

Ke Ali'i Ocean Villas

House Rules

Revised: November 18, 2018

Version 4.0 Includes the following amendments:

- Definitions, page 3 – Managing Agent
- Section 1.06 Pets, page 5 – Changed 514A to 514B

Previous version 3.3 dated August 3, 2017 includes following amendments:

- Definitions
- Section 1.01 Registration
- Section 1.13 Garages
- Section 1.14 Leases
- Section 1.15 Real Estate Signage
- Section 2.03 Parking & (A.2)
- Section 2.08 Aesthetic Considerations
- Section 3.01 Rec Center/Registration

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PREFACE

The primary purpose of these Rules and Regulations (herein referred to as the "House Rules") is to protect all Owners, their respective Tenants, Visitors and Guests, from injury, annoyance and nuisance caused by improper use of the apartments and Common Elements of the Ke Ali'i Ocean Villas condominium property ("Property"). The full authority and responsibility for enforcing these House Rules is assigned to the Site Manager and the Managing Agent by the Board of Directors ("Board") of the Association of Apartment Owners of the Property ("Association"). All Owners, their Tenants, Visitors and Guests shall be bound by these House Rules and by standards of reasonable conduct whether covered by these House Rules or not; provided, however, that neither the Board nor the Managing Agent shall be responsible for any noncompliance or violation of these House Rules by said Owners, Tenants, Visitors or Guests. These House Rules may be amended by the Board as provided in Article 5, Section 5.05 of the By-Laws of the Association ("By-Laws"). In the event of any inconsistency between the House Rules, the Declaration of Condominium Property Regime ("Declaration") or the By-Laws, the Declaration and/or the By-Laws shall control.

The Property is an upscale residential community providing many luxuries and amenities. The Association and Managing Agent of the Property are dedicated to assisting all Owners, Tenants, Visitors and Guests in enjoying their apartments to the fullest extent. The successful realization of this goal will be largely dependent upon you, the Owners. High standards have been established that apply to all people who utilize the Property at all times. Your cooperation in adhering to these standards is essential in maintaining the harmonious environment of the Property. The intent of these House Rules is to provide an outline of proper conduct and behavior while on the Premises. If consideration of others and common sense are practiced by all who utilize the Property, we are sure that a friendly and pleasant atmosphere will result.

You are encouraged to read and review the Association formation documents, including the Declaration and the By-Laws. The Declaration and By-Laws establish and define certain rules and regulations not covered in this document. Together, these documents should be well considered and heeded by all Owners and their respective Tenants, Visitors and Guests. **Each apartment Owner shall be responsible for ensuring that their Tenant receives a copy of all such documents and abides by the terms contained therein.**

Mahalo for your cooperation.

DEFINITIONS

<u>Owner</u>	The person(s) holding legal title to an apartment; or, The purchaser of an apartment pursuant to an agreement of sale recorded in the Bureau of Conveyances.
<u>Tenant</u>	A person occupying an apartment pursuant to the terms of a written lease which must be on file with Site Manager.
<u>Occupant</u>	The Owner or Tenant residing on the Premises. Apartment Owners are Occupants unless they have leased their Apartment out, in which case they are no longer Occupants.
<u>Visitor</u>	An invitee on the Premises pursuant to the invitation of an Occupant Owner/Tenant, whose stay is limited to less than 48 hours. This may include a contractor or service provider. Visitors must be accompanied by Occupant when using Recreation Center.
<u>Guests</u>	A person, relative, or invitee who at the invitation of an Occupant Owner/Tenant are on premises in excess of 48 hours. Owner/Tenant shall register Guests with the Site Manager. Registered Guests need not be accompanied by Owner/Tenant when using Recreation Center.
<u>Premises/Property</u>	The entire condominium project, consisting of 144 apartments, Common Elements and Limited Common Elements.
<u>Common Elements</u>	Area of Premises which includes land, yards, grounds, landscaping, recreational center, BBQ's, swimming pool, driveways, roads, parking, elevators, walkways, building, well, garage buildings, trash enclosures, mailboxes, AC conduit/ducting and common utility facilities. (<i>Section 2.2 of Declaration of Condominium Property Regime</i>)
<u>Limited Common Elements</u>	Includes lanais, assigned garage (door & interior) and parking stall, assigned mailbox, AC Compressor and air handler (including drain) and apartment entry way. Costs to repair/replace are borne by the Owner. (<i>Section 2.3 of Declaration of Condominium Property Regime</i>)
<u>Governing Documents</u>	Collectively refers to the Declaration of Condominium Property Regime, Bylaws of the Association, House Rules and Architectural Standards & Procedures.

Managing Agent

The entity employed by the Association pursuant to Section 8 of the Declaration to manage the property.

Hawaiiana Management Company LTD.
Penelope D. Munroe, ASM®, PCAM®, Management Executive
1305 N. Hoopono Street, Suite 3A
Kihei, HI 96753
Phone: 808-270-3218 • Fax: 808-873-7423
hmc@kaovmail.com • pennym@hmcmtg.com

Site Manager

The individual(s) employed by the Association who works with the Managing Agent to manage the property.

Mike Heller
Ke Ali'i Ocean Villas Office
20 Lolupe Lane
Kihei, HI 96753
(808) 874-3415 office • (808) 874-3465 fax
(808) 268-7075 cell (*urgent matters only*)
Site_Manager@kaovmail.com

ARTICLE I

GENERAL RULES

Section 1.01 Registration

All Owners and Tenants shall notify the Site Manager of all visiting Guests (including relatives) whose stay on Premises will be **in excess of 48 hours**. This notification should include the name(s), duration of stay and car information when applicable. You may submit this information via email or hand deliver to the office; preferably prior to their arrival. This information will aid the Site Manager in distinguishing Guests from trespassers.

