

When recorded, return to:

Paul J. Taylor  
Bryant, Lovlien & Jarvis, P.C.  
591 SW Mill View Way  
Bend, OR 97702

Deschutes County Official Records	<b>2020-12779</b>
D-CCR	
Stn=1 BN	<b>03/20/2020 12:59 PM</b>
\$55.00 \$11.00 \$10.00 \$61.00 \$6.00	<b>\$143.00</b>
I, Nancy Blankenship, County Clerk for Deschutes County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.	
Nancy Blankenship - County Clerk	

**SUPPLEMENTAL DECLARATION  
TO  
TETHEROW  
(Highlands Ridge, Phases 1 & 2)**

THIS SUPPLEMENTAL DECLARATION OF TETHEROW (“**Supplemental Declaration**”) is made as of this 20 day of March, 2020, by Tetherow Heath, LLC, an Oregon limited liability company (“**Declarant**”), and Tetherow AB, LLC, an Oregon limited liability company (“**Supplemental Declarant**”).

Recitals

- A. Declarant is the successor declarant under the Declaration of Covenants, Conditions, Restrictions and Easements for Tetherow, recorded October 3, 2007, in the Official Records of Deschutes County, Oregon, as Document No. 2007-53418 (the “**Declaration**”).
- B. Supplemental Declarant recorded the plat of Highland Ridge, Phases 1 & 2 in the Official Records of Deschutes County, Oregon on March 9, 2020 as Document No. 2020-10700 (the “**Plat**”).
- C. Pursuant to Section 2.2 of the Declaration, and with the consent of Supplemental Declarant, Declarant desires to annex the Additional Property described in Exhibit A, attached hereto and incorporated herein by reference, to Tetherow and to subject the same to the Declaration and to designate such Additional Property as the Neighborhood known as “Highlands Ridge.”

NOW, THEREFORE, Declarant and Supplemental Declarant hereby declare as follows:

1. **OWNERSHIP OF ANNEXED PROPERTY.** Supplemental Declarant owns the Additional Property and hereby consents to this Supplemental Declaration.
2. **PROPERTY ANNEXED.** Declarant hereby declares that the Additional Property described in Exhibit A shall be annexed to Tetherow and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the Declaration and this Supplemental Declaration.
3. **LAND CLASSIFICATIONS.** The annexed Additional Property is classified as follows:
  - 3.1 Units, which shall consist of Lots 1 through 20 as shown on the Plat. Units may take the form of structures with a shared wall (“**Townhomes**”) or detached single family dwellings (“**Single Family Dwellings**”). Townhomes are designated by the recording of an instrument that governs the rights and obligations of the properties subject to the instrument with respect to the shared wall.
  - 3.2 The annexed Additional Property does not contain any Common Areas.
  - 3.3 Neighborhood Common Areas, which shall be Common Area AA, Common Area

BB, Common Area CC, Meeks Rim Drive (Road Tract X), Varner Way (Road Tracts X and Z), and Home Way (Road Tract Z) as shown on the Plat.

3.4 Limited Common Areas, which shall be Awbrey Hall Lane (Tract Y). Awbrey Hall Lane is limited to use by Lots 1 through 5. Lots 1 through 5 shall be solely responsible for the costs to maintain, repair, and replace Awbrey Hall Lane (Tract Y), and all improvements thereon, including, without limitation, landscaping, paving, and snowplowing. The Highlands Ridge Neighborhood Association will organize and arrange for maintenance, repair, and replacement of Awbrey Hall Lane (Tract Y) and may impose Limited Common Area Assessments including, without limitation, assessments for reserves, on Lots 1 through 5 for such costs.

3.5 Neighborhood Declarant (as defined below) does not agree to build any specific future Improvements, but does not choose to limit Neighborhood Declarant's rights to add Improvements not described in this Supplemental Declaration.

4. NEIGHBORHOOD DESIGNATION. Pursuant to Section 3.1 of the Declaration, the Additional Property is hereby designated as the "Highlands Ridge" Neighborhood.

