

AMENDMENT TO DECLARATION OF STRATHMOOR
HOMEOWNERS ASSOCIATION

RECITALS

The Declaration of Strathmoor was recorded on February 14, 2002 as Document No. 2002-018358. The Bylaws of the Strathmoor Homeowners Association were included as Exhibit D of the Declaration.

ARTICLE VII - USE, OCCUPANCY, CASUALTY, AND INSURANCE OF THE DECLARATION, SECTION 7.1 - RESIDENTIAL USE, IS HEREBY DELETED IN ITS ENTIRETY AND REPLACED AS FOLLOWS:

7.1 Use of Units and Rental Restriction. Units shall be occupied and used by the respective Owners only for single-family residential purposes for the Owner, family, tenant and social guests and for no other purposes. Any lease or rental agreement shall be subject to the terms and provisions contained in the Declaration, the Bylaws, and the rules and regulations of the Association. The number of Units which may be rented are limited to six (6), except in the case of hardship where such number may increase to eight (8) Units as set forth herein.

A. Rental Restriction. No Owner may lease or rent less than his/her entire Unit and no such Owner may rent his/her Unit for transient or motel purposes. With the exception of a lender in possession of a Unit following default in a Mortgage, or any deed or other arrangement in lieu of foreclosure, no Unit Owner may rent or lease his/her Unit for a period of less than twelve (12) months. Provided, however, any twelve-month or longer lease may be extended beyond such term on a month-to-month basis. Provided, further, except in the event of a hardship, as defined below, the maximum number of Units that may be non-Owner Occupied shall not exceed six (6) Units. Occupancy shall be limited to the lessees, their household members, visitors and guests. Except as provided in this Section, as of the date this amendment is adopted, any Unit Owner not currently renting his/her Unit(s) may not enter into any new rental arrangement for such Unit except in compliance with this Section. "Owner-Occupied" shall mean any period during which the Unit is occupied by an Owner or an Owner's spouse, children, or parents as a primary or secondary residence and no rent is charged such occupants.

B. Hardship. If the six (6) Unit threshold set forth in subparagraph 7.1 has already been reached, a Unit Owner may apply to the Board of Directors for a hardship-based exception to the threshold; provided, however, that no hardship-based exception shall be granted if doing so causes the non-Owner occupancy rate to exceed eight (8) Units. The following situations may be considered for hardship-based exceptions and, if the Board, in its sole and unfettered discretion, determines that a hardship exists, it may permit a Unit to be rented: (1) if the Unit Owner or his/her spouse relocates for work purposes; (2) if the Unit Owner dies, is hospitalized for a protracted illness, or is placed in a nursing home or a convalescent home or other facility or with family members due to illness; or, (3) if inability to rent a Unit will result in a serious financial hardship to the Owner. The Board of Directors, in its sole and unfettered discretion, shall determine

whether a Unit Owner's situation meets any of the factual situations set forth above and thus qualifies for a hardship-based exception. It may then grant such exception only if doing so would not cause the tenant occupancy of Units to exceed eight (8) Units.

C. Exempt Units. Except for the restriction that no Owner may lease or rent less than his/her entire Unit and that an Owner may not rent his/her Unit for transient or motel purposes, the restriction on renting or leasing Units shall not apply to any Unit owned by a lender in possession of a Unit following a default in a Mortgage or any deed or other arrangement in lieu of foreclosure, and any Unit that, as of the date of adoption hereof, is being leased or rented, hereinafter referred to as an "Exempt Unit." However, the leased Exempt Unit shall count towards the six (6) or eight (8) Unit threshold, whichever is applicable. The Owner of such Exempt Unit may continue to rent such Unit; provided, however, that if, for any period exceeding thirty (30) days, such Unit becomes Owner-Occupied, the Owner thereof no longer may continue to rent such Unit unless it complies with the rental restriction above. An Owner with one Exempt Unit is not automatically entitled to an exemption with respect to any other Unit. The renting restrictions contained in this Section apply independently to each Unit owned by an Owner and exemptions may not be transferred to an Owner's successors and assigns, including, but not limited to, persons who acquire a Unit through inheritance or gift.