Note that Section 3.01 establishes that any guest, whose stay on premises is in excess of 48 hours and who has been properly registered with the Site Manager, may use the Recreation Center without being accompanied by Owner/Tenant Occupant, provided they adhere to all House Rules.

All other Visitors must be accompanied at all times by Owner/Tenant Occupant when using Recreation Center.

Section 1.02 Nuisances

No conduct or activity which is improper, offensive or in violation of the Declarations, By-Laws or these House Rules shall be permitted.

Section 1.03 Noise

The Occupant of an apartment shall not make or permit to be made any noise on the Property which will annoy or interfere with the rights, comforts or convenience of neighbors. Particular attention must be paid to maintaining a minimum of noise between 9:00 p.m. and 7:00 a.m. Sundays through Thursdays and 11:00 p.m. and 7:00 a.m. Fridays and Saturdays. This applies to social gatherings, television sets, radios, stereos and musical instruments.

Section 1.04 Insurance

In accordance with Section 27 of our Declaration of Condominium Property Regime, and Section 4.19 of our Association's Bylaws, all Owners are required to carry HO-6 insurance coverage for their Apartment and to provide such evidence to the Managing Agent or AOA Insurance Company. If an Apartment Owner does not produce evidence of insurance as requested, the Board may purchase the insurance coverage and charge the reasonable premium cost back to the Apartment Owner.

Section 1.05 Odors (NON-Smoking Condominium Property Designation)

Owners and Occupants shall act in consideration of others at all times. Objectionable odors, including smoking and vapors, are prohibited from emanating from apartments, vehicles, garages, lanais and front entry-ways. **Ke Ali'i Ocean Villas is designated as a non-smoking condominium property** per Hawaii State Smoking Act 328J Nov 6, 2006. This includes electronic smoking devices also known as e-cigarettes. The interior of Apartments is excluded provided doors and windows are closed.

Section 1.06 Pets

Owners and Tenants must register pets with the Site Manager using the Pet Registration Form. Pets must be controlled and on a short leash at all times. No Owner, Tenant or Guest shall permit their pet(s) to produce or cause any waste or unsanitary material or condition anywhere on the Common Elements. Owners, Tenants and Guests are responsible for picking up after their pets. Owners who fail to pick up waste after their pets will be subject to a fine. The following summarizes only a portion of Article V, Section 5.04(o) of the Bylaws which outlines the Pet Policy in greater detail:

- a. Domestic Household Pets (Dogs & Cats) are limited to 2 (two) total per apartment.
- b. No animal may be kept, bred or used for commercial purposes.
- c. Pet limit does not apply to fish or other aquarium animals.
- d. In no case shall any animal prohibited by the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes as amended or any other applicable law be allowed anywhere on the Property.
- e. Pets which cause a nuisance, disturbance, or threat to the health or safety of any Owner, Occupant or Guest may be ejected.
- f. In no event shall the Board, the Association, Managing Agent or Site Manager be deemed liable for any loss, damage or injury to persons or property caused by or arising in connection with any Owner's, Occupant's or Guest's pet while on Premises.
- g. No feeding of stray or wild animals (including birds).

Section 1.07 Soliciting

No door-to-door soliciting of goods or services, or any kind of charitable, religious, political or other cause of any nature (including circulation of petitions and proxy requests) shall be done on the premises without permission of the Board or Managing Agent. Proxy solicitations must be done in accordance with Article I, Section 1.08 of the Bylaws. Door to door solicitors must notify Site Manager in advance. Owners may register with the Site Manager to have their unit placed on a "Do Not Solicit" list; which door to door proxy solicitors must respect. (This list would not preclude the Managing Agent, Site Manager or Secretary who may need to retrieve proxies in order to establish a quorum) Door to door solicitation of proxies shall be done during the hours of 9-5, Monday – Friday. Petitions in compliance with Article I, Section 1.04; Article II, Section 2.05; Article VI, Section 6.01 of the Bylaws may be placed in the Site Manager's office or submitted to the Managing Agent (should petitioner(s) request anonymity). Violation of this rule is subject to Fine Schedule 2 as described later in Article IV, Section 4.05.

Section 1.08 Throwing of Objects

Nothing shall be thrown or sprayed (including water) from lanais, windows, entry areas or vehicles.

Section 1.09 Fireworks

The use of any type of fireworks is expressly prohibited anywhere on the Property. Violation of this rule is a Fine Schedule 2 as described later in Article IV, Section 4.05.

Section 1.10 Flammable/Hazardous Substances

Flammable fluids such as gasoline, kerosene, or explosive materials or articles deemed hazardous shall not be stored in or brought to the Property. Exceptions: Gasoline for motor vehicles (stored in approved containers, not to exceed 5 gallons), fuel for grills or lanterns for use off-site.

Section 1.11 Furniture Move In/Out, Deliveries

- a. Prior to any move, Owners shall provide the Managing Agent or Site Manager with their moving company's proof of insurance coverage.
- b. In consideration of neighbors and noise abatement, the moving company is limited to the following hours:
7am-6pm Monday-Friday,
9am-4pm Saturday/Sunday
- c. Owners must ensure that all common areas (walkway, stairs, railing & entries) and the elevator (its walls, flooring and doorway) are protected at all times from damage. All furniture and household goods moved in or out must be covered by moving blankets when using elevator.
- d. All trash and debris must be carried off-site on a daily basis by the moving company. Association trash receptacles are not to be utilized.

Section 1.12 Construction and Renovation

All construction and renovation projects must adhere to the rules, regulations and procedures described in the most recently approved version of the *Ke Ali'i Ocean Villas Condominium Association Architectural Standards and Procedures*.

Section 1.13 Garages

Each Owner has one parking stall and one garage assigned for their exclusive use. The garages are designated as 'for residential use' only.

