

**HOMEOWNERS ASSOCIATION RULES AND REGULATIONS GOVERNING
USE OF BURGUNDY HILL CONDOMINIUMS**

CONTACT INFORMATION:

MANAGER:

C/O Incline Property Management
Phone: 1 (775) 832-0284
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BOARD OF DIRECTORS:

876 Tanager Street
INCLINE VILLAGE, NEVADA 89451

WASHOE COUNTY SHERIFF, SUBSTATION

WASHOE COUNTY ANIMAL CONTROL

Incline Village Substation
1-775-832-4110

EMERGENCY: 911

INTRODUCTION

The following Rules and Regulations are for Owners, guests, tenants and permanent or temporary occupants of Burgundy Hill Condominiums and are adopted in accordance with the authority provided to the Board of Directors by the governing documents of the Association and Nevada State law. Burgundy Hill is a common ownership interest community, which is another way of describing the living conditions here. We live in close proximity to one another as neighbors and thus must take care to ensure that our actions are not selfish, do not adversely impact our neighbors or their rights to the peaceful and quiet enjoyment of their residence Units and do not compromise their health or safety while here. We aspire to courtesy, civility and consideration to each other, in an effort to make this beautiful physical setting a pleasant place for all of our residents, guests and tenants.

In every instance, the Unit Owner is the sole person(s) responsible for compliance with these provisions, for themselves, their guests, tenants, employees, agents, friends, contractors, family or relatives and others that may be on the property with your permission, knowledge or consent at any time. Warnings, fines, citations and notices of violation and related communications will be sent to and assessed against the Unit Owner in every instance.

MOTOR VEHICLES

1. Motorcycles, scooters, mopeds and motorized skateboards or bicycles are prohibited from operating within Burgundy Hill unless they are licensed, registered and insured as motor vehicles and are operated by licensed and qualified individuals at all times. Violations of these

provisions may subject the operator to sanctions by the Association, including warning and fine. (See Sanctions section).

2. Any vehicle operated within Burgundy Hill must be currently operable, registered, licensed and insured in accordance with the laws of the state in which the registration or license has been issued. Vehicles without such current identification may be towed from the property at the Unit Owner's expense, without further notice and additional sanctions by the Association, including warning and fine, may be imposed. (See Sanctions section).

3. The storage or parking of trailers, boats, campers, RVs, personal watercraft, airplanes, gliders, hang gliders, snowmobiles, para-sails, helicopters, or any wrecked or otherwise inoperable vehicles within the property is prohibited. No work, repair, maintenance or restoration of any such vehicle or equipment within the Burgundy Hill community is allowed at any time. Physical space is at a premium within this community and thus vehicles parked unattended or unused for periods of time in excess of 30 consecutive days are prohibited, may be considered abandoned and are thereafter subject to being towed by the Association without further notice. As a direct result, if any occupant will be absent from his unit for more than 30 consecutive days, please advise the Property Manager of that fact and provide the vehicle's identification, location and who will have the keys in the event it needs to be moved. Failure to do so may result in the vehicle being towed from the property without further notice and additional sanctions by the Association, including warning and fine, may be imposed. (See Sanctions section).

4. All vehicles must be parked between the yellow divider lines in the underground parking area. Front row parking (in front of the wall) is reserved for resident Homeowners. No vehicle may be parked in other than the underground parking spaces, but temporary parking of a personal vehicle that will not fit through the garage doors due to height is permitted in the area marked within the turning circle at the Owner's sole risk. **DO NOT PARK IN THE FIRE LANE OR AT THE EDGE OF THE TURNING CIRCLE AT ANY TIME.** Failure to abide by these restrictions may result in the vehicle being towed from the property without further notice and additional sanctions imposed by the Association, including warning and fine, may be imposed. (See Sanctions section).

5. Boats, RV's, campers and trailers as size permits may be brought into the community for purposes of loading and unloading only. No such vehicle may be parked, occupied or otherwise lived in while on the premises of Burgundy Hill. Failure to abide by these restrictions may result in the vehicle being towed immediately from the property without further notice and additional sanctions being imposed by the Association, including warning and fine. (See Sanctions section).

6. No commercial vehicles may be parked within Burgundy Hill overnight. Such vehicles may be within the community temporarily for purposes of deliveries, moving or leaving materials and supplies but must be promptly removed thereafter. Failure to abide by these restrictions may result in the vehicle being towed from the property without further notice and additional sanctions being imposed by the Association, including warning and fine. (See Sanctions section).

7. All Homeowner's personal vehicles parked in the community must be currently registered with the Association Property Manager and must have a Burgundy Hill sticker displayed on the vehicle's rear window. Long term/permanent tenants must also register their vehicle with the Association Property Manager and obtain a sticker for display on their vehicle rear window. Two visitor cards will be issued to each Homeowner for distribution to guests, temporary occupants and short term tenants for display on their vehicle at all times. These visitor cards are for identification only and are not parking permits. Each Unit Owner is entitled to one parking space and remaining spaces are set aside for use by visitors and for overflow vehicle parking.

