

THE VILLAS AT KAHANA RIDGE

June 1, 2015

Re: Revised Rules and Regulations-July, 2015

Dear Unit Owner:

The Rules and Regulations of a Condominium Project set forth the standard of conduct expected of community residents. Rule enforcement preserves the aesthetic quality of the neighborhood, maintains order, enhances community living and supports property value.

The following rules have been approved by the Board of Directors of the AOA of the Villas at Kahana Ridge and will be effective July 1, 2015:

Additions to existing Rules and Regulations (some of these are already in effect in the Bylaws and Regulations):

- Fee for any vehicle exceeding assigned parking stalls (B.1.a., p.4)
- Hardwood, laminate and bamboo flooring permitted on floors 2 and 3 with Board approved Architectural change form completed and signed by authorized contractor. (F.2.f., p.S)
- Rental Agents- Not submitting registration forms for renters (A.1.b.ii., p.1)
- Owners not submitting registration forms (A.1.b.i., p.1)
- AOA to inspect units once or twice a year (D.3., p.6)
- Owner must purchase H06 insurance policy for unit owned and submit copy to APMI (A.1.c., p.2)

In addition, the Board has implemented automatic fines for the following violations:

Automatic Fines (no warnings):

- **Illegal Dumping**-Fine \$250 (E.4., p.7)
- Working on vehicles on property- Fine \$250 (B.1.c., p.4)
- Fire lane parking- Fine \$250 (B.1.a., p.3)
- Instances when police are called for disturbances on property - Fine \$250 (C.2.a., p.5)
- Not picking up feces after your dog and/or cat- Fine \$250 (A.2.b., p.2)
- When a towing company has to be called -Fine \$250 (B.1.b., p.4)
- Owners/Rental Agents not submitting Registration Forms-Fine \$100 (A.1.b.i.and ii., p.1)

Please familiarize yourself with the attached revised Rules and Regulations. We appreciate your adherence to these new rules as well as the ones already in effect. Please destroy any old copies of the Rules and Regulations as they are no longer valid. If you have any questions or comments, please submit them in writing to the AOA management company.

Sincerely,

The Board of Directors, AOA
Villas at Kahana Ridge

THE VILLAS AT KAHANA RIDGE

RULES AND REGULATIONS

These Rules and Regulations ("House Rules") contain information that should make your daily living at The Villas at Kahana Ridge (the "Project") more meaningful and enjoyable. It must be realized that condominium living requires each resident to have appropriate respect for the needs and rights of others living in the Project. The primary purpose of these House Rules is to protect the apartment owners and other occupants, including tenants and guests, from annoyance and nuisance caused by improper use of the Project, the enjoyment, comfort and security of all residents and the reputation and desirability of the Project.

The Board of Directors of the Association of Apartment Owners (the "Board") is responsible for enforcing these House Rules, but the responsibility may be delegated to the manager or managing agent. All apartment owners ("Owners"), tenants and their guests are bound by these House Rules.

These House Rules supplement (but do not change) the obligations of the Owners and their tenants and guests as set forth in the Declaration of Condominium Property Regime (the "Declaration") and the Bylaws of the Association of Apartment Owners of the Project (the "Bylaws"). In the event there is any inconsistency between these House Rules and the Declaration and/or the Bylaws, the Declaration and/or Bylaws will prevail.

The Board may from time to time make other rules and regulations for the Project or amend the House Rules set forth below.

A. OCCUPANCY:

1. Use of Apartments.

- a. Apartments shall only be used for residential purposes and/or such other purposes as are permitted by the Declaration, the Bylaws, the deed conveying an apartment to an Owner, and applicable zoning. Apartments will not be used for business or rented or leased for business purposes. "Timesharing," as defined in Chapter 514E of the Hawaii Revised Statutes, is prohibited.
- b. Submission of Project Registration Forms:
 - i. Owners are required to submit Registration Form for all occupants annually or receive an automatic fine;
 - ii. For rentals, owners and/or Agents must submit Registration Form at time of new lease/tenants' occupancy or will receive an automatic fine.