5. NEIGHBORHOOD ASSOCIATION.

5.1 Neighborhood Declarant shall establish a non-profit corporation with members to serve as the Neighborhood Association for Highlands Ridge (the "**Highlands Ridge Neighborhood Association**").

5.2 The Highlands Ridge Neighborhood Association is vested with the authority and obligation to maintain the Neighborhood Common Areas, Limited Common Areas, levy Neighborhood Assessments, Limited Common Area Assessments, and Individual Assessments, promulgate and enforce rules and regulations, hold title to and administer, manage, operate, and insure Neighborhood Common Areas, Limited Common Areas, and/or easements located within Highlands Ridge, and any other powers afforded a Neighborhood Association under the Declaration, this Supplemental Declaration, and ORS 94.550 to 94.783 (the "**Oregon Planned Community Act**"). Prior to the formation of the Highlands Ridge Neighborhood Association, Neighborhood Declarant shall be responsible, at its sole cost and expense, for operating, managing, administering, insuring, maintaining, repairing and replacing the Neighborhood Common Areas and Limited Common Areas in accordance with the Declaration and this Supplemental Declaration.

5.3 There shall be one class of membership within the Highlands Ridge Neighborhood Association.

5.4 Each Owner of a Unit shall, immediately upon creation of the Highlands Ridge Neighborhood Association and thereafter during the entire period of the Owner's ownership of a Unit within Highlands Ridge, be a member of the Highlands Ridge Neighborhood Association. Such membership shall commence, exist and continue simply by virtue of such ownership, shall expire automatically upon termination of such ownership, and need not be confirmed or evidenced by any certificate or acceptance of membership.

5.5 Members shall be entitled to one (1) vote for each Unit owned. When more than one (1) person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote

be cast with respect to any Unit. If the Owners of a Unit cannot agree upon how to exercise their vote, then the vote for that Unit shall be disregarded completely in determining the proportion of votes given with respect to such matter, unless a valid court order establishes the authority of a co-Owner to vote.

5.6 Neighborhood Declarant shall produce an initial reserve study consistent with ORS 94.595 and establish a reserve fund on behalf of the Highlands Ridge Neighborhood Association to fund major maintenance, repair, or replacement of Neighborhood Common Areas and Limited Common Areas that will normally require replacement in whole or in part in more than one (1), but less than thirty (30), years. The Highlands Ridge Neighborhood Association shall annually review and update the reserve study to determine assessments for the reserve fund.

5.7 Neighborhood Declarant shall produce an initial maintenance plan consistent with ORS 94.595 and establish an operating fund on behalf of the Highlands Ridge Neighborhood Association to fund all maintenance, repair, or replacement obligations. The Highlands Ridge Neighborhood Association shall annually review and update the maintenance plan to determine assessments for the operating fund.

5.8 Neighborhood Declarant shall convey the Neighborhood Common Areas and Limited Common Areas to the Highlands Ridge Neighborhood Association on or before the Turnover Meeting held in accordance with the Bylaws of the Highlands Ridge Neighborhood Association (the “**Neighborhood Bylaws**”).

5.9 The Neighborhood Bylaws shall be recorded.

6. NEIGHBORHOOD DECLARANT CONTROL. Neighborhood Declarant shall have control over the Highlands Ridge Neighborhood Association for so long as Neighborhood Declarant holds an unexpired right to annex Additional Property into Highlands Ridge. Nothing herein shall prevent Neighborhood Declarant from sooner turning over control to the Owners of Highlands Ridge. Neighborhood Declarant, as required by the Neighborhood Bylaws, shall complete turnover in a manner consistent with the Oregon Planned Community Act. Notwithstanding anything in any governing document to the contrary, until turnover of the Neighborhood Association, Neighborhood Declarant shall be entitled to 5 votes for each Unit then owned by Neighborhood Declarant for purposes of voting under the Supplemental Declaration and Bylaws.