- a. The use of any garage for commercial purposes or any form of manufacture for commercial purpose is strictly prohibited.
- b. The 120 volt/20 amp outlet in an owner's garage may be used for Electric Vehicle (EV) charging, including hybrid electric vehicles, provided the owner has a licensed electrician install a personal power meter that will measure the electrical consumption of the electricity used within their garage.

The meter and its installation must follow the procedure and standards as specified in the latest edition of the "Ke Ali'i Ocean Villas Architectural Standards and Procedures".

The owner must make arrangements with the property site manager to read the owner's personal power meter monthly. The site manager will report the number of consumed Kwh to the property management accounting department who will issue an invoice to the garage owner. The consumed power will be billed at the same Kwh rate the association pays for the month. Note: The total amount of electricity

consumed within the garage will be billed to be owner. All costs associated with the meter (installation, usage, administrative, maintenance and removal) are the sole responsibility of the Owner.

- c. The garage outlets **may not** be used for major household appliances. This includes, but is not limited to; refrigerators, freezers, ice makers, air conditioners, dryers, dehumidifiers, ovens and the charging of electric scooters, electric wheel chairs, and electric golf carts. This restriction does not apply to automobile battery trickle chargers, power tools, or other occasional use items.
- d. Roof access of garages or buildings is strictly prohibited unless approved in advance by Site Manager.

Section 1.14 Renting/Leasing of an Apartment

Pursuant to Section 6.1 of the Declaration, “*No Apartment Owner may rent or lease less than the **entire Apartment**”.* **Entire Apartment** is defined in detail in Declaration Section 2.1 Apartments, Section 2.2 Common Elements and Section 2.3 Limited Common Elements, specifically subsections (b) & (c), which states **entire Apartment** to include “*one garage and one parking space within the garage building...*” and “*one uncovered parking space, the number of which is designated on Condominium Map.....*”

Therefore, if an Owner chooses to rent out their Apartment, they relinquish access not only to the living quarters, but to all Common and Limited Common Elements assigned to that Apartment (including the garage and the Recreation Center) to their tenants for the duration of said lease.

No fraction or portion of an apartment may be leased. There shall be no subleasing of apartments. Leasing for the purpose of allowing the lessee to subsequently use or sublease the apartment as a short-term rental home is strictly and expressly prohibited.

Owners in violation of this rule shall be subject to Fine Schedule 3 as described later in Article IV, Section 4.05 and will be considered ‘ongoing’ (\$250.00 per day) until such time as remedied.

1. Lease Agreements

All leases shall be in writing and shall be for an initial term of no less than one hundred and eighty (180) days. A copy of any lease agreement for an apartment entered into by an Owner must be filed with the Site Manager within 7 days of the new Tenant’s occupancy. Violations of this rule shall be subject to Fine Schedule 2 as described later in Article IV, Section 4.05.

All owners are responsible for ensuring that their tenants are provided a copy of the current House Rules prior to taking occupancy of the leased unit.

2. Short Term Rental Prohibited

- a. The apartments shall at all times be used only for residential and related purposes and shall be subject to any special use or occupancy requirements or restrictions on transfer set forth in the apartment deed conveying the apartment. Activities, rental, use and occupancy of apartments shall be restricted to those that are in compliance with Maui County Ordinances, the laws of the

State of Hawaii and the Association's governing documents (the Declaration, By-Laws, and House Rules).

- b. The apartments, or a portion thereof, shall not be leased, rented or used by any person or entity that is not the recorded owner of an apartment for any period of less than one hundred eighty (180) days. As used herein, the terms, "lease", "rental" and "use" mean occupancy of an apartment by any person or persons other than the recorded Owner of the apartment for which the Owner receives any consideration or benefit including, but not limited to, a fee, service, offset, gratuity, or emolument.
- c. The issuance of a permit by the County of Maui to use, occupy or operate an apartment as a "short term vacation rental", or "Bed and Breakfast" operator, as said terms are defined in the Maui County Code, shall not restrict, inhibit or invalidate the enforcement of the provisions of the Declaration, Bylaws or House Rules of the Association.
- d. An owner who enters into a use or occupancy agreement, or rents or leases his or her apartment to a tenant, lessee or occupant, whether or not for consideration, shall at all times remain primarily and severally liable to the Association for any failure on the part of such owner's tenants, lessees or occupants to observe and comply with all provisions of the Maui County Ordinances, the laws of the State of Hawaii and the Association's governing documents (the Declaration, By-Laws, and House Rules).
- e. There are occasionally legitimate situations which may result in a "valid" early termination of a lease; whereas the Owner has acted in good faith, but special circumstances may preclude the tenant from fulfilling their lease. When such a situation occurs, the Owner shall submit a notification email to the AOA Managing Agent and/or Site Manager prior to the re-renting of the unit. Said notification should include all pertinent information and supporting documentation (if necessary) to support Owners claim that the early termination is valid. The Owner shall receive a determination response within 7 days. Should the termination be deemed valid, and the Owner has not exceeded 'one' valid early termination of a lease within a one-year period or 'two' in a 5 year period, then the Owner will not be issued a violation or be fined. If the Owner should exceed the 'one' valid early termination of a lease within a one-year period or 'two' in a 5 year period, then the Board could classify the early terminations as 'invalid', thus constituting a violation and assess fines as per 1.14(g). The goal of this rule is the prevention of serial "valid" early terminations which would constitute an intentional short-term rental situation.

For all determinations, the burden of proof shall be on the Owner of record to establish to the satisfaction of the Board of the Association that the apartment is not being used in violation of the Maui County Ordinances, the laws of the State of Hawaii and the Association's governing documents (the Declaration, By-Laws, and House Rules).