- c. Owners are required to purchase a Homeowners Policy "H06" for their unit and to submit a copy of their policy annually to the Property Management Company to keep on file.

2. **Animals.**

- a. **Generally.** No animals whatsoever shall be allowed or kept in any apartment or any other part of the Project except as provided in Subsection b. below.
- b. **Guide Dogs, Signal Dogs, and Permitted Pets.** Certified guide dogs, signal dogs, or other animals upon which disabled Owners, tenants or guests depend for assistance (an "Assistance Animal") shall be permitted to be kept by such Owners, tenants and guests in their apartments. In addition to an Assistance Animal, an Owner or tenant may keep in his or her apartment one dog or one cat not exceeding twenty (20) pounds in either case (a "Permitted Pet").

Assistance Animals and Permitted Pets shall be allowed to walk throughout the common elements while on a lead or leash, provided that such animals shall at all times be accompanied by and in the control of their owners (or the owner's agent) while present upon the common elements.

Owners/Renters not picking up dog and/or cat feces and properly disposing of such, Owner will receive an automatic fine. If such Assistance Animal or Permitted Pet causes a nuisance or unreasonable disturbance or poses a threat to the health or safety of any Owner, tenant or guest, the owner thereof will be given an opportunity to rectify the problem by measures that fall short of ejection of the Assistance Animal or Permitted Pet from the Project. Ejection will be required only if the Board reasonably determines that less drastic alternatives have been unsuccessful. If an Assistance Animal is ejected, it will nonetheless be allowed to remain at the Project for a reasonable period of time while the owner thereof attempts to find a suitable replacement Assistant Animal, provided that the problem is controlled to a sufficient degree that the continued presence of the Assistance Animal during that time does not constitute an unreasonable imposition upon, or threat to the safety or health of, other Owners, tenants or guests. If a Permitted Pet is ejected, the pet's owner will not be permitted to keep such Permitted Pet at the Project, and upon ejection the Permitted Pet shall be immediately removed from the Project.

- c. **Indemnifications.** In no event shall the Board, the Association of Apartment Owners of the Project (the "Association"), the manager or managing agent be or

be deemed to be liable for any loss, damage or injury to persons or property caused by or arising in connection with any Owner's, tenant's or guest's Assistance Animal, Permitted Pet or any other animal. By acquiring an interest in an apartment in the Project, each Owner agrees to indemnify, defend and hold harmless the Board, the Association, the manager and the managing agent against any claim or action at law or in equity arising out of or in any way relating to such Owner's or such Owner's tenant's or guest's Assistance Animal, Permitted Pet or other animal.

3. **Conduct of Tenants, Guests and Other Persons.** An owner is responsible for the conduct of his tenants or his (or his tenant's) guests. If an Owner is unable to control the conduct of his tenants or his (or his tenant's) guests, the Owner will, upon request of the Board, immediately remove such person or persons from the Project and the Board and the Association will not be liable for any lost rentals or other damage suffered by the Owner.
4. **Apartment of Local Agent.** Owner shall designate a local agent to represent them if their residence is outside of the State of Hawaii or if they will be absent from the Project for more than thirty (30) days. The Owners will file their out-of-town address and telephone number, and the address and telephone number of their local agent, with the Board. All Rental agents are required to have tenants sign a statement at time of lease signing, acknowledging that they have read (or will read), understand and will adhere to the Rules & Regulations of the AOAO.
5. **Rules of Governmental Authority.** Each Owner, tenant, or guest shall at all times observe and comply with all laws, ordinances, rules and regulations now and hereafter made by any governmental authority or the Association applicable to the use of the Project.