## 7. ADDITIONAL RESTRICTIONS.

7.1 The Additional Property shall be subject to all of the terms and provisions of the Declaration except as modified or supplemented by this Supplemental Declaration.

7.2 Maintenance, repair, and replacement of Neighborhood Common Areas and Limited Common Areas including, but not limited to, landscaping, paving, and snow plowing, shall be designed, installed, and performed by the Highlands Ridge Neighborhood Association and/or its officers, employees, contractors, or agents. Each Unit grants Neighborhood Declarant, the Tetherow Owners Association, an Oregon nonprofit corporation (the “**Association**”), the Highlands Ridge Neighborhood Association, and their respective officers, employees, contractors, and agents, an easement over the Neighborhood Common Areas and Limited Common Areas for purposes of maintaining the Neighborhood Common Areas and Limited Common Areas. Expenses for maintenance of Neighborhood Common Areas shall be a Neighborhood Expense. Expenses for

maintenance of Limited Common Areas shall be the responsibility of the Units associated with the applicable Limited Common Area as described in Section 3.4 above.

7.3 With the exception of landscaping for Townhome Units, the Units within the Additional Property shall at all times be maintained by the respective Owners in accordance with Section 10.1 of the Declaration.

7.4 Front-yard landscaping of the Townhome Units, including design, installation, maintenance, and repair, shall be the responsibility of the Highlands Ridge Neighborhood Association. Each Unit on which a Townhome is constructed grants Neighborhood Declarant, the Association, the Highlands Ridge Neighborhood Association, and their respective officers, employees, contractors, and agents, an easement over the Unit for purposes of landscaping. Expenses for landscaping shall be an Individual Assessment of the Townhome Owners. Landscaping of Single Family Dwellings shall be maintained by the Owner of the applicable Single Family Dwellings, consistent with Section 7.16 of the Declaration, at the sole expense of the applicable Single Family Dwelling Owner.

7.5 If any portion of Highlands Ridge is not maintained in accordance with the Declaration and this Supplemental Declaration, then the Association may exercise its corrective maintenance rights pursuant to Section 10.4 of the Declaration, after giving the responsible party reasonable notice and an opportunity to correct the deficient maintenance. If the Association exercises its corrective maintenance rights with respect to the Neighborhood Common Areas and Limited Common Areas within Highlands Ridge, then the Association may levy Individual Assessments under the Declaration in equal amounts against all applicable Units within Highlands Ridge (including Units owned by Neighborhood Declarant) to fund the costs incurred by the Association for the corrective maintenance. If the Association exercises its corrective maintenance rights with respect to any individual Unit within Highlands Ridge, then the Association may levy an Individual Assessment under the Declaration against that Unit (including any Unit owned by Neighborhood Declarant) to fund the costs incurred by the Association for the corrective maintenance of that Unit.

7.6 No Unit within Highlands Ridge may be subjected to any timeshare, fractional, co-ownership or vacation club program without the prior written approval of Declarant and Neighborhood Declarant during the Development Period or, after the Development Period, the Association and the Highlands Ridge Neighborhood Association.

7.7 Pursuant to Sections 3.11 and 4.3 of the Declaration, all Owners within Highlands Ridge must maintain at least a Social/Athletic Membership in the Club.

7.8 Unless an Owner is prohibited from leasing or renting his or her Unit by the terms of another document, an Owner shall be entitled to rent or lease his or her Unit if: (i) there is a written rental or lease agreement specifying that the tenant shall be subject to all provisions of the Governing Documents (including any rules and regulations promulgated by the Highlands Ridge Neighborhood Association) and a failure to comply with any provision of the Governing Documents shall constitute a default under the agreement; (ii) the period of the rental or lease is not less than thirty (30) days; (iii) the Owner gives notice of the tenancy to the Board and a copy of the lease, if requested, and has otherwise complied with the Governing Documents (including any rules and regulations promulgated by the Highlands Ridge Neighborhood Association); (iv) the Owner gives each tenant a copy of the Governing Documents (including any rules and regulations promulgated

by the Highlands Ridge Neighborhood Association); and (v) the Unit is rented to not more than one (1) family at any time. Upon satisfaction of the foregoing conditions, all rights to the use and enjoyment of the Common Areas and Neighborhood Common Areas shall be exercised by the tenant rather than the Owner of the lease or rented Unit; however, the Owner shall not be relieved of the obligations and duties imposed by the Declaration or this Supplemental Declaration. The Owner may be fined for any violations of the Governing Documents (including any rules and regulations promulgated by the Highlands Ridge Neighborhood Association) committed by the tenant. No Owner may lease or rent an unimproved Unit.

