

RULES, REGULATIONS, POLICIES AND PROCEDURES

OF

WOODHILL PARK, INC.

(adopted and effective June 12, 2016)

1. GENERAL

1.1 Forward. The purpose of Woodhill Park, Inc. (the "Association") as operated through its Board of Directors (the "Board") is to promote the health, safety, general well-being, and welfare of the Woodhill Park community (the "Community"), Owners of Lots in the Community, and the Community's residents. It is in the best interest of the Community, its Lot owners and residents for the Association define "Community Wide Standards" and to effectively enforce same. This promotes the health, safety, general well-being and welfare of the Community's residents, increases property values to Lot Owners, and makes the Community a better place to live.

1.2 Governing Documents. The "Governing Documents" of the Association are comprised of:

- a. The Articles of Incorporation of Woodhill Park, Inc., filed on March 4, 1971, as may be amended from time to time (the "Articles");
- b. The Amended Declaration of Covenants, Conditions and Restrictions dated February 18, 1971 and recorded in the Fayette County Clerk's Office in Book 1008, Page 276, as further amended and extended by the Memorandum of Extension of Amended Declaration of Covenants, Conditions and Restrictions of Woodhill Park, Inc. dated September 12, 2000 and recorded in the Fayette County Clerk's Office in Book 2166, Page 143 (the "Declaration").
- c. The By-Laws of Woodhill Park, Inc., as may be amended from time to time (the "Bylaws"); and
- d. The Rules, Regulations, Policies and Procedures, including these "Rules, Regulations, Policies and Procedures" and Leasing Policy (the "Rules and Regulations"), as may be amended from time to time, or as the Association, by and through its Board, may adopt from time to time.

The Board shall have the full power and authority to act, including making good-faith interpretations, with respect to the Governing Documents regarding any and all matters affecting the Community and the Association.

1.3 Owners' Responsibilities and Liabilities. Woodhill Park is a residential community and these Rules and Regulations apply to both residents of the Community, whether they own the Lot at which they reside or whether they rent the Lot from the Lot Owner. Lot Owners who do not reside in the Community have a duty to other Community members, including residents and other Lot Owners, to uphold and comply with the Governing Documents, including these Rules and Regulations. Accordingly, each and every Lot Owner who leases or rents their Lot shall be responsible for the conditions of the Lot(s) that they own as well as for the actions and inactions of the Owner's and tenant's invitees, guests, and licensees. This responsibility includes the obligation to comply with, including the obligation to pay any fine or any sanction

imposed by the Board, whether such violation is due to the Lot Owner, his/her/its tenants, and/or the Lot Owner's and tenant's invitees, guests, and licensees.

1.4 Owners' Obligations. Each Owner has a duty to familiarize themselves, other residents of a Lot or the residence constructed on a Lot (a "Unit") and their lessees of the Governing Documents and these Rules.

1.4.1 General Obligations. Each Owner must provide the Association with all information requested by the Association on any form including, but not limited to their (i) name, (ii) address (where invoices for Dues & Assessments will be sent), (iii) telephone number, (iv) email address, (v) pet information, and (vi) vehicle and license plate information.

1.4.2 Landlord Obligations. Owners who rent their unit must comply with any leasing policy and must provide the Association with (i) all lessors' and residents' names, telephone numbers, and email addresses, (ii) a copy of all lessors' and residents' drivers licenses, (iii) a copy of the current lease, (iv) any pet information applicable to all lessors and residents, and (v) vehicle and license plate information applicable to all lessors and residents.

1.4.3 Insurance Obligations. Each Owner shall be responsible to obtain and maintain at all times, at their own expense, a policy or policies of insurance against all perils, on a current replacement cost basis in an amount equal to or greater than the insurable value of improvements to the Lot of such Owner. Each Owner expressly agrees to waive any right of subrogation they may have against the Association, and will look solely to their insurer for recovery for any a casualty. The insurable value shall be based on current replacement cost to be determined by a qualified appraiser approved by the Association. Any proceeds of such coverage's shall be payable to the Owners, their mortgagees and the Association as their interests may appear. Each Owner shall provide the Association with a copy of the insurance policy then in place. In the event that an owner fails to provide the Association with proof of insurance, the Association may, at its election, either impose a fine of \$200.00 per month, or force-place insurance on the Owner's Unit(s), in which case the Association shall be entitled to recover the cost of said insurance from the Owner.