B. USE OF COMMON AND LIMITED COMMON ELEMENTS:

1. **Parking Automobiles and Other Vehicles or Equipment.**
 - a. **Parking Generally.** All vehicles belonging to apartment Owners and their tenants shall be parked in their respective assigned parking stall(s). Guests, invitees or employees of apartment Owners or tenants may park their vehicles in designated guest or visitor parking stalls if any are available, provided, however, that no guest or visitor parking stall may be occupied by the same vehicle for more than twenty-four (24) consecutive hours. Any vehicle parked in a fire lane will receive an automatic fine. No boats or trailers or un-motorized vehicles of any kind may be parked anywhere at the Project. No vehicle of any

kind shall be parked in any parking stall if any part of the vehicle extends beyond the boundaries of the stall or otherwise inhibits the ability of others to use adjacent stalls or to move safely in the parking areas and/or roadways or driveways leading thereto. Unlicensed motorized vehicles are not to be parked or stored anywhere at the Project. Any owner/tenant that has more than two vehicles and does not have assigned/owned parking stalls to accommodate the additional vehicle(s) is to pay Villas at Kahana Ridge AOA a monthly fee of \$100 per additional vehicle(s) per month. This fee does **not** guarantee a visitor parking space for the additional vehicle(s) but is a fee for having more vehicles than assigned/owned parking stalls. This fee will be assessed with your monthly maintenance fees by our Property Management Company. All vehicles must be registered with AOA and abide by the Rules and Regulations.

- b. **Violations.** Violators of these rules relating to parking or any other parking rules or regulations now or hereafter promulgated by the Board shall have their vehicles towed away at their own expense. If the violator is a tenant, invitee, employee or guest of any Owner, the Owner shall be held responsible for the payment of the towing charge. If a towing company is called to the property at any time, owner will receive an automatic fine.
- c. **Repairing, Washing Cars, etc.** No car repairs or adjustments may be made at any time in the assigned parking stalls or on any other common elements of the Project. Violators will receive an automatic fine. No cars may be washed anywhere at the Project except in areas (if any) specifically designated for that purpose on a first-come, first-served basis.
- d. **Cleaning of Stalls.** Each Owner shall be primarily responsible for basic cleaning and maintenance of his assigned parking stall(s). In particular, each Owner shall be responsible for cleaning from the surface of his parking stall(s) any residue, dirt or debris in the stall(s) that results directly from his use of the stall(s). If an Owner fails to clean or maintain his stall properly with the result that, in the sole judgment of the Board, the condition of the stall presents a health hazard or is otherwise a nuisance to Owners, the Association may cause the stall to be properly cleaned and shall charge all costs incurred in connection therewith directly to the Owner of the apartment to which the stall is assigned. An apartment Owner's repeated failure to clean or maintain an assigned parking stall may result in the Board's imposition of a monetary fine in an amount to be determined by the Board but not to exceed \$25 for each instance in which the Association is required to clean the Owner's stall.

- e. **Responsibility for Damage.** Damage to cars and other objects or to the common elements shall be the responsibility of the person causing the damage. Each Owner shall use care in parking, entering and exiting his assigned parking stall(s) so as not to damage vehicles in adjacent or nearby stalls or any part of the Project, including curbs and landscaping features.
2. **Camping.** No camping or use of tents on the common elements of the Project is allowed at any time.
3. **Fireworks.** Use of fireworks of any kind anywhere in the Project is strictly prohibited at all times.
4. **Barbecuing.** Outdoor cooking shall be permitted only in designated common areas. Only charcoal cooking equipment is permitted.

C. NOISE AND NUISANCES:

1. **Noise and Nuisances Prohibited.** No nuisance shall be allowed in the Project nor shall any use or practice be allowed that is improper or offensive in the reasonable opinion of the Board or that is in violation of the Bylaws or these House Rules or that unreasonably interferes with or is an unreasonable annoyance to the peaceful possession or proper use of the Project by other Owners or tenants.
2. **Specific Rules.**
 - a. **Excessive Noise and Objectionable Odors Prohibited.** Residents and other occupants of the apartments shall avoid unreasonably excessive noise of any kind at all times and shall not cause or permit any unreasonably disturbing noise or objectionable odors to emanate from their apartments. Instances when police are called to the property for disturbances, owners will receive an automatic fine.
 - b. **Hours for Deliveries and Maintenance/Construction Work.** No Deliveries of any items to or maintenance or construction work on any apartment will be allowed before 8:00 a.m. or after 6:00 p.m. except in an emergency.
 - c. **Hours for Reduced Volume for Radios and Stereos.** Radios, TV's, stereos, etc. in the apartments must be played at reduced volume after 10:00 p.m. and before 8:00 a.m.

d. **Departure of Guests: Minimizing Noise.** When guests of any apartment are leaving at night, noise must be kept at a minimum.