## 8. NEIGHBORHOOD DECLARANT.

8.1 For the purposes of the Declaration and this Supplemental Declaration, Supplemental Declarant is designated "Neighborhood Declarant" for the Highlands Ridge Neighborhood. Any Neighborhood Declarant special rights provided by, or any responsibilities created under, the Declaration or this Supplemental Declaration shall be exercised or performed exclusively by Supplemental Declarant, or its successors and assigns.

8.2 Except as otherwise expressly provided in this Supplemental Declaration, and notwithstanding any contrary provision in the Declaration, neither Declarant nor the Association shall delegate to Neighborhood Declarant or the Highlands Ridge Neighborhood Association, any obligations under the Declaration with respect to the Additional Property or any other Common Areas that the Owners within Highlands Ridge have access to, without the written consent of Neighborhood Declarant, as long as Neighborhood Declarant owns any portion of the Additional Property.

## 9. ANNEXATION OF ADDITIONAL PROPERTY INTO NEIGHBORHOOD.

9.1 Neighborhood Declarant reserves the right to annex any real property, subject to approval of Declarant, into Highlands Ridge for a period of fifteen (15) years from the recording of this Supplemental Declaration.

9.2 There is no limit on the number or type of Units that Neighborhood Declarant may annex or create from annexed real property nor the amount or nature of Neighborhood Common Areas that Neighborhood Declarant may create from the annexed real property.

9.3 Neighborhood Declarant shall annex real property into Highlands Ridge through the procedures for annexation prescribed in the Declaration.

9.4 Upon annexation, Neighborhood Assessments shall be reallocated proportionately among the Units within Highlands Ridge.

9.5 Upon annexation, each Unit shall be entitled to the same voting rights as existing Units within Highlands Ridge.

10. NEIGHBORHOOD ASSESSMENTS. Each Unit within Highlands Ridge shall be subject to assessment in the manner and to the extent provided in Article 11 of the Declaration, as modified or supplemented by this Supplemental Declaration. The costs of operating, managing, administering, insuring, maintaining and replacing the Neighborhood Common Areas within Highlands Ridge and administering the Highlands Ridge Neighborhood Association shall be Neighborhood Expenses of the Highlands Ridge Neighborhood Association and such Neighborhood Expenses shall be assessed

to each Unit and the Owner thereof. The Highlands Ridge Neighborhood Association shall have the power and obligation to levy, enforce and collect such Neighborhood Assessments, Limited Common Area Assessments, and Individual Assessments from the Owners as specified under the Declaration and this Supplemental Declaration. Each Owner of a Lot by acceptance of a conveyance thereof, whether or not so expressed in any such conveyance, shall be deemed to covenant to pay to the Highlands Ridge Neighborhood Association all Assessments or other charges as may be fixed, established and collected from time to time in the manner provided in the Declaration, this Supplemental Declaration, or the Neighborhood Bylaws. Such Assessments and charges, together with any interest, late charges, expenses, or attorneys' fees imposed, shall be a charge on the land and shall be a continuing lien upon the Unit against which each such assessment or charge is made. Such assessments, charges, and other costs shall also be the personal obligation of the person who was the Owner of such Unit at the time when the assessment or charge fell due. Such liens and personal obligations shall be enforced in the manner set forth in the Oregon Planned Community Act. As provided in Section 11.2(a) of the Declaration, no assessments (other than Individual Assessments) shall be levied against a Unit within Highlands Ridge owned by Neighborhood Declarant until such time as the Unit is occupied for residential use.