1.5 Exterior Maintenance.

1.5.1 Exterior Maintenance. In consideration of the timely payment of Dues and Assessments, as set forth in Article VI, Section 6 of the Declaration and Article V(g) of the Bylaws, the Association is responsible for providing certain exterior maintenance, limited to paint, repair and replacement of gutters, downspouts, roofing and exterior building surfaces, such as siding. The Association shall fund minor repairs and maintenance through annual regular dues and assessments. Capital improvements including major repair and replacement

of roofing and gutter systems and exterior siding shall be funded solely through Special Assessment, unless otherwise approved by the Board in its sole discretion. The Association shall not perform any maintenance unless and until it has the funds necessary to do so. The Association is not responsible for providing for the repair, maintenance, or replacement of any structural components, including foundation and other masonry systems; any doors or windows, including storm doors and storm windows, or other fenestrations; any other penetrations of and through the building envelope, such as vents; any glass surfaces; any light or other electrical fixtures; or any materials that are not permanently affixed to the structure. Under no circumstance will the Association be responsible for any system or materials that are not directly exposed to the elements, including sheathing and roof decking and any and all systems or materials that are enclosed within said sheathing and roof decking. Each Unit Owner agrees to allow access to the exterior of the Unit, including rear courtyards, during normal business hours for the purpose of performing maintenance.

1.5.2 Willful and Negligent Acts. The Association shall not be responsible to make any exterior repairs or maintenance caused through the willful or negligent act of the Owner, the Owner's family, guests, invitees, or tenants, or persons or animals under any of their control.

1.5.3 Maintenance Obligation Contingent Upon Full Payment of Dues and Assessments. Each Owner has a duty to pay Dues and Assessments. Payment in full of all Dues and Assessments is a condition precedent to the Association's obligation to perform exterior maintenance. Pursuant to the Governing Documents, unless and until any Lot owner has paid in full and is fully current on all Dues, Assessments, and any other amounts due and owing to the Association, the Association shall not have any obligation to, and shall not, perform any exterior maintenance to any Lot or Unit. Further provided that, in the event that a condition requiring exterior maintenance first occurs during a period in which an Owner is not current on Dues and Assessments, and Owner fails to become current within six (6) months from the date the condition first occurs, then the Association shall have no obligation to perform any repair or maintenance with respect to said condition due to the additional cost and expense from the delayed repair and due to the Owner being at fault for the delay for failure to pay Dues and Assessments. In the event that a delinquency exists immediately prior to the transfer of title of a Unit, and said account has been delinquent for at least six (6) consecutive months, then the Association shall have no duty to perform exterior maintenance on or at the Unit for the new Owner for items that were, but for the prior Owner's non-payment of Dues and Assessments, eligible for repair during the period of time the prior Owner owned the Unit.

1.6 Amendments. These Rules and Regulations may be amended from time to time at the discretion of the Board of Directors. Any such amendments shall be effective upon delivery of said amended Rules and Regulations to Owner's email address on file with the Association as set forth in Section 1.4.1, or if no email address is on file, the physical address on file.

2 RESTRICTIONS, STANDARDS, and POLICIES

2.1 Occupants Bound. All provisions of the Governing Documents which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants, guests and invitees of any Lot. It is the Owner's duty to provide each and every tenant with a copy of these Rules and Regulations.