D. Procedure. Prior to entering into any rental agreement, a Unit Owner shall notify the Board of Directors in writing of his/her intent to lease or rent such Owner's Unit, the name and address of the proposed tenant, and the circumstances of the proposed arrangement. Within fifteen (15) days of such notification, the Board shall advise the Unit Owner of whether such proposed tenancy would or would not exceed the six (6) Unit restriction and, if it would exceed such restriction, the Board shall place the Unit Owner on a waiting list and shall notify such owner when such Owner's Unit may be rented. Provided, however, an Owner on the waiting list may apply for a hardship exception if such Owner believes the circumstances are appropriate for such an exemption. Once a Unit Owner is notified that his/her Unit may be rented, such Owner, within twelve (12) months from the date of such notice, shall enter into at least a twelve (12) month written lease with a tenant. If a notified Owner has not entered into such a lease within such period, the Board shall place such Unit Owner at the end of the waiting list and shall notify the next Owner on such list that he may rent his/her Unit. An Owner that receives permission from the Board to rent his/her Unit may continue to rent such Unit upon the expiration or termination of each tenancy, provided that, if for any period exceeding thirty (30) days the Unit becomes Owner-Occupied, the Owner no longer may rent the Unit and shall reapply to the Board.

E. Compliance with Documents. All tenants shall be subject to the terms of the Declaration, Bylaws and Rules and Regulations of the Association and the Board of Directors. Each rental agreement shall provide that the terms of the agreement shall be subject in all respects to the provisions of the Declaration, Bylaws, and Rules and Regulations and that any failure by a lessee to comply with the terms thereof shall be a default under the rental agreement. Each tenant shall be provided copies of the Declaration, Bylaws and Rules and Regulations by

the Owner of the Unit being rented at the beginning of the rental term and thereafter with any amendments to such documents. A Unit Owner may be assessed personally for any expenses incurred by the Association resulting from damage to the common elements caused by such Owner's tenant. After giving notice and an opportunity to be heard, Owners may be fined for their tenant's noncompliance with any provision of the Declaration, Bylaws and Rules and Regulations, and such fines shall be collectible as assessments as elsewhere provided in the Bylaws. The Unit Owner shall provide a fully executed copy of each rental agreement to the Board of Directors.

F. Enforcement. If a Unit Owner fails follow the procedures set forth in this Section with respect to the rental of his Unit, at any time after learning of such rental, the Board of Directors may charge such Owner an administrative fee, the amount of which shall be determined from time to time by Board resolution. The purpose of the fee is to reimburse the Association for time, costs and expenses of management time incurred to obtain information about the tenant and to provide such tenant with copies of Association documents. Provided, however, that charging an Owner an administrative fee and/or providing such Owner's tenant with copies of Association documents shall not bar or limit the Association's remedies arising from such Owner's violations of the provisions of the Declaration, Bylaws and Rules and Regulations, including, without limitation, the right to sue for an injunction, for damages and to remove the tenant in the event that the tenancy violates any provision of this Section.

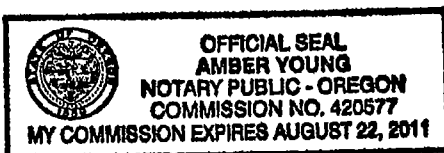
IN WITNESS WHEREOF, the undersigned officers of Strathmoor Homeowners' Association, Inc. hereby certify that this Amendment to the Bylaws of Strathmoor Homeowners' Association, Inc. has been adopted in accordance with the Original Bylaws of Strathmoor Homeowners' Association, Inc., and the provisions of ORS 94.625, by virtue of the execution of the instrument by the President and Secretary.

This Amendment is executed this 19th day of July, 2008.

Valerie O'Kane
Valerie O'Kane, Secretary

STATE OF OREGON)
) ss.
County of Washington)

The foregoing instrument was acknowledged before me on this 19th day of July, 2008, by Valerie O'Kane, the Secretary of Strathmoor Homeowners' Association, Inc. on behalf of the Association.



[Signature]
Notary Public for Oregon
My Commission Expires: 8/22/2011