

RULES AND REGULATIONS
OF
VILLAGE LOFTS ASSOCIATION, INC.

Section 1. Condominium Documents: These Rules and Regulations shall be supplementary and in addition to the provisions of the Declaration of Condominium of Village Lofts Condominium, the Articles of Incorporation and By-Laws of Village Lofts Association, Inc. Capitalized terms used in these Rules and Regulations are as defined in the Declaration of Condominium of Village Lofts Condominium. The Board of Directors may alter, amend, delete or change these Rules and Regulations at any time upon a majority vote thereof.

Section 2. Use: The Units shall only be used for private residential use. The foregoing restrictions as to use shall not, however, be construed in such manner as to prohibit a residential Unit Owner from:

- a) Maintaining a personal or professional library in his or her Unit;
- b) Keeping personal business or professional records or accounts therein; or
- c) Handling personal business or professional telephone calls or correspondence therefrom.

Such uses are expressly declared customary and incidental to the principal residential use and shall not be deemed a violation of these restrictions. All use of the Condominium Property and any Unit therein shall conform to applicable zoning ordinances, and all other laws and regulations of State, County and Municipal authorities having jurisdiction thereof.

The Common Elements shall be used only for access, ingress and egress to and from the respective Units by the persons residing therein and their respective family members, guests, invitees, household help and other authorized visitors, and for other purposes incidental to the designated use of the respective Common Elements and Limited Common Elements. Designated walkways and paved areas shall be used at all times, and shortcuts shall be avoided, both to prevent accidents and to preserve the appearance of planted areas. The sidewalks, driveways and parking areas must not be obstructed or encumbered or used for any purpose other than access, ingress, egress and for parking. Bicycles, tricycles and skateboards shall not be stored or used on the Common Elements or Limited Common Elements, except for egress and ingress. The Association, the Board of Directors and their authorized employees, agents and representatives shall have such access to any Unit as may be necessary for the repair, maintenance, replacement, alteration, care or protection of the Common Elements or Limited Common Elements, the Units or any portion thereof. Any alteration or repair of the Common Elements or Limited Common Elements is the responsibility of the Association, except for those matters which are stated in the Declaration to be the responsibility of the Unit Owner. No part of the Condominium Property shall be used for commercial activities of any character, including solicitation of business.

Section 3. Nuisances: No unlawful, immoral, noxious or offensive activities shall be carried on in any Unit, the Common Elements, the Limited Common Elements, or elsewhere on the Condominium Property, nor shall anything be done therein or thereon which shall constitute a nuisance or which shall, in the judgment of the Board of Directors, cause unreasonable noise, odors, light or other disturbance to others. All radios, televisions, phonographs, musical instruments or other items which cause noise shall be maintained at a level that does not annoy or interfere with other Unit Owner's or tenant's enjoyment of the Property.

Section 4. **Maintenance and Repair:** Each Unit Owner shall maintain his Unit in good condition and in good order and repair and shall not do or allow anything to be done therein which may increase the rate or cause the cancellation of insurance on any Unit or the Common Elements. No structural alteration, construction, addition or deletions of any Unit, the Limited Common Elements or the Common Elements shall be made by the Unit Owners except with the prior written consent of the Board of Directors. Proposed alterations in the residential Units which cost Two Thousand Five Hundred ~~and no/100~~ Dollars (\$2,500) or more shall first require that a deposit in the amount of One Thousand ~~and no/100~~ Dollars (\$1,000) be posted with the Village Lofts Association, or Management Company, which will be applied toward any damage to the Common Elements or Limited Common Elements, in addition to a copy of the proper building permits from Jefferson County, as required, and proof of contractor liability insurance. All work shall be performed during normal business hours.

Section 5. **Trash Disposal:** Trash, garbage and other waste shall be disposed of only in designated areas and in containers and bags acceptable to the Board. All refuse shall be disposed of in a clean and sanitary manner in sealed, waterproof bags, so as to avoid leakage in route to the refuse receptacles. It shall be deemed a violation of these Rules and Regulations if such trash, garbage and other waste shall be disposed of in containers or receptacles owned by any adjacent property owners or situated on property adjoining the Condominium Property.