2.2 Insurance and Casualty Losses. The residences constructed on the Lots are individually owned townhouses and are not condominiums or within a horizontal property regime, as defined in KRS Chapter 381. Each Owner is required to, at its sole expense, keep all improvements located on the Lot owned by such Owner insured against loss by fire, wind, tornado, pest damage, vandalism, malicious mischief, water damage, hail, normal extended coverage risks, and other typical casualty events covered by a residential property insurance policy, in an amount sufficient to restore the improvements to their pre-casualty condition, at all times. Each Owner shall supply the Association with proof of coverage if requested in writing by the Association. In the event of a casualty event, such as fire or wind damage, the exterior of any improvement located on a Lot must be restored to its pre-casualty condition within sixty (60) days of the casualty event by the Owner, even if said Owner fails to secure and maintain the insurance coverages required by the Governing Documents, unless the Owner provides the Board with a valid reason for the inability to make the repair within said sixty (60) day period, provided that such reason is provided prior to the expiration the sixty (60) day period, in which case the Owner must use all diligence to repair the improvement as soon as reasonably practicable. The Association's responsibility to maintain and repair exterior surfaces shall not apply to repairs or maintenance that are or would be covered by the insurance coverages required by the Governing Documents.

2.3 Parking. All cars, trucks, motorcycles, and other motorized vehicles (collectively "cars") must display a valid parking pass while within the Community. Absolutely no parking or driving on front yards, sidewalks, grass or Common Areas. Owners and residents of a Lot or Unit that has access to a private Association parking lot shall not, and shall not permit their guests or invitees, to park on the street. All cars that are parked in an impermissible area (whether or not a valid parking pass is displayed) or that are parked without a valid parking pass will be towed at the car owner's expense. It is the responsibility of each owner, tenant, or resident to request a parking pass and provide the Association with the necessary information. All new tenants or residents are entitled to ONE temporary thirty (30) day parking pass. No additional temporary parking passes are available after the expiration of the temporary parking pass. In order to obtain a permanent parking pass, the tenant or resident must provide copies of the following to the Board: (i) parking pass application; (ii) copy of lease agreement; (iii) copy of driver's license WITH WOODHILL ADDRESS; (iv) copy of title to car, right to possess car (*i.e.* car lease), or other similar evidence such as a registration; and (v) copy of current insurance. Parking passes are the property of the Association and must be returned immediately to the Association upon either (1) the sale of any Lot (unless said Owner owns another Lot in the Community), or (2) upon termination of a lease, whether through expiration, abandonment, surrender, or eviction. Holdover tenants will not be permitted to keep or renew parking passes unless authorized by the Owner.

2.4 Prohibited Vehicles. Vehicles larger than a pick-up truck, including boats and trailers, inoperative vehicles, vehicles with flat tires, vehicles with broken glass, vehicles filled with trash or metal scraps, vehicles leaking fluids, vehicles with outdated tags, and vehicles with broken mufflers are prohibited. Mopeds and motor scooters are prohibited from sidewalks, grass, and parking lots. Owners and residents shall not play loud music when in the vicinity of any Lot or common area.

2.5 Animals and Pets. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot except that dogs, cats, other usual and common household pets. No more than two pets that exceed ten pounds may be kept at a single Lot. Those animals which are permitted to roam free, or in the sole discretion of the Association endanger the health, safety, well-being or welfare of the Owners or residents, which make objectionable noise, or which constitute a nuisance or inconvenience to the Owners or residents of other Lots shall be removed upon request of the Board. If the owner of such animal fails to honor such request, the animal may be removed by the Association, through the Board, hiring a third party to capture and remove said animal, at said owner's expense. No animals shall be kept, bred, or maintained for any commercial purpose. All dogs must be kept primarily indoors and shall at all times whenever they are outside be confined by a fence, on a leash, held by and under the physical control of a responsible person. Dog droppings shall be immediately picked up from Common Areas and from the front and back yards of lots. All pets must be immunized, free of communicable diseases, and licensed in Fayette County. Owners and tenants as of the effective date of these Rules and Regulations who would be in violation of this, Section 2.5, due to the presence of one or more animals on a Lot immediately prior to the adoption of these Rules and Regulations, shall be entitled to a one-time grandfathering of such animals, provided that said Owner or tenant provide the Association with written notice of said animal within thirty (30) days of the effective date of these Rules and Regulations. Further provided, however, no such animal will be allowed to remain to the extent that it had any complaints as to endangering the health, safety, well-being or welfare of the Owners or residents, which make objectionable noise, or which constitute a nuisance or inconvenience to the Owners or residents of other Lots.

