional fine of \$100.00 will be imposed every 30 days thereafter until the violation is corrected. A foreclosure lien may be placed on the property if the fine amount totals \$250. All costs incurred by the Association to enforce the rules and regulations will be the responsibility of the homeowner in violation.

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)