11. **DESIGN GUIDELINES.** The "**Design Guidelines**" applicable to Highlands Ridge shall be the Tetherow Architectural and Landscape Design Guidelines, as same may be from time to time amended.

12. **ENFORCEMENT OF DECLARATION.** The Highlands Ridge Neighborhood Association shall have a non-exclusive right, but no obligation, to enforce the terms and provisions of the Declaration and this Supplemental Declaration, including any rules and regulations of the Association promulgated under the Declaration or this Supplemental Declaration, as against any Owner of a Unit within Highlands Ridge. The Highlands Ridge Neighborhood Association shall be entitled to the same remedies as the Association under the Declaration in connection with the exercise of any such enforcement rights. Nothing in this Section 12 shall be construed as to limit, restrict or otherwise affect any of the enforcement rights of the Association under the Declaration.

13. **AMENDMENT.**

13.1 This Supplemental Declaration may be amended in the manner provided for amendment of the Declaration and in accordance with the terms thereof. No amendment hereto may alter or exempt application of any provision of the Declaration.

13.2 In no event shall an amendment under this Section 13 create, limit or diminish Declarant's special rights without Declarant's written consent.

13.3 In no event shall an amendment under this Section 13 create, limit or diminish Neighborhood Declarant's special rights without Neighborhood Declarant's written consent.

13.4 Declarant and Neighborhood Declarant may not amend this Supplemental Declaration to increase the scope of their respective special rights after the sale of the first Unit within Highlands Ridge unless Owners representing 75 percent of all the Units, including at least 75 percent of Units within Highlands Ridge, other than Declarant or Neighborhood Declarant, agree to the amendment.

13.5 No change shall be made in the boundaries of any Unit or any uses to which any Unit

is restricted under this Supplemental Declaration, or in the method of determining liability for common expenses, the method of determining the right to common profits or the method of determining voting rights of any Unit, unless the Owners of the affected Units unanimously consent to the amendment.

13.6 Notwithstanding any contrary provision in this Supplemental Declaration, during the period of Neighborhood Declarant control, Neighborhood Declarant shall have the right to amend this Supplemental Declaration in order to comply with the requirements of the Federal Housing Administration, the United States Department of Veterans Affairs, the Farmers Home Administration of the United States, the Federal National Mortgage Neighborhood Association, the Government National Mortgage Neighborhood Association, the Federal Home Mortgage Loan Corporation, any department, bureau, board, commission or agency of the United States or the State of Oregon, or any corporation wholly owned, directly or indirectly, by the United States or the State of Oregon that insures, guarantees or provides financing for a planned community or lots in a planned community. After the period of Neighborhood Declarant control, any such amendment shall require the approval of a majority of the voting rights of the Highlands Ridge Neighborhood Association, voting in person, by proxy or by ballot, at a meeting or ballot meeting of the Highlands Ridge Neighborhood Association at which a quorum is represented. Provided, however, no amendment under this Section 13.6 may conflict with or be contrary to any provisions of the Declaration.

13.7 Any amendment shall become effective only upon recordation in the Official Records of Deschutes County, Oregon of a certificate of the president and secretary of the Highlands Ridge Neighborhood Association setting forth in full the amendment so approved and certifying that such amendment has been approved in the manner required by the Declaration, this Supplemental Declaration, the Oregon Planned Community Act, and acknowledged in the manner provided for acknowledgment of recorded instruments.

#### 14. MISCELLANEOUS.

14.1 Unless expressly defined in this Supplemental Declaration, capitalized terms shall have the definition assigned such terms in the Declaration.

14.2 If any provision of this Supplemental Declaration is found by a court with competent jurisdiction to be unenforceable in any respect, such unenforceability shall not impair the enforceability of the provision in any other respect, or the enforceability of the remaining terms.