2.6 Nuisance. No portion of a Lot or Unit shall be used, in whole or part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept upon any portion of the Lot or improvements that will emit foul or obnoxious odors or that will cause, any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. Further no portion of a Lot or Unit shall violate any section of the Lexington-Fayette Urban County Government's ("LFUCG") Code of Ordinances (the "Code") (commonly referred to as nuisance and housing code violations), and in addition to any right the LFUCG has to enforce such violations, the Association may enforce the same standards set forth in the Code against any Owner, tenant, Lot or Unit, pursuant to these private Rules and Regulations.

There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, illegal or of a nature as may diminish or destroy the enjoyment of a Lot. Examples of prohibited nuisances include, but are not limited to: grass or weeds taller than 12", litter, junk, debris, appliances, dog

droppings, interior furniture, unsightly or missing window coverings, broken windows, window grills, doors, lighting, mailboxes, vines, unmaintained flower beds, or anything that would interfere with the mowing of front yards. This section shall require each Lot owner to keep their Lot mowed and clear of weeds and debris, provided that the Association shall be responsible for mowing all front lawns. Owners and residents are responsible for mowing and maintaining back lot vegetation and keeping both front and back lawns free of debris, litter, and trash.

No noxious or offensive activity shall be carried on upon any portion of the Lot, improvements, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any portion of a Lot, improvement. Without limiting the generality of the foregoing, the following activities constitute prohibited nuisances: congregating in front yards and parking lots, parties past 10:00 p.m., screaming & disturbing others with loud noises, congregating on neighboring Lots and stoops, playing loud music, driving on Lots, grassy areas, sidewalks, or off the street, playing loud music in cars, and similar activities.

2.7 Unsightly or Unkempt Conditions. It shall be the responsibility of each Owner and each resident to prevent any unclean, unhealthy, unsightly, or unkempt condition on or near his or her Lot. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, storage of metal scrapping items, either on the Lot or in the Owner or resident's vehicle, or any other violation which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of a Lot.

2.8 Antennas, Satellite Dishes, & Cable TV. No satellite dishes or antennas are permitted to be installed on or affixed the exterior or roof of any Unit, unless approved by the Board and placed in the most inconspicuous area possible. Cable wires shall not be permitted to be draped over or across any roof or exterior. Any damage to the roof or exterior of a unit shall be repaired by Owner at their cost. Further, if any portion of this section violates any federal, state or local law, rule or regulation, this section shall be construed and interpreted in such a manner so as to be as strict as possible while complying with said federal, state or local law, rule or regulation.

2.9 Firearms/Weapons. The discharge of firearms or other weapons, including but not limited to knives and clubs, in the Community, whether on a Lot, in a Unit or in Common Areas, or otherwise is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size, and this section also applies to bows, cross- bows and other projectile weapons. Any use of an object as a weapon for the purpose of harming persons or property or for the purpose of intimidation is prohibited.

2.10 Fences. No fences shall be permitted in any front yard. All fences and gates shall be of picket or similar, open, design. No rear fence, fence facing Common Areas, or gate shall be no higher than six (6) feet tall. Fences between Lots that do not face Common Areas shall be no higher than six (6) feet tall. The Association may, at the Owner's expense and after giving notice, remove any fence or gate that violates the open-design or height restriction.

2.11 Outbuildings, Utility Shed, Shacks. No outbuildings, utility shed, shack, or

other free standing structure, whether permanent or temporary, shall be allowed on any front lot and shall only be allowed on the rear of a Lot with the prior written permission from the Association. Any permitted outbuilding, utility shed, shack, or other free standing structure, whether permanent or temporary, must be maintained in good condition.

2.12 Lighting. Each Unit must have working exterior lighting sufficient to illuminate both front yard, rear of a Lot, and, if applicable, side of a Lot. Exterior lighting must be kept on at all times between dusk and dawn.