Section 6. **Rights of Developer:** [No longer applicable as all units were sold.] Removed 9/22/09

Section 7. **Storage and Decor:** Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be stored or kept in the Common Elements or Limited Common Elements. All storage will be confined to the Unit. No flammable materials may be stored in any portion of the buildings. No clothing, rugs, sheets, blankets, or other laundry articles shall be hung or exposed from the porch/fire exit or windows or hung in the Common Elements. Furniture, plants, or any other items placed on any balcony, porch, or patio must be tasteful and appropriate as determined by the Board of Directors. Items not deemed to be tasteful or appropriate by the Board must be removed at the direction of the Board.

Section 8. **Pets:**

8.1 The maintenance, keeping, breeding, boarding and/or raising of animals, livestock or poultry of any kind, regardless of number, shall be, and are hereby, prohibited within any Unit, or upon any Common Elements, except that this shall not prohibit residents from keeping no more than a total of two (2) well-behaved, orderly dogs, cats and/or caged birds or other domestic pets, provided they are not kept or maintained for commercial purposes or for breeding. Pit Bull dogs, Chows and other menacing dog breeds shall not be allowed.

8.2 Pets shall not be allowed on any part of the Common Elements or Limited Common Elements unattended for any period of time.

8.3 Pets shall not be permitted upon the Common Elements or the Limited Common Elements of the Condominium Property unless they are carried or are on a leash and shall not be allowed on any of the Common Elements or Limited Common Elements inside the building, except for purposes of ingress and egress as discussed herein. Pets should be taken to the adjoining designated grass areas, out of the way of walkways and pedestrian traffic to attend to their natural needs.

8.4 Pet owners are responsible for cleaning where pets foul the Common Elements, Limited Common Elements or adjacent properties. Such fouling shall not be permitted to accumulate but shall be cleaned up immediately. Failure to clean up after a pet shall subject the owner to a fine.

8.5 Any resident who has a pet on any portion of the Condominium Property shall indemnify and hold the Condominium Association and each of its members, their tenants, guests and employees, free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium Property.

8.6 Pets shall be registered with the Association or Management Company, and shall be inoculated as required by local law. Further, any Unit Owner who allows pets to be maintained in the Unit, must be insured against any damage or personal injury caused by the pet(s). The Board of Directors of the Association shall have the right to order any person whose pet is a nuisance to remove such pet permanently from the premises upon three (3) days prior written notice.

Section 9. Signs: No signs of any character shall be erected, posted, or displayed upon, in, from or about any Unit or the Common Elements, including any window or door of a Unit, without the prior written consent of the Board of Directors.

Section 10. Parking and Driving:

10.1 The maximum speed limit on the Condominium Property is 10 MPH. All traffic regulations must be observed by each Owner and each Owner's family members, guests, tenants, or employees. Violation of speed limit will result in a Fifty Dollars (\$50) fine.

10.2 No vehicle shall be parked on the Common Elements or Limited Common Elements except in an authorized and designated parking space.

10.3 No boats, campers, trailers, or oversized vehicles may be parked on the Common Elements or the Limited Common Elements. No vehicle may be parked on the roads or ramps providing ingress and egress on the Condominium Property except in those spaces which have been designated as parking areas. Any illegally parked vehicle will be towed away at the Owner's expense, and the Owner shall be subject to a fine. No motorized vehicle shall be operated on any walkway or other area, except upon the driveways and parking areas designated for vehicular use.

10.4 No vehicle which cannot operate on its own power shall remain on the Common Elements or Limited Common Elements for more than twenty-four (24) hours without the express permission of the Board of Directors of the Association and no vehicle repair (other than washing and waxing or the changing of a flat tire) shall be made on the Condominium Property. A violation of this rule will result in the vehicle being towed away at the expense of the Owner and/or the imposition of a fine.

10.5 Parking at curb in front of the Village Lofts buildings is limited to 30 minutes and is restricted to loading and unloading. Parking that exceeds 30 minutes will result in a Fifty Dollars (\$50) fine. The curb/loading area in front of each building is a fire lane. Under City Ordinance emergency vehicles must be able to immediately access the front of the building in case of emergencies. Vehicles may not be parked in front of the building, thereby blocking access. When loading and unloading your vehicle, please initiate your hazard lights to indicate that you are parked in front of the building temporarily. (Note that moving into or out of the building is an exception to this policy.)

