

**L'ERMITAGE HOMEOWNERS' ASSOCIATION
RESTRICTIONS ON USE OF PROPERTY BY OCCUPANTS
[RULES AND REGULATIONS]**

CONTACT INFORMATION:

MANAGER:

C/O Incline Property Management
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BOARD OF DIRECTORS:

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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 L'ERMITAGE HOMEOWNERS' ASSOCIATION 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. L'ERMITAGE is a common ownership interest community, which is Nevada's statutory 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. Owners must furnish the Manager with Owner / Tenant contact information, including name and address. While not a requirement, it is

recommended that all Owners supply Management with an extra key to their Unit for emergency use only.

MOTOR VEHICLES/OUTDOOR PARKING

1. Motorcycles, scooters, mopeds and motorized skateboards or **motorized** bicycles are prohibited from operating within L'ERMITAGE HOMEOWNERS' ASSOCIATION unless they are licensed, registered and insured as motor vehicles and are operated by licensed and qualified individuals at all times. No vehicle may be washed upon Association premises due to erosion and best management practices concerns. Violations of these provisions may subject the operator to sanctions by the Association, including warning and fine. (See Sanctions section).

2. Boats, RV's, campers and trailers may not be brought into the Community for any purpose. 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 Association property is prohibited. No such vehicle may be parked, occupied or otherwise lived in on the premises of L'ERMITAGE HOMEOWNERS' ASSOCIATION is allowed at any time. No work, washing, repair, maintenance of any such vehicle is allowed on the property. 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).

3. All vehicles 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). **Restoration** of any such vehicle or equipment within the L'ERMITAGE HOMEOWNERS' ASSOCIATION is **not** allowed at any time.

4. Physical space is at a premium within this community and thus vehicles parked **within common areas** unattended or unused for periods of time in excess of (3) three consecutive days are prohibited, may be considered abandoned and are thereafter subject to being towed by the Association without further notice. During periods of heavy snowfall, vehicles must be moved at least every 48 hours to allow snow removal equipment access to the premises and to avoid any vehicle becoming snowed in and immobile. 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).

5. No commercial vehicles may be parked within L'ERMITAGE HOMEOWNERS' ASSOCIATION 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).

6. **Only one way traffic through the property roadway "Lupen Lane" shall be allowed.** The speed limit within the Association grounds is 5 MPH and shall be complied with at all times by all vehicular traffic. Failure to abide by the speed limit restriction may result in the imposition of sanctions being imposed by the Association, including warning and fine. (See Sanctions section).

COMMON AND LIMITED COMMON AREAS

1. The walkways and driveways are for the use of Owners, guests, tenants and permanent or temporary occupants of L'ERMITAGE HOMEOWNERS' ASSOCIATION and shall not be obstructed or used for any purpose other than ingress and egress from the Units and Common Area.

2. No persons are permitted to play in any parking area and Owners, guests, tenants and Unit occupants are responsible for maintaining the ease of pedestrian and vehicular ingress and egress over walkways and driveways by not parking in front of garages, or otherwise obstructing sidewalks, walkways or paths.

3. Skiing, roller skating, skateboarding, sledding, biking and roller-blading within L'ERMITAGE HOMEOWNERS' ASSOCIATION is prohibited for safety and liability reasons. All barbeques grills are a potential safety hazard on wood decks. Do not leave grills unattended and barbeques must be used and placed away from the roofline or overhanging trees. No briquette grills or wood fired cooking or heating devices may be operated or stored upon deck structures. Only natural gas, propane **or electric** grills or heaters are allowed on decks. Outdoor patio furniture only is permitted. No indoor furniture or storage of any other kind may be made on the decks. Firewood must be stored within the Unit **or garage**. No personal property of any kind shall be left on or in Common Areas, including stair landings and walkways and no objects such as clothes, sheets, blankets or laundry may be draped, hung or exposed upon the Unit, Limited Common Area or Common Area so as to be visible from any other Unit or from the Common Area.

4. 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 or to any landscaping, tree or shrub in any Common Area must have written consent of the Board of Directors prior to their installation, modification or removal.

Nothing may be done within the Common Area which may impair the structural integrity of any building, improvement or Common Area element. There may be no 'FOR RENT' or "FOR SALE" signs in the windows or on the building or property at any time.

GARAGES

1. The primary purposes of garages are for parking your vehicle. Storage of personal property is limited to space assigned to that Unit's garage so as not to infringe in the neighbor's area.

2. Garages must be kept clear of storage and debris **so as to not be unsightly and such** that motor vehicles may be stored inside the garage with the doors closed. Garage doors must be closed at all times when not in use for loading or unloading.

3. Failure to abide by these restrictions may result in the imposition of additional sanctions by the Association, including warning and fine. (See Sanctions section).

