

Country Square Condominium Association, Inc. House Rules/Guidelines/ Fine Schedule

Section I

The Country Square Board of Directors - in an effort to provide for harmonious and safe surroundings for all residents, along with maintaining property values and a quality residential living environment - has established the following House Rules in accordance with Article II of the Articles of Incorporation (Definitions); Article IX of the Declarations (Statement of Purpose/Restrictions); Article III Section 2 (Powers and Duties of the Board) and Article VIII (Obligations of Owners) of the By-Laws.

All present and future owners, tenants and occupants of any unit within Country Square are subject to these rules. Any person who purchases, leases, rents or occupies any unit agrees to abide by the covenants, conditions and restrictions as set forth in the Declarations, Bylaws, and these House Rules.

General Provisions

These House Rules will be enforced when an individual behaves in a way that is not conducive to a courteous and safe environment, such as:

1. Disturbing another resident
2. Creating hazardous or dangerous conditions
3. Displaying an unsightly exterior appearance
4. Exclusively using common areas
5. Non-payment of assessments

In most situations, primary responsibility for correcting violations of these House Rules rests with the owner of the home identified as the source of the problem.

These House Rules are not intended to usurp any provision of the Declarations or By-Laws, or to prevent enforcement of public law. Residents must comply with all applicable federal, state, and municipal laws and regulations.

The violating individual(s) will not hold the Board of Directors or other members of the Association liable for any punishment incurred for non-compliance of these House Rules.

Any resident may file a complaint of violation of the House Rules with any member of the Board of Directors.

Enforcement

Complaints must be in writing and submitted to the Management Company and/or to a Board Member. Complaints will be brought to the Board's attention to be discussed at the next Board Meeting. (Article II Section 16: Complaints and Official Business).

Under the Administrative Resolution #3 Due Process Section of the By-Laws, **if the Board determines the complaint is valid**, a notice will be delivered to the owner, and tenant if applicable, outlining the following:

- A) The nature of the specific violation.
- B) The date, time and place the Board will meet to make a decision to allow the owner to be present to defend against the allegation.
- C) The possible solutions to cure the violation.
- D) The penalties that may be imposed by the Board if it determines a violation exists.

The notice will be delivered through at least one of the following methods:

- A) Personal delivery,
- B) Posting on unit door,
- C) E-mail to addresses on file

Additionally, a notice to the owner will be sent through certified mail to the last known address on file. A courtesy copy will be sent through postal delivery to the unit address.

At the meeting, the Board will hear the evidence from both sides before making a decision. If the Board formally determines there has been a violation, it will have the following options:

- A) Withhold imposition of a fine if the violation will be cured in a reasonable time period.
- B) Impose a fine as outlined in the Fine Schedule below.**

Alternatively, the Board may turn the matter over to an attorney with instructions to enforce the rights of the Association in the Alaska courts.

Section II

Occupancy

(Declarations - Article IX section 9 Amendment)

Occupancy is restricted to single family residential use, and not for transient or hotel purposes.

Annually, or as otherwise directed by the Board, the owner of each unit is required to complete an Annual Owner Occupancy Status Form and the Owner/Tenant Information Form.

If occupancy information changes, an update to the Annual Owner Occupancy Status Form and the Owner/Tenant Information Form will be provided to Management within 10 days.

No owner(s) of any unit may enter into a lease agreement without having obtained the written consent of the Board of Directors. Consent shall be granted on a first-come, first-

serve basis, and be dependent only upon compliance with the most restrictive owner-occupant requirements established by Alaska Housing Financing Corporation (AHFC), the Federal Home Loan Mortgage Corporation (FNMA), or the Veterans Administration VA.

Request for approval of a proposed lease shall be made in writing using the Country Square Rental/Lease Approval Request & Process Form, directed to the Management Company or the President of the Board of Directors. Request for approval may be emailed, or mailed by first class mail, postage prepaid, registered, return receipt requested.

The Board of Directors shall have 15 days to grant or refuse approval of the proposed lease to ensure that the non-owner occupancy rates remain below the maximum allowed by the financial entities above. Board of Directors response to the owner shall be in writing.

Failure by the Board of Directors to notify the owner shall be construed as an approval of the request.

Extensions of approved leases do not require Board approval again.