- f. Exemptions to the Short Term Rental Rule are: Transfer of Ownership or Tenant issues such as death, military deployment, employer relocation off island, and reasons permitted by Hawaii State Law or County Regulations. (Exemptions will not be counted as an "early termination")

- g. Violations of this rule shall be subject to Fine Schedule 3 as described in Article IV, Section 4.05. The initial violation shall be the first day of the second rental. Each successive day of the second rental, until the previous 180 day rental period has expired shall be considered an 'ongoing violation' as described for Fine Schedule 3. If the Owner is in disagreement with the Notice of Violation to the short term rental rules, they must follow the Appeal procedure outlined in Section 4.06 of the House Rules.
- h. Owners are encouraged to consider these aforementioned covenants when formulating their tenant lease in order to protect themselves from any "invalid" early terminations

3. Managing (Realtor) Agents

Any advertising, in any form of media, or any communication by an apartment owner, property management agent or company, realtor or real estate company, or lessee to any person where the apartment owner, property management individual or company, realtor or real estate company, or lessee offers an apartment for less than 180 days will be considered a strong indication of the owner's intent to rent an apartment on a short term basis.

It is important for Owners to point out the rules governing the leasing of their apartment to any agent managing their property in order to avoid inadvertently violating this rule and potentially incurring an expensive fine. For instance, a managing realtor who releases a Tenant from their lease during the first 180 days so that the Tenant may buy a condo, and then re-rents the Apartment within the 180 day period is in violation of this rule.

Section 1.15 Real Estate Sales

Open houses are permitted Monday through Sunday, 10:00 a.m.-5:00 p.m.

"Open House" signs must be professional looking (i.e. printed - not hand written). No balloons, streamers, banners, or other attention getting attachments may be used. One sign may be placed in front of the unit for sale and one outside each entrance to the complex adjacent to the sidewalk. One or two additional double-sided signs with arrows pointing down the street the unit is on can be placed on the corner of the main roadway and the unit's street. This will help direct traffic to the unit for sale and reduce the number of cars wandering the site.

ALL SIGNAGE MUST BE REMOVED AT THE END OF EACH DAY – 5:00 p.m.

Signs may not be placed anywhere else on common elements (per Bylaws Section 5.04h).

Section 1.16 Lost & Found

Items will be held in the Site Manager's Office for 90 days.

Section 1.17 Site Manager

The Site Manager is responsible for the Common Elements of the property and should not be asked to do work within an apartment unless it is an emergency affecting other apartments or Common Elements.

The Site Manager is not responsible for personal property or deliveries left on the premises. Any problems or questions involving the mail, mail boxes or deliveries to the door should be directed to the USPS Post Master or the carrier involved.

ARTICLE II

USE OF COMMON AND LIMITED COMMON ELEMENTS

Section 2.01 Obstructions

The roads, sidewalks, walkways, corridors, stairways and elevators must not be obstructed or used for any purpose other than ingress or egress.

Section 2.02 Trash

Garbage, rubbish and other trash shall be disposed of only in receptacles in designated areas. Trash containing food or odor shall be securely wrapped before being placed in a receptacle.

Section 2.03 Parking and Roadways

The Board and the Site Manager are authorized to tow away or remove any vehicle or equipment parked, located or used in violation of these rules and will be done so at the expense of the Owner or the Owner/Operator of the vehicle or equipment.

1. Parking in Proper Places

- a. Each apartment has a garage and an uncovered parking stall assigned for its exclusive use.
- b. Vehicles parked in stalls opposite garages must not exceed 19 feet in overall length. An attempt will be made, but not guaranteed, to accommodate oversized vehicle parking near the recreation center.
- c. Vehicles parked in unauthorized locations or stalls (which include vehicles not parked entirely within a parking stall) or in those assigned as Handicap Parking, may be towed away at the expense of the Owner, the vehicle owner or operator.
- d. Temporary Handicap Parking designation is available for Owners and Visitors if needed. Please see the Site Manager for registration and placement of designated Handicap Parking signage. Registration requires a handicapped license plate or a handicap placard with documentation indicating the expiration date of the placard. When granted, the two "Visitor" spaces will be changed to "Reserved". As a condition of being granted the temporary use of the handicapped stalls, the Owner/Tenant forfeits their original parking space until they no longer need the handicap accessible space. In this case the Owner's parking space will have its marking changed from "Reserved" to "Visitor" until such time as the Owner relinquishes the handicap accessible parking space.
- e. All stalls marked "Visitor" are for Visitor use only. Visitors are an invitee on the Premises pursuant to the invitation of an Occupant Owner/Tenant and whose stay is limited to less than 48 hours. This may include a contractor or service provider.
- f. All stalls that are not marked "Visitor", "Reserved" or "Handicap" are designated as "Unassigned". (See appendix A for parking diagram)
 - "Unassigned" stalls are available to Owners, Tenants and Guests on a 'first

come, first serve' basis.

- “Unassigned” stalls are not intended to be used as a substitute for an Apartment’s assigned stall.
 - “Unassigned” stalls are not intended for the storing of motor vehicles. The motor vehicles’ Owner/lessee/operator must be in residence and vehicles must be moved within each seven (7) day period.
- g. All motor vehicles parked on Property for a period of more than 48 hours must be on file or registered with Site Manager.

2. Roads

The roads shall be used for access and utility purposes only. Parking of vehicles shall not be permitted on the roads except as permitted by the Board.

3. No Impeding of Access

No vehicles belonging to an Owner, Tenant, Guest, or invitee of an Owner shall be parked so as to impede or prevent access.

4. Observance of Signs

Drivers shall observe all traffic signs posted on the Property.

Section 2.04 Vehicles

All vehicles parked on Property shall be in operating condition, with current license and safety stickers as required by law.