2.13 House Numbers. Each Unit must have house numbers affixed to both the front exterior of the Unit and rear exterior of the Unit, so as to be visible from the parking areas and sidewalks. House numbers must be of size, material, and color, to be visible from the street or rear edge of the lot during both day and night, and shall comply with LFUCG's regarding residential structure 911 address numbering or its equivalent. All house numbers must be of the type that is substantially similar or identical to what is on the front office located at 2490 Woodhill Drive.

2.14 Shrubs and Planter Boxes. All shrubs, and all vegetation planted in any window box, shall be maintained and trimmed in a manner such that the top of any such shrub or vegetation is below the bottom the bottom of the window sill. The purpose of this policy is necessary for the safety of the occupants of the Units and to facilitate entry by fire, emergency, and other rescue workers in the event of an emergency.

2.15 Dumping. There shall be no dumping or littering on or from any Lot, no dumping or littering by any Owner or resident on any other Lot or Common Area, and no dumping or discharge of any type or nature whatsoever from any Lot with the exception of run off rain water only. Each Owner is responsible for cleaning all trash and debris associated with any move-in or move-out of the property. All trash shall be disposed of in LFUCG approved containers. All trash cans must be set out on curbs for pick-up no earlier than 5:00 p.m. on the evening before a scheduled pickup and returned to the rear of the Lot by no later than 7:00 a.m. on the day following said scheduled pickup, or such other date and times as LFUCG may schedule trash pickup. The dumpster located at the Association office is not for Owner or resident use and shall not be used by any Owner or resident, or any agent of any owner or resident such as a contractor, without prior written permission from the Association.

2.16 Yard Sales. No retail sales, including yard sales, are permitted at any time on any Lot, except that a Unit for sale may have no more than one (1) free stranding "for sale sign" in the front yard, displaying the selling agent/broker's name and telephone number or the Owner's telephone number.

2.17 Incorporation of the Lexington-Fayette County, Kentucky – Code of Ordinances. It shall be a violation of these Rules and Regulations for an Owner or resident to cause or to permit any violation of the LFUCG Code, including specifically, but not limited to, Chapter 9A (Fireworks), Chapter 12 (Housing), and Chapter 14 (Offenses and Miscellaneous Provisions), to occur at a Lot or Unit. Any liability for violation of the Code to the Association is separate, apart, and in addition to an Owner or resident's liability to LFUCG.

2.18 Inspections. In the event that the Board receives a written complaint regarding a potential violation concerning health, life, or safety, including violations such as roach, bedbug, or other infestations, at a Lot, it shall notify the Owner of the Lot of the complaint. Upon receipt of the notice, the Owner shall have the duty to inspect, and repair if necessary, the condition or violation and provide the Association with proof that the complained of condition was repaired or does not exist. A report of a licensed contractor is shall be considered acceptable proof. If the Owner fails to inspect, repair, and/or provide the requested proof, the Board may impose fines on the Owner as set forth in Article III.

2.19 Criminal Activity. **The Association has ZERO TOLERANCE for criminal acts and behavior at any Lot or Common Area.** It shall be a violation for any Owner, resident, or any licensee or guest thereof, to engage in criminal behavior or acts at or on any Lot or Common Area. In addition to any criminal violation of the Kentucky Revised Statutes and United States Code, and without limiting the generality of the foregoing, the following acts and behaviors shall be considered criminal: fighting, terroristic threats, harassment, drug use, drug sales, public intoxication, suspicious activity for drug trafficking, such as frequent stop & go traffic, gang activity, attire, or congregating, racketeering, harassment, BB gun possession or use, display of weapon with intent to intimidate or harm another, gunshots, vandalism, graffiti, dysfunctional or bizarre behavior, stealing, receiving or storing stolen property, trespassing, growing or harboring illegal substances, and similar violations. **Each Owner must be available to receive notice of criminal behavior and must immediately respond to any notice of criminal behavior.** The Board shall have the authority to prohibit persons who violate this Section from having access to the Community, including the common property owned by the Association and any Lots. Any such prohibition shall be in writing and be provided to the individual who is so prohibited. It shall be a violation of these regulations for any Owner or Occupant to allow any such person that has received written notice of said prohibition entry to the Community, including entry to any Unit.