Sub-letting or assignment of a rental/lease agreement is considered a new agreement.

The owner of the unit is the tenant's landlord; however, the Association has the authority to levy fines if the tenant violates the House Rules. The owner may be given an opportunity to have the tenant correct the violation. IF the tenant violates the House Rules consistently or endangers other occupants, the Association may request through the owner, that a tenant be evicted.

Other than the foregoing, there is no restriction on the right of any owner to lease or rent their unit.

Pets

Pets are allowed. However, their presence comes with the need to consider the comfort and safety of other residents. These House Rules are intended to help residents and pets enjoy a peaceful and safe coexistence, and to minimize damage to the property.

No more than two (2) pets are allowed per unit. The allowable pets are domesticated dogs, cats, fish, and birds. Birds must be kept in a bird cage. No other animals are allowed on the property. The unit owner is responsible for any damages to persons or property caused by their pet. Each unit owner is further subject to all municipal ordinances pertaining to pets.

Unit owner and/or tenants should ensure to the extent possible that pets inside a unit do not create a nuisance or disturb other residents. When outside a unit, pets must be attended and physically restrained via leash or cage. An animal on a leash must be handled by a person physically capable of controlling the animal. Animals may not be tied out in common areas or left unattended on private balconies.

Unit owners and tenants must immediately clean up after pets in common areas, and on private balconies - if applicable - to avoid creating health hazards or damage. Feces shall be disposed in a sanitary fashion.

The Board has the right to remove any pet which may become a nuisance or which presents a danger to others. Unit Owners shall be fined to recover any damages or injury caused by a pet.

Residents are encouraged to file a complaint with the Municipality and forward a copy to the Association if any pet barks excessively or causes injury to a person.

(Declaration Article IX Section 6; Declaration Article XIX Section 1(a); By-Laws Article VIII Section 1(f))

Parking Safety and Vehicular Restrictions

Except as allowed in Article IX Section 10 (Parking and Vehicular Restrictions), any and all vehicles must be in operable condition and maintained according to municipal or state standards. All cars parked on the property must be validly licensed. Expired or unlicensed vehicles will be tagged.

Due to the limited number of outside parking spaces available (38 spaces but 56 owners), only two resident vehicles per unit shall be parked on the property at any one time. One vehicle shall be parked in the garage, and one in the parking lot.

No vehicle shall occupy the same space for more than seven (7) continuous days. If owner or tenant are leaving for an extended period of time, they must notify the Management Company of the dates they will be away from the property and their vehicle's license plate number.

Parking, stopping or idling is not allowed for any reason in designated fire lanes.

Compact car parking is designated for small cars only due to safety and egress concerns. A compact car is defined as less than 15 1/2 feet long.

There shall be no parking in front of the stairways, in the area around the mailboxes, in front of the storage building or in front of the garages

Vehicles will be impounded without notice, at the owners expense, if they violate municipal rules.

Owners will be notified prior to routine or scheduled property maintenance. Vehicles not moved for routine or scheduled maintenance (i.e. snow removal or pavement repair) are subject to removal at the owner's expense.

Unless being actively loaded or unloaded - outdoor recreational and off-road vehicles, utility trailers or water-craft may not be parked on the property or in the garages.

Outlets are available along the buildings to plug-in an engine heater in winter.

Oil puddles/grease are the responsibility of the owner and should be immediately removed to prevent damage to the asphalt.

Signs

(Declarations Article XIX Section 1(d))

No signs may be posted anywhere in Country Square, except a For Sale or rental signs. However, a For Sale or rent sign of reasonable size (approximately 24" x 30") may be posted in one window of the unit.

There shall be no sign or sign post of any kind placed on or in the common areas. Signs in violation will be removed without further notice and are subject to removal at the owners' expense.

Noise/Disturbance

(By-Laws Article VIII Section 1(b))

All owners and tenants shall exercise extreme care when making noises or in the use of exercise equipment, musical instruments, radios, televisions sets, stereos and amplifiers, vacuum cleaner, dishwashers, pets, a car's high performance exhaust system/muffler, etc that may disturb other occupants.

No horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of a residence and its contents, shall be placed or used in any residence or garage.