1. Washing of Vehicles

Owners and Occupants may only wash their vehicles in the areas specifically designated for such use. Designated vehicle washing areas may not be used as parking spaces. Users shall clean such areas before leaving. Users should take precautions when applying products that could damage asphalt surface. (e.g. Armor All, tire cleaner and other solvents) Any damages to parking surface will be repaired and cleaned at Owners expense.

2. Repair of Vehicles

- a. Major repairs to motorized vehicles/boats/motorcycles are not permitted.
- b. No minor work, including oil changes, shall be permitted on Common Elements (parking lot or driveway). Changing a flat tire, replacing windshield wipers or topping off fluids is exempt.
- c. Minor work may be performed in Owners garage provided vehicle is fully inside the garage. All fluids drained must be disposed of properly and may NOT be stored or disposed of on site or in dumpsters. Dumping of any fluids is subject to Fine Schedule 3 as described later in Article IV, Section 4.05, in addition to all costs to clean and remediate the area.
- d. No racing of motors will be permitted. All vehicles shall be equipped with quiet mufflers.
- e. All spills and oil leaks must be cleaned up immediately. Any damage to parking surface shall be repaired and cleaned at Owners expense.

Section 2.05 Barbecuing

Barbecuing is allowed only in specifically designated areas. You are responsible for cleaning grates and area after your use. Barbecuing is prohibited on apartment lanais.

Section 2.06 Recreational Activity Limitations

Owners, Tenants and Guests shall not engage in the operation of any motorized scooters, roller skating, roller blading, skate boarding, foot scooters, rip sticks, ball playing or any recreational activities of any kind on the roads, sidewalks, parking areas or walkways. Ingress and egress of the property is not considered a recreational activity and is permitted. Repeatedly riding from the top of the property to the bottom, however, is considered recreational activity. The flying of motorized objects (i.e. drones, RC planes/helicopters) is prohibited.

Section 2.07 Personal Property Items on Common or Limited Common Elements

No items of personal property, including but not limited to windsurfing boards, surfboards, kayaks, boats, baby carriages, toys, coolers or bicycles shall be left unattended on any of the Common Elements. Articles of any kind left on any of the Common Elements or any prohibited articles left on Limited Common Elements (lanais/entryway) will be removed at the Owner's risk and expense at the direction of the Board or the Site Manager.

Section 2.08 Aesthetic Considerations

No Owner or Occupant shall permit an unsightly condition to be maintained in open view from the roads, sidewalks, walkways or any adjoining common element of the Property.

- a. Nothing shall be hung from windows or over lanai or entryway railings (particularly no towels).
- b. Only furniture, potted plants and other appropriate items may be placed on lanais.
- c. Screens and other articles which, in the opinion of the Board, are unsightly shall be removed upon written request.
- d. No storage sheds will be allowed on any lanai.
- e. No dog fences or pet pens will be permitted on lanais or in common areas.
- f. Lanai shades must be retracted when Apartments are unoccupied in excess of 24 hours.
- g. No signs may be placed anywhere on common elements (per Bylaws Section 5.04h) except as allowed below or in Section 1.15.

This rule does not prohibit temporary display of appropriate banners commemorating holidays or festivals from lanais and windows. Ornamental or holiday lights should be turned off by 10:00 p.m. each evening. All temporary displays, lights and decorations shall be removed within one week following the specific occasion/event or holiday season.

Please refer to most recent version of the Ke Ali'i Ocean Villa's Architectural Standards and Procedures for other aesthetic considerations regarding the following:

- | | |
|---------------------------|-----------------------|
| -Window Coverings | -Painting |
| -Lanai Shades and Awnings | -Lanai Fans |
| -Front entry door screens | -Other Specifications |

Section 2.09 Responsibility for Damages

Damage to cars, other objects and/or the common or limited common element areas shall be the responsibility of the Owner or person causing the damage. Damage(s) shall be surveyed by Managing Agent and the cost of repair or replacement and any legal fees incurred will be assessed to the Owner for damage(s) caused directly or indirectly by them, their Guests, Tenants, contractor, employees, agents or invitees.

Section 2.10 Keys

All common element keys are the property of the Association and not the individual apartment owners. Duplication of standard or electronic key fob (*See description below*) keys is strictly prohibited. The issuance of the keys is governed as follows:

- a. Each Owner is issued a total of four (4) keys for the common element locks: two (2) programed apartment unit specific electronic key fobs to be used for the Recreation Center and two (2) standard keys to be used at the lower property pedestrian gates.
- b. All keys may only be used by Owners (in residence), Tenants, and registered Guests. Keys are NOT to be given to, loaned to or used by any person who is not permanently or temporarily residing within an apartment unit at KAOV.
- c. Owners who lease their apartments relinquish their right to: 1) use all common element keys, 2) access areas which keys are designated for.
- d. Owners/Tenants who loan out any key to non-registered guests will be in violation and subject to Fine Schedule 2 as described later in Article IV, Section 4.05.
- e. All lost keys should be reported to the Site Manager immediately. Replacement cost of any lost, misplaced or damaged key is \$50.00. There is no charge for any key that stops working due to normal wear and tear. Lost key fobs will be deactivated by the Site Manager.
- f. A short-term loaned key fob can be issued to a registered guest who is temporarily residing within an apartment unit at KAOV. A loaned key fob will be issued by the Site Manager upon the request of a unit owner or lease holder only. Guests may not request a loaned key fob. The loaned key fob will be encoded to be active for a period of no longer than fourteen (14) days from the date of issue. No more than one loaned key fob may be issued for any one apartment unit during the same time period. Failure to return a loaned key fob to the Site Manager within 18 days will result in a charge of \$50.00 to the guest's registered apartment owner. All key fobs that become beyond the control of Owners (in residence), Tenants or registered Guests will be deactivated by the Site Manager.