3 ENFORCEMENT

3.1 Purpose. The purpose of imposing fines, sanctions and other enforcement penalties, such as suspension of voting rights or ability to use Common Areas, is to prevent and remedy violations of the Governing Documents, to encourage Members in violation of the Governing Documents to correct such violations as quickly as possible, and to serve all other purposes expressly or impliedly provided in the Governing Documents.

3.2 Authority. The Board, acting through its authorized agents and pursuant to the Governing Documents, has the power to impose fines, sanctions and other enforcement penalties. The Board may designate one or more persons or committees to document violations, to determine the type and amount of proposed sanctions, to provide notice of violations and proposed sanctions, to determine whether violations have ceased or abated, to hold hearings concerning violations and sanctions, to make final determinations concerning violations and sanctions, and to pursue self-help remedies to abate violations. Any fine imposed for the violation of the Governing Documents, together with interest, costs, and reasonable attorney's fees relating to the violation, failure to pay the fine, and enforcement of same, shall be a charge on the Lot, and shall constitute a lien on the Lot beginning on the date the fine is imposed, and shall be a continuing lien upon the Lot until paid in full.

3.3 Notice of Violation. Prior to imposition of any sanction for a violation of the Governing Documents (except the suspension of voting rights for nonpayment of Dues and Assessments, which shall be automatic as of the day same is declared late or delinquent hereunder), the Board shall provide the owner of the Lot and/or tenant with written notice via prepaid, first-class U.S. mail or personal delivery to the unit, or to the Owner's address as it appears on the books of the Association, if different. In the event that the Owner has provided the Association with an electronic mail address, then the Association, in lieu of providing notice by first-class U.S. Mail or personal delivery, may deliver said notice to the electronic mail address provided by the Owner. By providing an electronic mail address to the Association, the Owner expressly elects to receive any notice of violation exclusively through said electronic mail address. The written notice shall describe, at a minimum:

- (1) the nature of the alleged violation;
- (2) the proposed sanction to be imposed;
- (3) a period of not less than seven (7) days to cure the alleged violation or present a written request to the Board for a hearing (the "Cure Period"); and
- (4) a statement that the proposed sanction shall be imposed unless (i) the violation is cured to the reasonable satisfaction of the Board or (ii) a hearing is requested in writing within Cure Period.

It shall be the violator's duty and burden to present the Board with evidence that the violation has been within the Cure Period. If the violation is not cured or a challenge is not made in the time allotted, the action stated in the notice shall be imposed.

For violations that result in an immediate threat to life, health, safety, or property, the Board may impose a fine without providing an opportunity to cure. For ephemeral, transient or other

violations for which a notice and cure period is inapplicable (such as loitering or noise) violations, then the Board can issue a warning and notice that if the same violation occurs at a later time, then a fine will be automatically imposed.

3.4 Hearing. An owner or resident may request a hearing before the Board by providing the Board with written notice of such a request within the Cure Period, as set forth in the Notice of Violation. Any such written request for a hearing must detail, with specificity, the reason(s) that the alleged violator objects to the characterization of the violation or the proposed sanction. If the Board does not receive a written request for hearing prior to the expiration of the Cure Period, the findings and proposed sanctions set forth in the Notice of Violation shall become final.

If a hearing is requested in a timely manner, the Board shall set a date for the hearing no more than thirty (30) after the date the written request for a hearing is received. The Board shall provide written notice of the date, time and place of the hearing to notice via prepaid, first-class U.S. mail or personal delivery to the Unit that is subject to the violation, or to the Owner's address as it appears on the books of the Association, if different.

The hearing shall be held at the date, place and time as set forth in the Notice of Hearing. If the person who requested the hearing fails to appear, then the sanctions set forth in the Notice of Violation shall become final and shall be imposed. The person who requested the hearing shall be entitled to produce evidence at the hearing. The Board is not required to produce any evidence at the hearing and shall be entitled to rest on the allegations set forth in the Notice of Violation, which are presumed to be true and accurate.