Between the Municipal quiet hours of 10:00 p.m. and 7:00 a.m, each owner/tenant will take special care to not disturb neighbors.

Unit Balconies / Common Entries

All unit balconies are to be kept clear of garbage, garbage cans, boxes, etc. You may have items such as plants and deck furniture, but all items must be safely secured, and maintained in a neat and clean fashion.

To maintain a safe egress, all stairways, stairway landings, and landings in front of unit doors are to be kept clear at all times of bicycles, garbage bags, boxes, wood, etc.

NO OPEN, FLAMMABLE DEVICES, INCLUDING GRILLS ARE ALLOWED. Electric grills are allowed, but must be monitored while in use and unplugged when not in use.

Do not hang or dust garments, rugs, etc from the windows, railings or from any of the facades of the buildings.

(Declaration Article IX Section 11; ByLaws Article III Section 2h)

Exterior of the Building

(By-Laws Article VIII Section 1(g))

No owner or occupant shall, without the written approval of the Board of Directors, install any wiring for electrical or telephone installations, machines, or air-conditioning units, or other equipment or appurtenances whatsoever on the exterior of the buildings or protruding through the walls, window or roof thereof.

Garages and Exterior Parking Spots

Parking spaces in the garages are to be kept clean and swept frequently by owners/tenants to remove excess gravel and dirt. Oil puddles/grease are to be immediately removed. No storage is allowed, except that you may have 1/2 a cord (3 ft high, 1 ft deep, 4 ft long) of neatly stacked firewood or bicycles neatly placed along the front wall of your assigned parking space. Placement of these items can not block the full swing of the exit door or block the walking space between each car.

When using the garage for long periods of time, and wanting to leave the garage door open, press the "Hold" button on the garage door opener pad on the sidewall. Do not put objects in front of the electronic reverse sensor because this will burn it out. The cost to repair the sensor will be billed to the responsible unit owner.

Any damage done to garage doors, walls, or storage areas will be repaired by the Association and charged to the responsible unit owner.

Owners/tenants are responsible to clean up any leaking oil from their vehicles in the exterior parking spaces immediately. Any damage to the asphalt will be repaired by the Association and charged to the responsible unit owner.

Garage Parking & Storage Unit Access

Please keep in mind the garages are a shared garage. Neighboring spaces must work together for comfortable ingress and egress of vehicles as well as providing timely access to storage units. If leaving for an extended period of time, consider leaving your vehicle key with a trusted neighbor.

Preventative & Emergency Situations

Any person authorized by the Board of Directors shall have the right of access to all portions of the property for the purpose of correcting any condition threatening a unit or the common areas.

In cases of emergencies, no request or notice is required for entry, and such right of entry shall be immediate, whether or not the unit owner/occupant is present at the time.

To avoid locksmith charges, owners are urged to install lockboxes on the rail by their unit and provide the access code to Management in cases of emergency. Alternatively, exchange entry

keys with a trusted neighbor and let Management know.

General Rules

No illegal use shall be made of/on the property. (By-Laws Article VIII Section 1(e))

Nothing shall be allowed, done or kept in any condominium unit, or the limited or common areas of the property which would overload or impair the floors, walls or roofs there of, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereof maintained by or for the Association.

Neither shall any noxious or offensive activity or nuisance be made or suffered thereon. (By-Laws Article VIII Section 1(h))

A nuisance to be defined as a written complaint from two or more units about any violation of the House Rules.

Owners, tenants or guests shall not throw/place garbage or trash anywhere on common areas other than in the dumpsters provided for such purposes. Dumpsters are only for those who are actively living in Country Square units. (By-Laws Article VIII Section 1(i))

Unit owners and tenants are responsible at all times for the occupants and guests of their unit(s), including supervision of children on the premises. Owners are responsible for any damage to the common areas caused by occupants, guests, or tenants, when such damage is caused by negligence or a willful act. (By-Laws Article VIII Section 1(d))

All outside hoses must be attached to timer. All hoses, timers and connectors must be removed by September 15th.

No blankets, garments, sheets, flags, foil, or similar materials may be used as window coverings. Window coverings must be maintained in a damage free condition. (Declarations Article XIX Section 1d)

For safety and security - close garage door and exit door immediately after entering and leaving to ensure unauthorized person(s) do not gain access to the building. Lock your car doors to prevent potential vandalism. Report any suspicious characters to the Management Company, a local Board Member or the police.

