

2023-010539

Klamath County, Oregon



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12/08/2023 02:51:12 PM

Fee: \$102.00

When recorded, return to:

Running Y Ranch Resort Owners Association
PO Box 2277
Bend, OR 97709

AMENDMENT NO. 2 TO DECLARATION ANNEXING PHASE 1
OF ASPEN RUN TO RUNNING Y RANCH RESORT

THIS AMENDMENT NO. 2 to Declaration Annexing Phase 1 of Aspen Run to Running Y Ranch Resort (this "Amendment") is made by Running Y Ranch Resort Owners Association, an Oregon nonprofit corporation (the "Association").

The Association is the owners' association for the Running Y Ranch Resort pursuant to that certain Declaration of Protective Covenants, Conditions, Restrictions and Easements for Running Y Ranch Resort, dated August 2, 1996 in the Official Records of Klamath County (the "Official Records") in Volume 1996 at Page 23548, amended and restated by that certain Amended and Restated Declaration of Protective Covenants, Conditions, Restrictions and Easements for Running Y Ranch Resort, recorded in the Official Records at 2018-007433 (as amended from time to time, the "Original Declaration").

Recitals

A. Aspen Run is a Neighborhood (formerly known as a "Project") within Running Y established pursuant to Declaration Annexing Phase 1 of Aspen Run to Running Y Ranch Resort, dated October 23, 2007, and recorded October 25, 2007, as Document No. 2007-018406 in the Official Records of Klamath County, Oregon, as amended by that certain First Amendment to Declaration Annexing Phase 1 of Aspen Run to Running Y Ranch Resort, recorded July 8, 2008, in the Official Records of Klamath County, Oregon at 2008-009877 (as amended, the "Declaration"). The property annexed to Running Y Ranch Resort pursuant to the Declaration is collectively referred to in this Amendment as "Aspen Run".

B. In accordance with the Declaration, by affirmative vote or written consent of Owners owning not less than seventy-five percent (75%) of the Lots within Aspen Run, together with the written consent of the Class B member of the Association, the Owners wish to amend the Declaration as provided herein.

Amendment

NOW, THEREFORE, in furtherance of the foregoing recitals, the Association hereby declares and agrees as follows:

1. Amendment to Section 6.9. Section 6.9 is hereby amended and restated in its entirety as follows:

6.9 **Insurance**. The Association, through the Board of Directors, shall obtain and maintain at all times and shall pay for out of Neighborhood Assessments the following insurance covering the Neighborhood Common Areas and may, but shall not be obligated to, obtain and maintain and pay for out of Neighborhood Assessment property insurance on the Living Units within Aspen Run:

- (a) Property insurance covering loss or damage from perils normally covered by "special" form policy or the equivalent, including, to the extent available at a reasonable cost, earthquake and flood. With respect to the Living Units, the policy shall include the Living Unit and all fixtures, equipment and fixed finishes therein, exclusive of personal property, any hot tubs placed on outdoor decks and any improvements or betterments installed by an Owner;
- (b) Insurance covering the legal liability of the Association, including but not limited to, the Association Board of Directors. There may be excluded from this insurance any liability covering an Owner for liability arising out of the acts or omissions of that Owner. Liability insurance required under this subsection shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement providing that the rights of named insured under the policy shall not prejudice any action against another named insured.
- (c) Each Owner shall be responsible for insuring all portions of the Living Unit not covered by the Association's policy, including personal property, any hot tubs placed on outdoor decks and any improvements or betterments installed by an Owner. The Owner may also be responsible for certain "loss assessments".
- (d) Notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be listed as an additional insured, on behalf of the Association, the Association's authorized representative.
- (e) Each Owner appoints the Association as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association shall receive, hold, or otherwise properly dispose of any proceeds of insurance in trust for Owners and their first mortgage holders, as their interests may appear.
- (f) If the Association elects not to obtain property insurance on Living Units within Aspen Run, the Association shall provide not less than 30 days written notice to all Owners of such decision. Thereafter, each Owner shall obtain the property insurance specified in Section 6.9(a) above. Each Owner shall be obligated to provide the Association (and the other Owners with Living Units in the same building) with a copy of such insurance policy(ies) or other proof of insurance reasonably acceptable to the Association within forty five (45) days after receipt of notice of the obligation to carry such insurance. Notwithstanding the foregoing, in no event shall the Association have any liability:
 - (a) for a failure of the Association to collect such evidence of

coverage from any Owner; or (b) for the failure of any Owner to carry the required insurance.