Within seven (7) days of the conclusion of the hearing, the Board shall provide the person who requested the hearing with a notice of its decision, including sanctions imposed, via prepaid, first-class U.S. mail or personal delivery to the unit that is subject to the violation, or to the Owner's address as it appears on the books of the Association, if different. The sanction set forth in the

3.5 Sanctions. The Board may enforce violations through fines, sanctions and other enforcement mechanisms, such as the revocation of voting rights or suspension of access to common areas. The nature and amount of any sanction shall be at the discretion of the Board and shall take into account factors such as (i) the nature and seriousness of violation; (ii) prior violations by the Lot owner; (iii) efforts to abate the violation; and (iv) other aggravating or mitigating factors. The Board may impose one-time fines or, for violations of a continuing nature, recurring, such as daily or weekly, fines until the violation is corrected. The Board may publish a schedule of fines for various violations, but retains the authority and discretion to adjust any fine due to aggravating or mitigating circumstances

3.6 Collections & Fees. All Dues and Assessments, fines, late fees, interest, and administrative fees, as provided for herein, as well as the costs and expenses incurred in collecting said amounts and in enforcing a violation of the Governing Documents and these Rules, including without limitation attorney's fees and professional fees, shall be the personal obligation of the Owner of the Lot at the time such amounts were incurred or violations occurred.

3.7 Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Association, acting through the Board, may elect to enforce any provision of the Governing Documents by self-help (specifically including without limitation entering into said Lot(s) to remedy an uncured violation following notice provided for herein), or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth herein. In any such action, to the maximum extent permissible, the person who owned the Lot(s) at the time of the violation of which abatement was or is sought shall be liable for all costs and expenses incurred in engaging in such self-help and remedying said violation, including without limitation administrative fees, costs, and expenses of such self-help which shall be considered a fine hereunder, and late fees and interest, and attorneys' and professional fees incurred in pursuing in any rights or remedies available under the Governing Documents, and said amounts shall constitute a continuing lien on the Lot(s) or unit as stated herein.

3.8 Complaints. All complaints to the Association must be in writing and include detailed information regarding the alleged violation. If a complaint involves criminal behavior, the Association requests that you contact police. In the event a police report is made, the person who makes the report agrees to provide the Association with a copy.

4 LEASING POLICY

The Board has adopted the following Leasing Policy for the Association and its Owners.

4.1 Definition. The definition of a "Rental Property" or "Rental Unit" is any Unit occupied by persons other than the Deeded Unit Owner(s) and their immediate family. The definition of immediate family includes only the Deeded Unit Owner's Spouse, Parents, Children, Step-Children, Brothers, Sisters and Grandchildren. Whether or not the Deeded Unit Owner receives compensation from the persons occupying the Unit either in the form of barter, loans, loan repayments or offsets, or rented for currency, is not a consideration in determining the categorization of a Unit as a Rental Unit.

4.2 Required Conditions. Any Owner who utilizes their Unit as "Rental Property" or "Rental Unit" shall not lease said Unit for a period of less than one (1) year and only with a written lease agreement (a "Lease"). The Owner shall provide a copy of the Lease to the Association within 10 days of execution of the Lease, or at the inception of Lease, whichever occurs first. Prior to entering in a lease with a tenant, an Owner must conduct and review a criminal background check on the tenant.

4.3 Required Lease Terms. Every Lease shall comply with the following terms and conditions:

- a. All tenants, including minors, who will occupy the Unit must be listed on the Lease, and tenants' contact information, including home phone, mobile phone and email addresses, shall be included in the Lease.
- b. Every Lease must provide that no sub-letting by the tenant is or shall be permitted.
- c. Every Owner must provide every tenant with and inform every tenant regarding the Amended Declaration of Covenants, Conditions and Restrictions for Woodhill Park,