Section 11. Common Elements:

11.1 Only authorized maintenance personnel are allowed to adjust any Common Element equipment.

[REDACTED]

11.3 No item of common ownership shall be removed or damaged by any resident or guest from the Common Elements or Limited Common Elements. Any Owner, resident, family member, guest, tenant or invitee violating this rule shall be sanctioned, fined or subject to criminal prosecution by the Association. The Owner of the Unit in which said resident resides or guest visits shall be held responsible for the cost of any item so removed or damaged.

Section 12. Association Management:

12.1 Complaints or suggestions regarding the management of the Condominium or regarding the actions of other Owners or residents shall be made in writing to the Board of Directors of the Association.

12.2 No Owner shall request or cause an employee of the Association, or of any management company employed by the Association, to do any private work during normal business hours in the Unit, except as authorized in writing by the Association.

Section 13. Structures and Satellite Dishes: No structures or appurtenances, such as a doghouse, tent, shack, storage unit, treehouse, trailer, fence, aerial antenna or playground equipment, shall be placed or erected on any part of the Condominium Property, including the porch/fire exit. Outdoor clothes lines shall not be maintained upon any portion of the Common Elements or Limited Common Elements at any time. No satellite dishes over one (1) meter shall be allowed on the Condominium Property at any time. Satellite dishes less than one meter shall not be allowed on any part of the Common Elements or Limited Common Elements except with prior written approval of the Board of Directors as to location of the receiving equipment and dish.

Section 14. Window Treatment: Any draperies, shades or blinds used to cover windows in the Units shall be brown, or lined in brown.

Section 15. Access: The Board of Directors or its designated agent may request access to individual Units for use in emergency situations, and the Unit Owners must provide this access upon reasonable request.

Section 16. Rules and Regulations: There shall be no violation of any of these Rules and Regulations or of the terms and provisions of the Condominium Documents, or other supplemental Rules which may, from time to time, be adopted by the Board of Directors and promulgated among the membership in writing. Any consent or approval given under these Rules and Regulations may be added to, amended, or repealed at any time by resolution of the Board of Directors.

~~**Section 17. Enforcement of Rules and Regulations:**~~ The Association is responsible for the notification of residents and/or Owners regarding any violation of these Rules and Regulations. A minimum fine of Fifty Dollars (\$50) ~~dollars~~ will be assessed against any resident ~~and, tenant or~~ Owner ~~who violates, or allows to be violated by his,~~ and the Unit which they occupy, lease or own, who is in violation of any Rule or Regulation, or

whose Unit is caused to be in violation of any Rule or Regulation by his or her family members, guests, tenants, invitees or pets, any Rule or Regulation. Also, fines may be assessed to cover costs of repairs and damages resulting from any violation. All charges and fines imposed by the Association are due and payable on the first day of each month unless otherwise specified. Failure to pay the fine by the 15th of each month will result in a 10% late penalty per month. Payment shall be paid either at the Management Company's office, or to the Association's Treasurer, by check or money order, payable to Village Lofts Association, Inc. Failure to pay any fine or assessment shall constitute a lien against the Unit of the Unit Owner. After the initial fine of Fifty Dollars (\$50) as set forth in this Section 17, upon the second occurrence of such violation, an additional fine of One Hundred Dollars (\$100) shall be assessed, and for each subsequent occurrence of such violation, additional fines of Two Hundred Dollars (\$200) for each occurrence shall be assessed. The Board shall have the discretion to waive or reduce any such fines if the Board deems, in its discretion, that there are facts and circumstances which warrant the waiver or reduction of the fine, which may be determined by the Board on a case-by-case basis. In addition to the remedies set forth above in this Section 17, the Board of Directors shall have the right to recover from any Owner, tenant and occupant, or any one or more of them, who violates any of these Rules and Regulations, or whose Unit is in violation of any one or more of these Rules and Regulations, the legal fees, costs of litigation, damages, penalties, judgments, liabilities and/or court costs incurred by the Association in connection therewith.