3. **Soliciting Prohibited.** No solicitation of any kind (including but not limited to commercial, political or religious soliciting) is allowed in the Project. Report all solicitations to the Board.

D. SAFETY CONSIDERATIONS:

1. **Supervision of Children.** Children play at their own risk in the Project and should be supervised by an adult at all times. Such risks may include unattended equipment, poisonous substances, fertilizers, open pits, etc., that may be left or stored within the common areas. Parents are responsible for the actions of, and must exercise control over, their children.

2. **Flammable or Dangerous Liquids.** Flammable fluids such as gasoline, kerosene or explosive materials or articles deemed hazardous to life, limb or property, or the presence of which may increase the Project's hazard or liability insurance premiums, shall not be used or stored anywhere within the Project except in connection with the use of small tools or appliances by Association employees.

3. **Right of Entry in Favor of Association.** Every owner, tenant, or guest hereby grants a right of entry to any persons authorized by the Board in the event of an emergency originating in or threatening an apartment, whether or not the Owner or occupant is present at the time. Keys to the apartments must be furnished to the Board. Right of Entry is allowed by Association, after due notification to owner/tenant, with or without owner/tenant present, for annual maintenance inspection(s) to ensure that all units are safe and do not pose hazard(s) to the complex. For all emergency situations, Right of Entry is allowed by Association without notification.

E. AESTHETIC CONSIDERATIONS:

1. **Cleanliness: Attractive Appearance of Apartments. Lanais.** Notwithstanding the Association's obligation to maintain and repair certain limited common elements, all owners and tenants are responsible for the cleanliness and day-to-day maintenance of their apartments and lanai areas. Said areas shall be kept in a neat, attractive and sanitary condition. No objects, other than appropriate lanai furniture and potted plants in appropriate containers shall be permitted on lanais. Except as provided herein, the storage of personal property and similar objects on a lanai is strictly prohibited.

2. **Window Cleaning.** Each owner shall be responsible, at such Owner's expense, for cleaning the interior surfaces of all windows in the Owner's apartment.

3. **No Objects to be Hung from Windows or Railings.** No clothes, bedding, carpeting or anything else shall be hung on or from windows or lanais for any purpose, nor shall clothing or laundry be hung in walkways or windows, or placed on or hung over landings in such a manner as to be visible from other apartments and/or the common areas or other properties in the vicinity of the Project.

4. **Trash Disposal.** All household trash shall be secured in plastic trash bags (except for dry paper, which need not be bagged) and placed in a trash container or other designated receptacles. Illegal dumping - Refuse, furniture, garbage or trash of any kind shall not be placed or thrown in any common area of the Project or left outside of dumpsters. Violators will receive an automatic fine.

5. **No Household Objects to be Placed Outside Apartments.** No garbage cans, household or commercial supplies, excess items or similar articles shall be placed outside any apartment or on any lanai in a place where they can be seen from outside any apartment.

F. REPAIRS, MAINTENANCE, AND MODIFICATIONS:

1. **Repairs and Maintenance.**

a. **Apartment Owner's Duty to Repair and Maintain.** Every Owner, from time to time and at all times, shall promptly perform all repair and maintenance work within his apartment and those limited common elements for which the Owner is responsible, the omission of which would adversely affect the Project, any common element or any other apartment, and shall be responsible for all loss and damage caused by his failure to do so.

b. **Repairs Inside of Apartments to be at Owner's Expense.** All repairs of internal installations within each apartment, such as plumbing and electrical fixtures, appliances, telephones, doors, lamps, and other fixtures and accessories belonging to such apartment, including the walls and floor coverings of such apartment, shall be at the apartment Owner's expense.

c. **Repairs Affecting Common Elements.** Unless otherwise agreed by all of the Owners, any repairs or maintenance that may affect the common elements shall be performed by a licensed contractor or other qualified personnel.