- Inc., the Association's Bylaws, and the Rules and Regulations, including without limitation this Leasing Policy, and to make these documents a part of the Lease's terms and conditions, whether by addendum or otherwise thereto. Copies of these documents can be obtained from the Association upon request.
- d. Every Lease must provide that the tenant has been informed of and agrees to abide by the Declaration of Covenants, Conditions and Restrictions for Woodhill Park, Inc., the Association's Bylaws, and the Rules and Regulations, including without limitation this Leasing Policy. Further, the tenant must agree that the Declaration, the Bylaws, and the Rules and Regulations, including without limitation this Leasing Policy are "material terms" of the Lease and under the Uniform Residential Landlord Tenant Act.
 - e. Every Lease shall provide that a tenant's breach of Section 2.19 of these Rules and Regulations, including both engaging in criminal activity or the harboring any person prohibited by the Association in a Unit, is a material breach of the Lease and under the Uniform Residential Landlord Tenant Act. Upon becoming aware of a tenant's breach of Section 2.19, each Owner has a duty to terminate the lease, provide the requisite notice required under the Uniform Residential Landlord Tenant Act, and evict said tenant.
 - f. Every Lease shall provide that the following shall be considered material terms of the Lease and Owner has a duty to terminate the Lease and provide the requisite notice required under the Uniform Residential Landlord Tenant Act, and evict the tenant, if the tenant commits one of the following material breaches of the Lease:
 - i. Is found by the Board of Directors of the Association to have committed at least three (3) rule violations within any twelve (12) month period;
 - ii. Allows more individuals than permitted for the Unit under Federal, State, County, or City regulations;
 - iii. Fails to provide a General Liability release to be signed by the occupant releasing the Association from liability; and
 - iv. Is convicted of any felony crime or conducts any illegal activity within any Lot, Unit, or Common Area.

4.4 Owner's Responsibility for Dues and Assessments. The Owner shall remain responsible and liable for the payment of all Association dues, assessments, fees, fines, enforcement penalties and/or other charges, and all costs and expenses including attorney's fees, even if they were the result of tenants' or their guests' actions or inactions, and other financial charges levied against the Unit. However, nothing in this Leasing Policy shall limit the Association's right to collect any dues, assessments, fees, fines, enforcement penalties and/or other charges, and all costs and expenses including attorney's fees from the tenant. Further, nothing in this Leasing Policy shall limit an Owner's right to collect said dues, assessments, fees, fines, enforcement penalties and/or other charges, and all costs and expenses including attorney's fees, from the tenant of said Unit.

- a. These payments must be made on a timely basis, regardless of whether or not the Owner collects them from the tenant on a timely basis; and
- b. It is the Owner's responsibility to recover any financial amounts from the occupant.

4.5 Effect of Delinquency/Lack of Insurance. If an Owner is delinquent in the payment of any dues, assessments, fees, fines, enforcement penalties and/or other charges, and all costs and expenses including attorney's fees, owed to the Association, by virtue of being in default under the governing documents, said Owner may not lease his/her/its Unit until said amounts are paid in full. If an Owner does not have the required insurance as set forth in Section 1.4.3, or fails to provide the Association with proof of insurance, then said Owner may not lease his/her/its Unit until the Association is provided with proof of necessary insurance. Further, if during any leasehold period, the Owner becomes delinquent, or fails to adequately insure the Unit, the Board shall have the right without suit to notify said tenants and to demand the tenant pay to the Association from the rent payable to the Owner, the amounts necessary to satisfy the delinquent amount owed to the Association.

4.6 Violations. If an Owner fails to comply with or violates this Leasing Policy, the Owner shall be fined \$200.00 per month until the Owner remedies said non-compliance or violation. Without limiting this, Section 4.7, as to any other provision of Article IV, the fine contemplated herein shall specifically apply to an Owner's failure to evict a tenant who breaches Section 2.19 of these Rules and Regulations as contemplated in Section 4.3(e). This fine shall constitute a lien and be enforceable as a lien as set forth in the Amended Declaration of Covenants, Conditions and Restrictions of Woodhill Park, Inc.

This 12th day of June 2016.

These Rules and Regulations were adopted by Board of Directors of Woodhill Park, Inc., at a duly called meeting of the Board of Directors held on June 12, 2016.

Attest: _____
Secretary of the Association