Section 18. Condominium Assessments: The payments of all Condominium Assessments which are to be made in monthly installments shall be due and payable on or before the first day of each month unless otherwise specified. The payment of all Condominium Assessments which are to be made in a lump sum payment shall be due and payable on or before the date established by the Association for the payment of the Assessment. All Condominium Assessments which are to be made in payments which are other than in monthly installments or in one lump sum, shall be due and payable on or before the dates specified by the Association with respect to any such assessments. Failure to make any payment of any assessment, whether such payment is a monthly installment, a lump sum payment, or otherwise, on or before the fifteenth (15th) day after the due date thereof, will result in a ten percent (10%) late penalty for each month that the Assessment is late, commencing on the due date. For example, if the payment of an assessment or portion thereof is due on June 1 in the amount of One Hundred Dollars (\$100) and is not paid until four (4) months later on October 1 of the same year, then the payment shall bear the penalty of Ten Dollars (\$10) (which is ten percent (10%) of the payment amount) multiplied by four (4) (the number of months beyond the due date of the payment) for a total penalty of Forty Dollars (\$40). After assessments are sixty (60) days late, the matter will be turned over to the Association's attorney, who shall then institute collection procedures against the Unit Owner. The delinquent Unit Owner will be responsible for the payment of any attorney's fees and costs arising from the legal action. The commencement of collection procedures or other legal action against the delinquent Unit Owner shall not suspend the accrual of the monthly ten percent (10%) late penalty, which shall continue to accrue until such time as the payment and all interest accruals thereon, and the late penalty and attorney's fees and other costs, have been paid in full. The ten percent (10%) late penalty is in addition to the interest accruals established pursuant to provisions of the Condominium Documents.

Section 19. Lease Agreements: All lease agreements entered into by any Unit Owner for the lease of a Unit shall be reviewed and subject to approval of the Board of Directors. Any Unit Owner who leases his or her Unit must use a standard lease agreement provided and approved by the Association, which may be subject to a processing fee to the Management Company or the Village Lofts Association, Inc. If the lease agreement is approved, a copy of the Condominium Documents and the Rules and Regulations shall be provided to the Tenant before commencement of the lease. An acknowledgement shall be signed by the Tenant acknowledging that Tenant intends to be bound by all Condominium Documents. The Unit Owner shall remain responsible for all

actions or omissions by the Tenant throughout the term of the tenancy. No lease shall be for less than one (1) year, and no more than one (1) family or two (2) people per bedroom shall occupy a Unit. Due to parking limitations, tenants of a leased Unit may not occupy a total of more than two (2) parking spaces in the Common Elements. Lease approval by the Board will require results of a criminal background check done at the Unit owner's expense; a signed acknowledgment of the tenants' agreement to adhere to the Rules and Regulations; and completion of emergency contact information on such form as is approved by the Board of Directors.

Section 20. **Tenants:** The Board of Directors shall have the authority to contact any Tenant in the Condominium and counsel or discuss any relevant issue concerning the Condominium Documents, Rules and Regulations or any violations thereof. Thereafter, should the Tenant violate or continue to violate the Condominium Documents or Rules and Regulations, the Unit Owner will take appropriate legal action to remedy the violations. The Unit Owner remains subject to fines for any violations by the Tenant.

Section 21. **Construction or Improvements to Units:** Prior to the commencement of any construction in any Unit or improvement to any Unit which cost exceeds Two Thousand Five Hundred ~~and no/100~~ (\$2,500), the Unit Owner must obtain the written approval of the Board of Directors of the Association. Prior written approval will only be given after submission of drawings or plans showing in detail the nature and extent of construction or improvement. The Unit Owner shall post a One Thousand ~~and no/100~~-Dollars (\$1,000) damage deposit with the Management Company, or Association Treasurer at least one (1) week before commencement of construction or improvement. A walk-through will be conducted of the Common Elements and Limited Common Elements in the general area of the construction prior to the commencement of construction to determine the preexisting condition of the area.

During construction, the contractors, workmen, suppliers and employees must cover the hallway floor on the floor where they are working to prevent dirt and dust to accumulate. Further, such contractors, workmen, suppliers and employees are not permitted on any other part of the Condominium Property and will be ejected if they are observed on any other portion of the Property. The Unit Owner shall be totally responsible for the contractors, workmen, suppliers and employees while they are on the Condominium Property, and the cost to repair any damage or loss to the Condominium Property caused by the contractors, workmen, suppliers and employees will be assessed as a special assessment against the Unit Owner hiring such contractors. The Common Elements of the Condominium must be cleaned each day after construction activities at the Unit Owner's expense. Construction activities are limited to Monday through Friday, 8:00 a.m. to 5:00 p.m., and such activities may not interfere with the quiet enjoyment of the other Unit Owners. No portion of the Common Elements or Limited Common Elements may be altered in any way by any Unit Owner.