2. Amendment to Section 6.14. Section 6.14 of the Declaration is hereby amended and restated in its entirety as follows:

6.14 Damage, Destruction or Partial Condemnation. If any Living Unit within Aspen Run is damaged, destroyed or partially condemned and the Owners of all Living Units situated in the affected building elect not to rebuild and if the election not to rebuild is approved by a seventy-five percent (75%) vote of the Owners within Aspen Run, the affected Lots shall be cleared of debris and Living Units of an alternate design may be constructed subject to approval of Declarant and the Architectural Review Committee.

- (a) If the Living Unit or Living Units are to be restored and the Association maintains the property insurance on such Unit(s) pursuant to Section 6.9, the Association shall be responsible for restoring those portions of the Living Unit(s) covered by the Association's insurance policy to substantially the same condition in which the building or buildings existed prior to such damage, destruction or partial condemnation. The Owner shall be responsible for the remainder of the Living Unit, any restoration costs in excess of the insurance proceeds and the deductible under the Association's insurance policy.
- (b) If the Living Unit or Living Units are to be restored and the Owners are required to maintain the property insurance on their respective Living Units pursuant to Section 6.9, the applicable Owner(s) shall be responsible for restoring their Living Unit(s) to substantially the same condition in which the building or buildings existed prior to such damage, destruction or partial condemnation. Each Owner shall be responsible for all costs of restoring their Living Unit that are not covered by the proceeds of their insurance.

3. Neighborhood Association Certification. By their execution of this Amendment, the president and secretary of the Association hereby certify that this Amendment has been approved in accordance with the terms of Declaration, and this Amendment may be executed and recorded in the Official Records of Klamath County, Oregon.

4. Declarant Approval. Declarant hereby approves this Amendment.

5. Effect of Amendment. Except as otherwise amended by this Amendment, the Declaration is unmodified and remains in full force and effect.

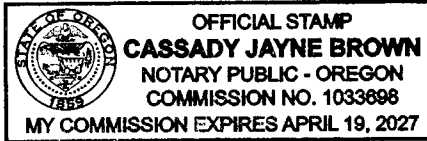
6. Definitions. Capitalized terms used without definition shall have the meaning given them in the Declaration.

7. Counterparts. This Amendment maybe executed in multiple counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Amendment to be effective as of the day it is recorded in the Official Records of Klamath County, Oregon.

"ASSOCIATION":

RUNNING Y RANCH RESORT OWNERS
ASSOCIATION,
an Oregon nonprofit corporation



By: [Signature]
Name: THOMAS R. SCHIESS
Title: President

By: [Signature]
Name: KAREN L. SMITH
Title: Secretary

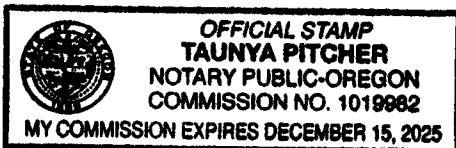
STATE OF OR)
)ss.
COUNTY OF Klamath)

The foregoing instrument was acknowledged before me this 6 day of December 2023 by Thomas Schiess, the president of Running Y Ranch Resort Owners Association, an Oregon nonprofit corporation, on behalf of the nonprofit corporation.

Cassady Jayne Brown
Notary Public for Oregon
My Commission Expires: 4/19/27

STATE OF Oregon)
)ss.
COUNTY OF Deschutes)

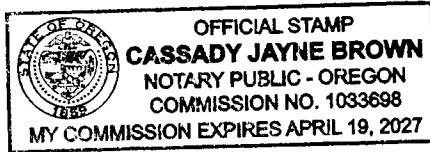
The foregoing instrument was acknowledged before me this 6th day of December 2023 by Karen Smith, the secretary of Running Y Ranch Resort Owners Association, an Oregon nonprofit corporation, on behalf of the nonprofit corporation.



Taunya Pitcher
Notary Public for Oregon
My Commission Expires: 12/15/25

The undersigned, the successor declarant under the Original Declaration and the Declarations, executes this Amendment to indicate its consent.

"DECLARANT":



RUNNING Y RANCH DEVELOPMENT, LLC,
an Oregon limited liability company

By CLV PROPERTIES, LLC

Its sole member

By:

[Signature of William Lynch]
William Lynch

Title: Sole Member-Declarant

STATE OF OR)
)ss.
COUNTY OF Klamath)

The foregoing instrument was acknowledged before me this 16 day of December 2023, by William Lynch, the William Lynch of CLV Properties, LLC, the sole member of Running Y Ranch Development, LLC, on behalf of Running Y Ranch Development, LLC.

Cassady Jayne Brown
Notary Public for Oregon
My Commission Expires: 4/19/27