COMMON AREAS

1. The walkways and stairways of the buildings shall not be obstructed or used for any purpose other than ingress and egress from the units in the buildings.
2. No persons are permitted to play in the parking area.
3. Skiing, roller skating, skateboarding, sledding, biking and roller-blading on unpaved common areas, walkways or driveways within Burgundy Hill are prohibited for safety and liability reasons.
4. No personal property of any kind shall be left on or in Common Areas, including stair landings and walkways and no objects may be draped over railings or balconies.
5. Changes to the exterior of the building such as decorations, television antenna, satellite television receivers or radio antennas, sunshades, air conditioners, swamp coolers, fans, screens, balcony covers must have written consent of the Board of Directors prior to their installation. There may be no "FOR RENT" or "FOR SALE" signs in the windows or on the building at any time.
6. Failure to abide by these restrictions may result in the imposition of additional sanctions by the Association, including warning and fine. (See Sanctions section).

BALCONIES AND THEIR USE

1. All balconies are limited common areas, reserved for the exclusive use of the Owners or Tenants of the unit to which they are attached and must be maintained by the Owners.
2. Balconies must be kept neat and clean at all times and are not to be used as outdoor storage sites.
3. Laundry may not be hung outside at any time and outdoor clotheslines or drying racks of any kind are not permitted.
4. No open flame barbecues are allowed but propane and electric barbecues are permitted.
5. Firewood is permitted as long as it remains neatly stacked no higher than the deck railing and does not obstruct ingress and egress to and from the balcony entry door.
6. Outdoor patio furniture only is permitted on balconies and no indoor furniture may be stored on balconies.
7. Owners and Occupants of units are responsible for snow removal from balconies.

8. Feeding of birds or other wildlife from birdfeeders or other devices is prohibited.
9. The American flag may be displayed from unit balconies from sunrise to sunset only in a manner consistent with proper flag etiquette. Flags dimensions shall not exceed 3 feet by 5 feet with a maximum 6-foot flagpole.

PETS AND ANIMALS

DOGS

1. Owners may have no more than 2 dogs on the premises. All dogs within Burgundy Hill must be registered with the Association or its Property Manager and must be on a leash under the direct, immediate supervision and control of a responsible person when outside. No dog shall be at large, running loose within the community.
2. Barking, whining, growling or other noises from dogs must be kept to a minimum so as to not disturb the peace and quiet of the residents of Burgundy Hill. Owners are responsible to control their animals and constantly barking or noisy dogs, which disturb the peace of the community, are prohibited. To avoid this situation, dogs should not be left unattended in the Owners absence.
3. Any officer, director, manager or employee of the Association is authorized to impound, cause to be impounded or file a complaint with Washoe County Animal Control officers at 832-4110 regarding every dog that is not under control of the Owner or that is causing a disturbance of any kind within the community.
4. Owners may lodge complaints about dogs at large or noisy, disturbing dogs with the Association Property Manager or Washoe County Sheriff/Animal Control.
5. Owners must police and dispose of their animals waste when walking them within the community and must be able to show how this will be accomplished upon any reasonable request by Association staff or management.
6. Failure to abide by these restrictions may result in the imposition of additional sanctions by the Association, including warning and fine, and in the event of two or more violations within a 12 consecutive month period, revocation by the Board of the privilege to keep an animal on the premises.

OTHER ANIMALS

Exotic animals are prohibited upon the premises, as those animals are defined by Washoe County Code. Licensed exotic animals may be present within the community only with the written permission of the Board prior to the animal being brought upon Association property, subject to any restriction or control placed upon the animal and its Owner by the Board. Cats are not an exotic animal and may be on the premises, subject to rules and regulations pertaining to noise and waste. Failure to abide by these restrictions may result in the imposition of additional sanctions by the Association, including warning and fine or revocation by the Board of your privilege to keep an animal on the premises in the event of two or more violations.

NOISE/LIGHTS

No activities that generate sufficient light or noise levels to destroy the tranquil mountain setting, injure the peace and quiet of residents or guests, infringe upon neighbor's peaceful enjoyment or otherwise disrupt the tenor of the community are permitted. Excessive or disturbing noises or activities that cause such noises like loud music, loud vehicles or exhaust, loud parties or gatherings of people and noisy animals are prohibited within Burgundy Hill. Flood lights, construction lighting, multiple vehicle headlights and the like which excessively interfere with the evening darkness or otherwise impinge upon the tranquility of the area are prohibited. Failure to abide by these restrictions may result in the imposition of additional sanctions by the Association, including warning and fine. (See Sanctions section).

TRASH DISPOSAL

1. Trash areas and dumpsters are provided by the Association for use by all residents for the disposal of all household trash and garbage. Construction debris, furniture and other large debris may not be placed in the dumpsters but should be taken to the IVGID recycling center during its normal business hours.

2. Ashes and embers must be stored in metal containers only and disposed of in the ash containers adjacent to the dumpsters, never in the dumpster due to fire safety concerns.