PETS AND ANIMALS

DOGS

1. Owners may have no more than **(2) two** domestic pets on the premises at any time. All dogs within L'ERMITAGE HOMEOWNERS' ASSOCIATION must be on a leash under the direct, immediate supervision and control of a responsible person when outside the Unit. No dog shall be at large, running loose within the Community or tied to a Unit, fence, tree, post or other location upon Association common grounds.

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 L'ERMITAGE HOMEOWNERS' ASSOCIATION. 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 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 Washoe County Sheriff or Animal Control at any time, who will ask you to document the type and size animal and the time and place of the incident, complained of.

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.

7. No animals shall be raised, kept or permitted upon L'ERMITAGE HOMEOWNERS' ASSOCIATION for breeding or other commercial purpose at any time.

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 it's Owner by the Board. Cats are not an exotic animal and a maximum of two per Unit may be on Association premises, subject to these 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 within a 12-month period. No animals shall be raised, kept or permitted upon L'ERMITAGE HOMEOWNERS' ASSOCIATION for breeding or other commercial purpose at any time.

NOISE / LIGHTS

The Association has established a quiet time from 10:00 PM to 8:00 AM daily. 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 noxious or offensive activities that cause such noises like loud music, loud vehicles or exhaust, loud parties or gatherings of people and noisy animals are prohibited within L'ERMITAGE HOMEOWNERS' ASSOCIATION. 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).

SINGLE FAMILY DWELLING STATUS ONLY

1. L'ERMITAGE HOMEOWNERS' ASSOCIATION is zoned by Washoe County for use only as single family residences and is hereby restricted to said use. 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 of no **more than 6 persons per Unit must be observed at all times.** Units in violation, no matter the duration of the violation, will have to abide by the restrictions levied by the Association, including warning and fine. (See Sanctions section). **Rentals are restricted to a 2 day minimum stay.**

2. Nothing may be done or kept by any Owner or occupant of any Unit or in any Common Area which may cause an increase in the rate of any insurance upon the property or its improvements, without first obtaining the written consent of the Association Board of Directors.

3. No industry, business, trade, profession, occupation or home based business may be conducted in any Unit or upon any part of the Common Area. **No business that generates pedestrian traffic, vehicle traffic or deliveries shall be permitted.**

TRASH

Dumpsters are provided by the Association for use by all residents for the disposal of all household trash and garbage. No parking is allowed such that it will block others access to any dumpster. Construction debris, furniture and other large debris may not be placed in the dumpster but should be taken to the IVGID recycling center during its normal business hours. Cardboard boxes must be broken down prior to being placed in the dumpster. No trash or other debris shall be left outside the exterior of any dumpster container. Failure to abide by these restrictions may result in sanction by the Association, including warning and fine.

FIRE AND SAFETY

Ashes and embers must be stored in metal containers only and disposed of in ash containers but never in the dumpster due to fire safety concerns. Each Unit must contain two (2) operational smoke detectors and a fire extinguisher. Owners must replace their smoke alarm batteries every 6 months to maintain the efficiency of these devices. **Furnaces, Chimneys and flues must be inspected annually and proof thereof must be provided to Management and on file.** Failure to abide by these restrictions may result in sanctions by the Association, including warning and fine.

LATE POLICY

Association dues or special assessments are due upon the first day of the month, or the noticed due date of special assessments, and are considered late after 30 days from the due date. Payments postmarked after 30 days will be charged a late fee of 10% of the unpaid balance due per 30 day period or any part thereof that the amounts remain unpaid and may include, in addition to such fee, all 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.

WATER DAMAGE PRECAUTIONS

Unit interiors are the responsibility of the Unit Owner and not the Association. Water hoses for clothes washers must be inspected regularly and replaced every five (5) years, without regard to the condition of the hoses at the time of inspection. Replacement must be certified in writing and provided to the Association's Property Manager **to be placed in your file**. Hot water heaters within Units shall be inspected annually and replaced as needed to prevent water damage from occurring. Additional fixtures that need to be inspected regularly are toilet shut off valves and **water** supply lines, any water driven appliance or fixture, the grout and caulking on the tubs, toilets etc. Replacement and or inspection of the above mentioned maintenance items must be certified in writing and provided to the Association's Property Manager. Failure to maintain current certification may result in the imposition of additional sanctions by the Association, including warning and fines. Complaints about any violations of the Rules and Regulations should be made to the Board in care of the Property Manager and the Board shall have jurisdiction over all activities and complaints regarding use of the Common Area. **Units left vacant for more than 48 hours at a time must have their water supplies shut off and drained prior to being left. Heat within the Unit must be maintained at 58 degrees minimum while the Unit is vacant to prevent pipes from freezing and bursting.**

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.

DULY ADOPTED this 3rd day of June, 2005.

L'ERMITAGE HOMEOWNERS' ASSOCIATION, A Nevada Non-Profit Corporation

BY: Paul C Van der Steene 11/3/05 BY: Yvonne Swartz Stone 11/3/05
PRESIDENT DATE SECRETARY DATE