Description of an Electronic Key Fob:

A key fob is a small security hardware device with built-in user specific authentication used to control access to a keyless entry system using an electronic lock without using a traditional mechanical key. Each KAOV key fob is uniquely identified and controlled by the KAOV Site Manager.

ARTICLE III. RECREATION CENTER

Section 3.01 Recreation Center Description

The Recreation Center includes the pool, spa, lounging deck, BBQ/picnic area, activities room, fitness center, locker rooms and bathrooms.

The Recreation Center is for use by Occupants and their Guests only. Apartment Owners are Occupants unless they have leased their Apartment out, in which case they have relinquished their right to use the Recreation Center to their Tenant, who is then the Occupant.

Any Guest, whose stay on premises is in excess of 48 hours and who has been properly registered with the Site Manager, may use Recreation Center without being accompanied by Owner/Tenant Occupant, provided they adhere to all House Rules.

All other Visitors must be accompanied at all times by Owner/Tenant Occupant when using the Recreation Center.

**ALL GUESTS & VISITORS MUST SIGN IN
AT SOUTH ENTRANCE POOL GATE
PRIOR TO ENTERING RECREATION CENTER.
- OCCUPANT OWNERS AND TENANTS ARE EXEMPT-**

Section 3.02 Recreation Center Rules

The following rules apply to the entire Recreation Center:

- a) The Recreation Center may be used from 7:00 a.m. to 9:00 p.m.
(The pool and spa may be used from 8:00 a.m. to 9:00 p.m.)
- b) Headphones must be used with any device that emits sound (music or video).
- c) No glass is permitted in the Recreation Center (except the activities room). Drinks must be in unbreakable containers.
- d) Pets are not allowed in the Recreation Center. Certified Service animals are permitted.
- e) BBQs are available on a first come, first serve basis. You are responsible for cleaning area after your use.
- f) Owners are responsible for any damage to the Recreation Center caused by the Owner, their Tenants or their Guests.

- g) There is no lifeguard at the pool or spa.
- h) Children under 14 years of age are not permitted in the Recreation Center unless accompanied and constantly supervised by an adult.
- i) The Association is not liable, nor does it assume any liability whatsoever, for injury, property damage or any kind of loss arising in connection with the use of the Recreation Center, including the pool, spa, or fitness center.
- j) The Site Manager is authorized to restrict the use of any element of the Recreation Center to anyone at any time. Users of the Recreation Center may be required to reduce noise or disturbance by the Site Manager or Security patrol.
- k) Owners or Board Members are not authorized to assume enforcement authority on behalf of the Association.
- l) Outdoor furniture may not be altered or removed from the Recreation Center, pool area or put into the pool/spa.

Section 3.03 Fitness Center Rules

The following rules apply to the use of fitness center:

- a) Children 13 to 16 must be supervised by an adult. Children under 13 are not permitted.
- b) Wipe down equipment when you are done using it.
- c) All equipment is to be used as intended.
- d) Do not drop weights.
- e) Shirts and appropriate (closed toed) shoes are required at all times while using the fitness center. No slippahs!
- f) Anyone using the fitness center and exercise equipment does so at their own risk

Section 3.04 Locker Rooms/Restrooms Rules

The following rules apply to the use of the Locker Rooms/Restrooms:

- a) Children under the age of 6 must be accompanied by an adult.
- b) Lockers in the locker rooms will be rented out at \$120 a year. All unrented lockers are open for daily use and at least four lockers in each locker room will always be available for daily use. Daily use lockers are to be used on a first come, first serve basis and locks left on overnight will be cut off and contents put in the lost and found for 90 days. An annual lottery will be held each year for the issuance of the lockers if lockers are in short supply.

Section 3.05 Pool and Spa Rules

The following rules apply to the use of the pool and spa:

- a) Reminder – there is NO LIFEGUARD ON DUTY. Therefore, children under the age of 14 must be actively and visually supervised by an adult at all times while in the pool/spa. Violators of this rule shall be subject to Fine Schedule 2 as described later in Article IV, Section 4.05.
- b) There is no standing, lying, sitting or attempting to climb on top of the infinity edge of the pool. Violations of this rule are considered serious and shall be subject to Fine Schedule 3 as described later in Article IV, Section 4.05.
- c) No climbing on rocks or planters. Violations of this rule shall be subject to Fine Schedule 2 as described later in Article IV, Section 4.05.
- d) Any pool party involving six (6) or more Guests must be approved by the Site Manager, in advance, no less than two days prior to the event.
- e) Running is not permitted in the pool/spa deck area.
- f) Diving, jumping or rough housing in the pool is not permitted.
- g) Water toys and throw toys are not permitted.
- h) Anyone in diapers must use swim diapers when in the pool.
- i) For their safety, children under the age of 6 are not allowed in the spa. Prolonged use of a spa has been proven to have adverse effects on children. Children between ages of 6-14 must be supervised by an adult in the spa area.
- j) Rinse off suntan lotion and sand before entering the pool or spa.
- k) Inflatable items, sun-mats, surfboards, Styrofoam floats, boogie boards, or other large objects of this nature are not permitted.
- l) Personal Flotation Devices (PFD's), Water Wings, noodles, exercise boards and pool weights are permitted.
- m) Nudity is not permitted.
- n) Consumption of food is not permitted while in the pool or spa.
- o) Life preservers, lifesaving hooks and related equipment are on site for safety purposes only and may not be used for recreation.

Section 3.06 Activity Room

Use of the Activity Room is by reservation only. Reservation forms may be obtained from the Site Manager or the association's website.

Tenants (Owners are exempt) wishing to use the activity room must provide the Site Manager a Certificate of Insurance naming the Association as an additional insured with minimum limits of \$250,000.00. If liquor will be served, the insurance must also provide for and cover host liability, naming the Association as an additional insured on such additional coverage.