14.3 Highlands Ridge is subject to the Oregon Planned Community Act. This Supplemental Declaration is intended to be consistent with the Oregon Planned Community Act, which shall supplement any omission from, and control over any conflict with, this Supplemental Declaration.

14.4 Neighborhood Declarant acknowledges and agrees that (i) this Supplemental Declaration is suitable for Neighborhood Declarant's intended purposes for the lands subject thereto based on its own business judgment, and (ii) Neighborhood Declarant did not rely upon any Declarant promises, inducements, representations, warranties, or other understandings when entering into the Supplemental Declaration.

14.5 This Supplemental Declaration, and attached Consents, may be executed in

counterparts each of which shall be deemed an original, but all such counterparts together shall constitute one instrument.

[signatures on next page]

Unofficial  
Copy

IN WITNESS WHEREOF, Declarant has executed this Supplemental Declaration, and Neighborhood Declarant, and the Highlands Ridge Neighborhood Association have consented thereto, as of the day first written above.

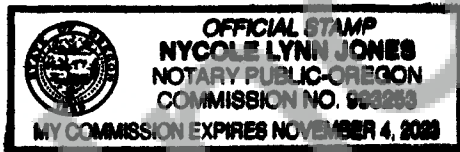
Tetherow Heath, LLC,  
an Oregon limited liability company

By: *Chris van der Velde*  
Chris van der Velde, Manager

STATE OF OREGON            )  
  ) ss.  
COUNTY OF DESCHUTES )

The foregoing instrument was acknowledged before me this 20 day of March, 2020, by Chris van der Velde, Manager of Tetherow Heath, LLC, an Oregon limited liability company.

*Nicole Lynn Jones*  
Notary Public for Oregon



CONSENT OF PROPERTY OWNER

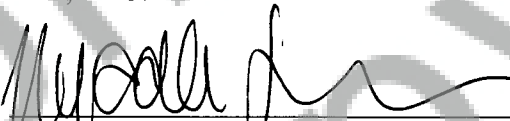
Tetherow AB, LLC, an Oregon limited liability company as the owner of the Additional Property described on Exhibit A hereto, hereby consents to subjecting the Additional Property to the terms of the Declaration and this Supplemental Declaration, and the recording of this Supplemental Declaration to Tetherow (Highlands Ridge, Phases 1 & 2) and hereby reaffirm all easements and dedications established by the Plat.

Tetherow AB, LLC,  
an Oregon limited liability company

By:   
Chris van der Velde, Manager

STATE OF OREGON            )  
  ) ss.  
COUNTY OF DESCHUTES )

The foregoing instrument was acknowledged before me this 20 day of March, 2020, by Chris van der Velde as Manager of Tetherow AB, LLC.

  
Notary Public for Oregon

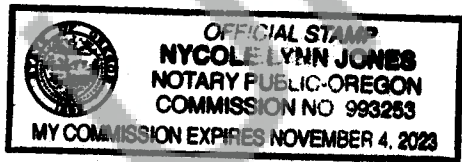


EXHIBIT A

LEGAL DESCRIPTION

Lots 1 through 20, Common Area AA, Common Area BB, Common Area CC, Meeks Rim Drive (Road Tract X), Awbrey Hall Lane (Road Tract Y), Varner Way (Road Tracts X and Z), and Home Way (Road Tract Z) all as shown on the Highlands Ridge, Phases 1 & 2 subdivision plat recorded March 9, 2020 in the Deschutes County Official Records, Oregon as Document No. 2020-10700.

Neighborhoods and Land Classifications within the Additional Property

Neighborhood: Highlands Ridge

Units: Lots 1 through 20 as shown on the Plat

Common Areas: None

Neighborhood Common Areas: Common Area AA, Common Area BB, Common Area CC, Meeks Rim Drive (Road Tract X), Awbrey Hall Lane (Road Tract Y), Varner Way (Road Tracts X and Z), and Home Way (Road Tract Z) as shown on the Plat

Limited Common Areas: Awbrey Hall Lane (Road Tract Y)

Restricted Areas: None

Public Areas: None