After the construction or improvements are completed, the Unit Owner must notify the Association, or Management Company, and a walk-through of the general area of the construction will be performed by an appointed agent of the Association before any portion of the damage deposit will be returned. The cost to repair any damage caused by the construction will be deducted from the One Thousand Dollars (\$1,000) deposit. If the cost to repair any damage caused by the construction exceeds the deposit, a special assessment will be made against the Unit Owner(s).

Section 22. **Admission of Guests on Condominium Property:**

22.1 No garage sales may be held on the Condominium Property.

22.2 Each Unit Owner is responsible for every person such Owner or resident admits onto the Condominium Property, and such entry shall not be permitted except to invited or expected family

members, guests and invitees. Any damage caused by the invited person or guest will be assessed against the Unit Owner, and the Unit Owner will be responsible for paying any fine assessed by reason of the tenant, invited guest or family member of the Unit Owner.

22.3 Any Owner who has his or her Unit for sale is responsible for any person on the Condominium Property viewing such Unit and is responsible for providing ingress and egress to such prospective purchaser or sales agent.

Section 23. Maintenance and Repair Workers. All homeowners, unless specifically designated and authorized by the Board, through written notice or email by the secretary of the Board (which designation and authorization may be withdrawn by the Board at any time in its discretion), must refrain from communicating with or addressing any construction workers or service providers on the Condominium Property with respect to their work or their presence on the Condominium Property. All comments shall be directed to a designated employee of the Management Company. Until further notice from the Management Company, that person is Wanda Anderson. The purpose of this is to allow the service providers to perform the work they were hired to do by Boothby Realty and the Board as well as to help limit any potential liabilities that may exist during construction or routine maintenance. Each Owner and each Owner's family members, guests, tenants, or employees shall refrain from contacting and addressing any persons working on the Condominium Property, whether special projects or routine maintenance. Any violation of this provision shall be subject to a fine as set forth herein. The purpose of the fine is to prevent Owners and Owners' family members, guests, tenants, or employees from interfering or interacting with the workers so as not to hinder productivity or cause a distraction which could lead to a safety violation and thus an accident, or cause confusion as to direction or accomplishment of assigned work which impacts the Association's contract or agreement with the contracted vendor or influence a worker's attitude to the performance of his work which would unduly influence the quality of the task he is performing. Owners shall give written notice to the Association and the property manager of any concerns over work being performed so the Association or the property manager can take appropriate action to address such concerns.

Section 24. Smoke Detectors. Battery operated smoke detectors were installed within each of the Units in the Condominium at the initial construction of the Condominium. The Board of Directors of the Association shall direct the manager of the Condominium to, annually, replace the batteries in the smoke detectors in each of the Units. The Board will also direct the manager of the Condominium to provide prior notice to the Owners of the Units of the replacement of the batteries. It shall be the responsibility of the Owners and occupants of the Units to periodically inspect and test the smoke detectors within their respective Units and to take such other steps as are reasonably necessary to maintain the smoke detectors within their respective Units in good operating condition. Neither the Board, the members of the Board, nor the manager of the Condominium shall be responsible for any defective smoke detectors nor for the replacement, maintenance or repair thereof, which responsibility shall be that of the Owners and occupants of the Units with respect to smoke detectors within their respective Units.

For your information, the following is a description, that has been provided by Gem Alarm and Eli Electric, of how the smoke alarm system works. Gem Alarm (our sprinkling system alarm monitor) has informed us that our smoke detectors are not tied to the alarm system. Gem Alarm and Phillip Mash of Eli Electric (the contractor who installed the smoke detectors for Taylor Miree the VL builder) have advised that if we were to have a fire in unit 1880 B and the smoke detector went off there would be no alert to the alarm. Further, the smoke detector does not activate the sprinkling system. The flames would have to melt a plastic cap on the sprinkler itself before water would be dispersed. At that point the alarm company would be notified. The alarm company would however NOT have the specific unit number; only the building (there are 2 buildings). Upon arrival, the fire department would

not know which unit was experiencing the problem unless advised by an occupant or unless the location of the fire was clearly evident.

Please be aware of this and take appropriate action to protect yourself, your property, and your neighbors, which may include calling 911.