Electric vehicles may only be charged from an outlet directly connected to the individual owner's unit. Any request for electrical modification must be submitted in writing to the Board for prior Board approval.

Electrical bike batteries must not be left in the garage or storage area to charge unattended, but must be taken to the individual unit and monitored there.

The Board of Directors reserves the power to establish, make and enforce compliance with such additional rules and regulations as may be necessary for the operation, use and occupancy of this property with the right to amend the same from time to time, and to impose

reasonable fines for infractions of all rules and regulations. (By-Laws Article VIII Section 1(j))

Assessments/Late Payments

It is the responsibility of each unit owner to pay assessments in a timely manner. The Board has adopted the following policy for collection purposes.

1. All assessments are due on the first day of each month. A grace period of thirty (30) days is allowed for payment of the assessment without penalty. All payments must reach the bank by the last working day of the month to avoid a late payment penalty. For the month of February this time will be shortened to twenty-eight (28 days)
2. If the payment is not paid within the grace period, a penalty of \$25.00 will be added to the unit owner's account for each additional month of delinquency after the grace period. All payments received will be applied to the oldest outstanding amount first.
3. Any unit, wherein three months assessments are due and satisfactory payment arrangements have not been made, will be referred to the attorney for filing a lien and legal action against the unit owner for collection. This amount will include fines, penalties, late charges, and/or legal fees.
4. Wherein a unit owner is continually delinquent, the Board may declare all assessments for the year due and payable at once. (Article XV, Section 4 of the Declarations (Time for Payment of Assessments)).
5. Any and all legal costs incurred in collections of delinquent assessments will be added to the unit owner's account.
6. Any late payment penalty not paid within ninety days will be charged at the same rate each month until paid or otherwise resolved.

Country Square Condominiums Violation Fine Schedule

Fines will be charged to the owners account after the grace period indicated in the notice violation, or on the date agreed to in writing with Management or the Board of Directors.

Late Payment

\$25.00 - Every month of delinquency after grace period

Owner/Tenant Information Form

\$100 per month after 10 days of a change in occupants

Annual Owner Occupancy Status Form

\$500 per month starting November 30th of each year until returned.

NSF Checks (Stop Payment, Etc)

\$35 (paid by homeowner) to the Management Company

Unit Balconies / Common Entries

Window Coverings

\$25.00 per day until corrected.

Garbage / Trash

\$125.00 First Offense

\$150.00 Second and succeeding offenses

Pets

\$125.00 First Offense

\$150.00 Second and succeeding offenses

Noise

\$125.00 First offense

\$150.00 Second and consecutive offenses

Parking Safety and Vehicles Restrictions

Garages and Exterior Parking Spots

In addition to any and all towing, impound or storage charges, any damage caused to Association property will be charged to the unit owner. In cases where damage is caused by guests, the unit owner shall be held responsible.

\$125.00 First Offense

\$150.00 Second and succeeding offenses

Police calls to Units

\$150.00 First Offense

\$200.00 Second and succeeding offenses

Reckless Endangerment

(A person commits the crime of reckless endangerment if the person recklessly engages in conduct which creates a substantial risk of serious physical injury to another person.)

Any and all behavior, including, but not limited to the discharge of firearms/weapons, and including all rules and regulations defined in Alaska Statutes.

- 1st offense - \$2,500.00
- 2nd offense - \$5,000.00
- 3rd plus offenses - \$10,000.00

Possession and/or Discharge of Explosive Devices

Fireworks

- 1st offense - \$250.00
- 2nd plus offense - \$500.00

Class A (dynamite, blasting caps, etc.)

- 1st offense - \$5,000.00
- 2nd plus offense - \$10,000.00

FINE SUMMARY

Fines are enforceable liens against the property.

The Board reserves the right to foreclose against any unit wherein a subject fine has not been paid.

Any fine assessed by the Board and not paid will be charged at the same rate each month until the amount is paid or otherwise resolved.

If the violation continues, the Board of Directors may:

- 1) Seek injunctive relief by legal action - the cost of which will be billed back to the unit owner involved, or
- 2) May decide on further consequences based on the infraction.