2. **Modifications and Additions.** If required by the Declaration and/or Bylaws, any modifications or additions to or of an apartment or common element must receive the prior written permission of the Board.
- a. **Signs.** Except as permitted by the Board, Owners or tenants shall not place any signs in or on buildings or in or upon other common elements. Until the sale of the last apartment by the Developer, real estate sales or rental signs are not permitted anywhere on the common elements of the Project.
 - b. **Board May Require Plans and Specifications.** The Board may require the presentation of plans and specifications prepared by a registered architect or engineer for any proposed alternation prior to approval.
 - c. **No Attachment of Objects to the Exterior Without Board Approval.** Except as otherwise provided herein or in the Bylaws, no Owner or tenant, except with the written consent of the Board, shall permit the attachment, hanging, projection or protrusion of any object, including garments, wiring or other device for electrical or telephone installations, television, machines or other equipment or appurtenances on the exterior of a building or protruding through the walls, windows or roof thereof.
 - d. **Screen Doors.** Owners may install screen doors on the exterior entries to their apartments, provided that all screen doors must be white in color, except for the screen material, and must be of a general type and appearance approved by the Board.
 - e. **Window Coverings.** Owners may install interior window coverings (including curtains, drapes and screens) provided that if such coverings are visible from outside of the Apartment, they must include a backing that is white or alabaster and of a general appearance approved by the Board.
 - f. **Interior Flooring Restrictions.** Hard surface flooring (Wood, Bamboo and/or laminate) is approved for 2nd and 3rd floor units with Board approved sound proofing/muffling installed by a reputable contractor. Tile or ceramic cannot be put in living room/dining area/bedrooms. Architectural form must be completed and submitted to Board for approval prior to installation.
 - g. **Lanai Flooring.** Outside lanai flooring shall be limited to the original concrete flooring or ceramic tile installed by the Developer, or ceramic tile approved by the Board.

- h. Lanai Sun Screens. Owners may install solar shades or screens above the lanai railings, provided that such shades or screens are white or beige in color, are capable of being rolled up and down, and are of a general type and appearance approved by the Board.
- 4. Board May Require Removal of Unauthorized Work. The Board shall have the right to inspect any repairs, modifications or additions to any apartment or limited common element and may order the removal of any modifications or additions that have not been approved (if prior Board approval is required) or that do not otherwise conform with the standards and requirements set forth in these House Rules and/or the Bylaws, or that may adversely affect the common elements or the exterior appearance of the Project.
- 5. No Roof Access. No person whatsoever (other than the manager or managing agent and authorized tradesmen and technicians) shall be allowed on any roof within the Project for any purpose.

G. VIOLATIONS OF THESE RULES:

- 1. Reporting Violations and Damages.
 - a. Reporting of Violations. All violations of these house Rules should be promptly reported to the Board through the managing agent.
 - b. Damage to Common Elements. Any damage to the common elements shall be surveyed by the Board or other authorized personnel at the direction of the Board and the cost of repair or replacement and any legal fees incurred may be assessed by the Board against the person or persons responsible, including, but not limited to, any Owner for damages caused directly or indirectly by his tenants or such Owner's (or his tenants') family members, domestic servants, or guests.
- 2. Remedies. The violation of any of these house Rules shall give the Board, or its agents the right to:
 - a. Enter Apartments. Enter the apartment and/or limited common elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner (whether or not caused by the Owner or any person for whose conduct the Owner may be responsible), any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof or of the Declaration or the Bylaws, and the

board or the authorized agents shall not thereby be deemed guilty in any manner of trespass; and/or

- b. **Institute Legal Proceedings.** Institute legal proceedings to enjoin, abate or remedy the continuance of any such violation, and all costs thereof, including attorneys' fees, shall be borne by the defaulting Owner (whether caused by the Owner or by any person for whose conduct the owner may be responsible).

H. AMENDMENT:

Prior to the election of the first Board, KAHANA SUN LLC (the "**Developer**") may amend these House rules in any manner without the joinder, consent or approval of any other party. Upon election of the first Board and at all times thereafter, these House Rules may be amended by the vote of a majority of these Directors present at a duly called meeting at which a quorum of Directors is present, and shall become effective when published to all apartment Owners.

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