Reservation of the activity room does not provide exclusive use of the rest of the Recreation Center.

ARTICLE IV ENFORCEMENT

Section 4.01 Reporting of Violations and Damages

Whenever possible, violations of any Governing Documents should be reported to the Site Manager or Managing Agent in writing. A Rule Violation Complaint Form may be found on the Ke Ali'i Ocean Villa's website (www.kaovmaui.com), at the office or you may email the Site Manager with details listed on the form. The identity of the complainant will be kept confidential by the Board and Managing Agent.

Section 4.02 Rights of the Board

Article V, Section 5.06(a) & (b) and Section 5.07 of the Bylaws, outline the rights of the Board and its Managing Agent in the handling of any violation of the rules and regulations (Governing Documents) adopted by the Association. Furthermore, it gives the Board of Directors or its agents the right to:

- a. Levy fines (at their discretion) for any violation of these House Rules and Association Governing Documents after appropriate written notice to the Apartment Owner. In the case of ongoing violations, multiple violation notices may apply which shall provide for multiple fines (e.g., fine(s) may be assessed monthly for ongoing item(s) not corrected).
- b. Copies of all written notices of violations and fines issued to Occupant will be sent to the Owner, Tenant and Rental Agent, Board and Managing Agent where appropriate.

Section 4.03 Owner Responsibility

Apartment Owners shall be liable for their own violations and fines and for the actions and fines assessed against their Tenants, Guests, family members, agents or employees.

Should expenses be incurred by the Association due to violations of the Governing Documents by an Owner, Occupant or Guest, the Owner of the Apartment shall be responsible for payment of such expenses.

Section 4.04 Violations

Each violation issued shall briefly describe the nature of the violation, date of the violation, apartment number, and name of parties involved if known. Written notices are given to the Owner, or if the Apartment is rented, written notice will be sent to the Tenant and Owner's agent.

The Board has delegated its authority to the Site Manager and the Managing Agent to issue violations.

Section 4.05 Fines

The Board has adopted a schedule of fines for any violation of the Governing Documents. These fines shall be imposed against the Apartment Owner for any violation by the Owner(s), their Tenant(s), family member(s), Guest(s), agent(s), or employee(s). If corrective action is not taken after the second notice of violation and fine, the Board can refer the matter to the Associations attorney for resolution. All expenses incurred will be the Owner's responsibility.

Schedule 1 is the default fine schedule for all Governing Document Violations except where otherwise specified.

1. Calculating Prior Violations

When determining the number of previous violations:

Only violations of rules of substantially similar purpose or nature are considered prior violations. Generally, these will correspond to the topics of individual Sections of the House Rules, regardless of whether they are defined in the House Rules, Bylaws, or Declaration. For example, if an Owner is cited for allowing their pet to run loose, that would be a first violation. If that Owner is subsequently cited for playing loud music at the pool, that would also be considered a first violation. But if the Owner is then cited for doing cannonballs into the pool, that would constitute a second violation relating to the section of rules governing the use of the recreation center. The Board shall be the final arbiter of whether or not a violation is “of substantially similar purpose or nature” to any prior violations.

2. Violation “Recurrence”

In accordance with Article V, Section 5.07, *Penalties for Violations* of the Bylaws, if any violation continues for a period of fifteen (15) days after notice of the violation has been given to the Apartment Owner, the continuing Violation shall be considered a new violation and the Apartment Owner shall be liable to the imposition of an additional penalty.

3. Payment Schedule

- a. A fine must be paid to the Association upon receipt of the violation notice (which assesses the fine) within 15 days to prevent further action.
- b. If the Owner fails to pay the fine within fifteen (15) days, the Owners account will be assessed a late fee of \$50.00 each month the fine remains unpaid, unless the Board votes to suspend or cancel the fine.
- c. If fines are not paid, the matter will be referred to the Association's attorney for necessary action with all legal fees to be paid by the Apartment Owner pursuant to Chapter 514B, Hawaii Revised Statutes.

4. Fine Schedule

Schedule	Description
1	<p>This schedule is for minor rule violations.</p> <p>First violation: Written Notice</p> <p>Second violation: \$100 fine</p> <p>All subsequent violations: \$200.00 fine and Legal action when warranted</p>
2	<p>This schedule is for moderate violations.</p> <p>First violation: Written notice.</p> <p>Second violation: \$200.00 fine.</p> <p>Subsequent violations: \$300.00 fine and Legal action when warranted.</p>
3	<p>This schedule is for major or dangerous violations.</p> <p>All violations: \$250.00 fine</p> <p>Ongoing violations: \$250.00 fine per day for each day the violation remains in effect. Legal action when warranted.</p>
4	<p>This schedule generally deals with violations that involve property damage.</p> <p>Owner is responsible for correcting problem and any associated costs.</p>

Section 4.06 Appeals Procedure

If the Owner is in disagreement with the Notice of Violation to the Governing Documents, the following appeal procedure is available:

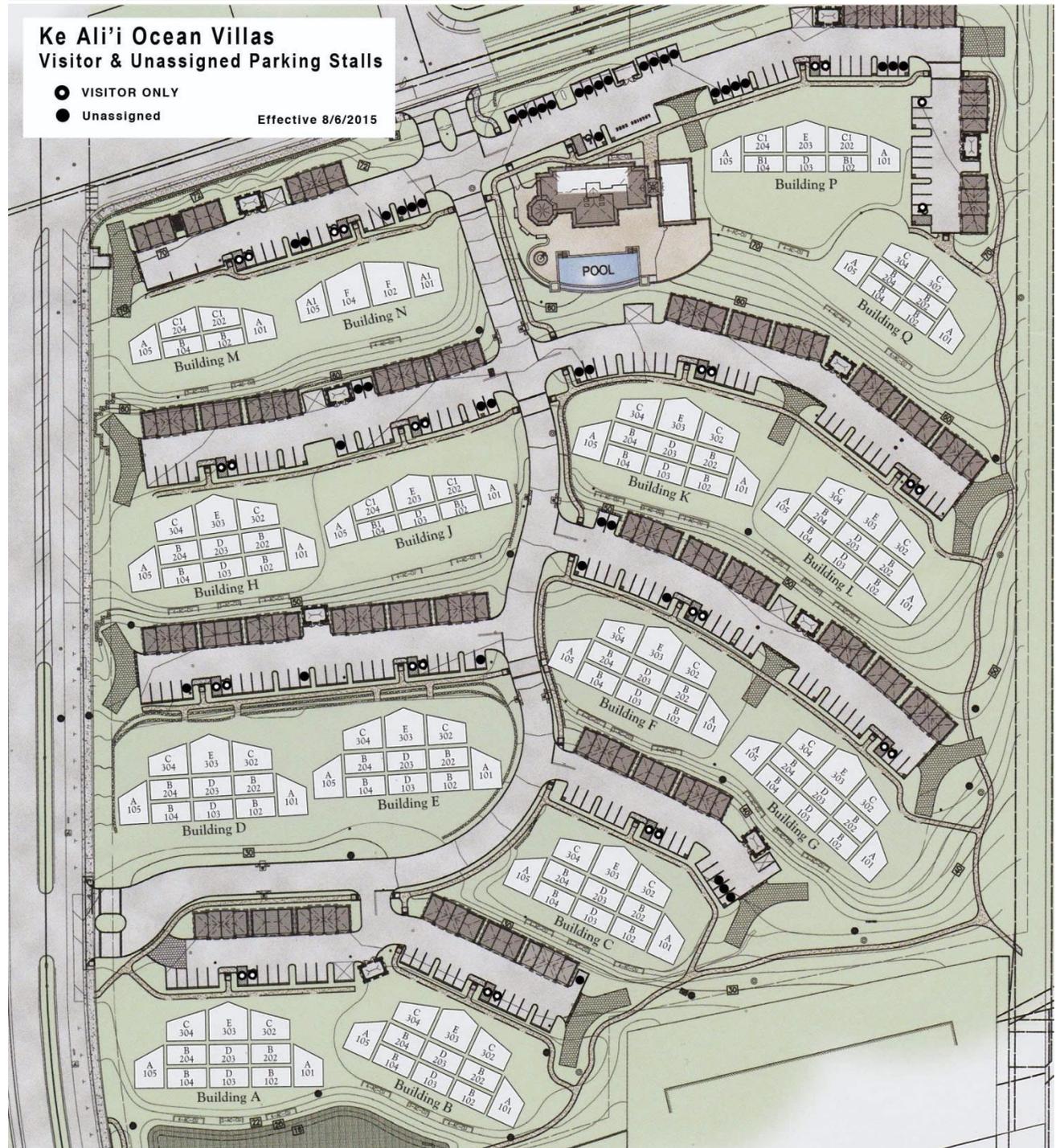
- a. The violation must be appealed within 15 (fifteen) days of the date of the violation notice.
- b. Appeal must be addressed to the Board of Directors of Ke Ali'i Ocean Villa's and must be delivered to the Association's Managing Agent or Site Manager.
- c. The appeal should provide sufficient factual information (e.g. statements of witnesses, including their names and addresses, copies of relevant documents, etc.) enabling the Board to make an informed decision.
- d. The Board of Directors may require the violator to appear at the appeal hearing to provide additional information.
- e. The Owner/Violator will then be notified within 7 days after the final decision of appeal.

- f. The Board may uphold, reduce, suspend and/or cancel any fine after consideration of the appeal. The decision of the Board shall be final.
- g. The fine must be paid to the Association upon the receipt of the appeal decision within 15 days. If the Owner fails to pay the fine, the Owners account will be assessed a late fee of \$50.00 each month the fine remains unpaid.

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APPENDIX

A.1 Visitor and Unassigned Parking Diagram



A.2 Visitor and Unassigned Stalls

<u>Building</u>	<u>Visitor Only Stalls</u>	<u>Unassigned Stalls</u>
A	6, 6A	None
B	19, 19A	47
C	54, 54A	60, 61, 62
D	80, 80A	79, 87
E	95, 95A	100
F	132, 132A	123, 131, 149, 150
G	146, 146A	None
H	178, 178A	None
J	190, 190A	185, 195, 196, 234, 235
K	206, 206A	197, 198
L	219, 219A	None
M	269, 269A	None
N	277, 277A	273, 274, 280, 281, 282, 283
P	294, 294A	286, 287, 288, 289, 299, 300, 301
Q	302, 311	None
REC CENTER	None	285, 322, 323, 324, 325, 326, 327, 328 329, 330, 331, 332, 333, 334 *284 Designated Handicap

All stalls marked "Visitor" are for use by visitors only and may not be used by Owners, Tenants, Occupants or guests staying on premises in excess of 48 hours.

All stalls that are not marked " Visitor", "Reserved" or "Handicap" are designated "Unassigned".

- "Unassigned" stalls are available to Owners, Tenants and guests on a first come, first serve basis.
- "Unassigned" stalls are not intended to be used as a substitute for an Apartment's assigned stall.
- "Unassigned" stalls are not to be used for storing of motor vehicles. The motor vehicles' Owner or Lessee/Operator must be in residence and the vehicle must be moved within each seven (7) day period.

All motor vehicles parked on Property for a period of more than 48 hours must be on file or registered with Site Manager.

For additional information on Parking, refer to Section 2.03, Parking & Roadways.