SINGLE FAMILY DWELLING STATUS ONLY

Burgundy Hill is zoned by Washoe County for use only as single-family residences. No Unit may be used, converted, advertised, rented, leased, occupied or otherwise represented to be more than a single living space at any time. Maximum occupancy numbers for each Unit, as set by the Fire and Building Departments at the time of construction, must be observed at all times. Units in violation, no matter the duration of the violation, will be reported to appropriate County agencies, whose enforcement sanctions include fines, red tags and other penalties for violation which can be severe and will be in addition to any sanctions for failure to abide by these restrictions levied by the Association, including warning and fine. (See Sanctions section).

LATE CHARGES

Dues or assessments of any kind or nature are due within 30 days of notice of their imposition, unless otherwise provided. Payments received after this 30 day grace period will be charged a late fee of ten percent (10%) of the balance due and may include costs and fees associated with any collection efforts undertaken. These charges may become a lien upon the premises, as provided in the CC&R's.

MISCELLANEOUS PROVISIONS

Water hoses for clothes washers must be replaced every five (5) years without regard to then-current condition. Replacement must be certified in writing and on file with the Association Property Manager. Failure to maintain current certification may result in the imposition of additional sanctions by the Association, including warning and fine. Complaints about any violations of the rules and regulations should be made to the Board in care of the Property Manager.

SANCTIONS; HEARING PROCESS

1. These duly adopted Rules and Regulations are one of the governing documents of the Association and the violation of any provision of any governing document may subject a Unit Owner to sanctions as long as the Association has complied with the provisions of NRS 116.31031. These sanctions include an Owner being prohibited for a reasonable period of time from voting on Association business, an Owner being prohibited from using the Common Area for other than parking or ingress/egress to or from any Unit and assessment of a fine (but not a construction penalty) upon the Owner, providing the violation is not one that threatens the health and safety of the Association or any member thereof.

2. The Executive Board may not impose a fine pursuant to section 1 unless (a) not less than 30 days before the violation, the person against whom the fine is to be imposed had been provided with written notice of the applicable provisions of the governing documents that form the basis of the violation and (b) within a reasonable time after the discovery of the violation, the person against whom the fine is proposed has been provided with written notice specifying the details of the violation, amount of the fine, the date, time and location of a hearing and a reasonable opportunity to prepare for, appear at and contest the violation at said hearing.

3. Upon each violation, a Notice of Violation shall be provided to the Unit Owner believed responsible for the violation, either by personal delivery or by mail, within 5 days of the violation being detected, observed or complained of. Any Unit Owner may file a written waiver of hearing with the Association any time prior to a scheduled hearing to avoid the attendance requirement.

4. A minimum \$50.00 per violation fine may be assessed for any violation of the Rules and Regulations. Each fine imposed may not exceed \$100.00 per occurrence, up to a total of \$500.00 per violation. Violations not cured within 14 days (or any longer period of time allowed by the Board) of the notice thereof being provided to an Owner are subject to being declared an ongoing violation and the Owner may be fined additionally for every 7 day period or portion thereof during which the violation continues, without the provision of any additional notice and not limited to a maximum of \$500.00. Note that past due fines may include collection fees, filing fees, recording fees, legal fees, postage or delivery fees and any other fee or costs in those amounts allowed by Nevada law.

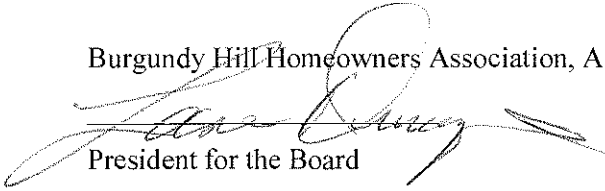
5. The Board must hold a hearing before a fine may be imposed, unless the person against whom the fine is to be imposed either, pays the fine, signs a written waiver of the hearing requirement or fails to attend the duly scheduled hearing after receipt of proper notice. If the governing documents so allow, the Board may appoint a committee or panel of not less than 3 members to review the circumstances and explanation for the violation, if any is presented and to impose fines. The committee or panel acts for the Board and is entitled to all privileges and immunities and are subject to all duties and requirements of the Board and its members. Any such hearing may be conducted in Executive Session unless the Owner requests in writing that the hearing be held in open session. In any event, deliberation and decision may be held in Executive Session after the full facts and circumstances of the alleged violation have been disclosed.

6. These are the minimum procedural requirements that the Board or panel must follow in order to assess a fine. If a fine is assessed by the Board or appointed panel, the Unit Owner fined shall also pay the costs of the proceedings, in a reasonable dollar amount based upon the time the matter has taken. The costs become an assessment upon the Unit and Owner and may be enforced through any lawful means, including lien sale and foreclosure. Unpaid fines, fees and costs shall bear interest at the legal rate until paid in full.

7. Unpaid dues and assessments, special or regular in nature, are not fines and are subject to late charges. These late charges are to begin 30 days after the due date of the assessment in the amount of 10% of the late payment plus attendant collection costs and attorney's fees. The assessment amounts plus the charges and costs are all subject to enforcement against the Unit Owner via lien and lien sale in every instance.

DULY ADOPTED this 15 day of JUNE, 2004.

Burgundy Hill Homeowners Association, A Nevada Non-Profit Corporation


President for the Board