

HOMEOWNERS ASSOCIATION CONDOMINIUM RULES AND REGULATIONS GOVERNING USE OF LAKESHORE TERRACE CONDOMINIUMS

These Condominium Rules and Regulations are adopted for the benefit of the Owners of the Condominiums at Lakeshore Terrace Association. They are intended to contribute to preserving the clean, attractive, natural environment and to enhance the value of the Owner's property in Lakeshore Terrace. They are not designed to unduly interfere, restrict, or burden the use of the property.

All Owners and Tenants of Lakeshore Terrace Condominiums and their Guests are required to abide by these Rules and Regulations, which are meant to supplement the provisions of the Condominium Declaration (CC&R'S) and the Bylaws of Lakeshore Terrace Association.

Owners must provide a set of Rules and Regulations to their Tenants and Guests. Any expenses incurred by the Association as a result of any action in derogation of these Rules and Regulations, or of the CC&R'S by the Owners, Tenants, or Owner's or Tenant's Guests will be levied directly against the Owner.

Violations to the Rules and Regulations should be reported in writing to Incline Property Management at 848 Tanager Street, Suite M, Incline Village, NV, 89451.

QUIET ENJOYMENT:

All Owners, Guests, and Tenants have a right to quiet enjoyment. Noise that disturbs the quiet enjoyment of the premises for the Owners or their Guests shall not be permitted. Owners, Guests, and Tenants shall maintain minimal noise levels before 8:00 am and after 10:00 pm.

Complaints must be signed with the Sheriff's Department regarding any noise violations and reported to Management.

The use of firearms and fireworks is prohibited anywhere on the property.

COMMON AREA USAGE AND RESTRICTIONS:

- A. The public walkways and stairways of the buildings shall not be obstructed or used for any purpose other than ingress to and egress from the units in the buildings.
- B. No bicycles, skateboards, roller skates, tricycles, or other unregistered vehicles may be used on walkways. No personal property of any kind shall be left on common areas, including stairs, landings, walkways, and etc. nor shall anything be hung or shaken from the doors, windows, balconies, or placed upon the windowsills or the buildings.
- C. No signs, notices, advertisements, or illumination shall be inscribed or exposed on or at any window or other part of the building.

- D. No use of the common area shall be conducted so as to damage or increase the maintenance of any part of the Lakeshore Terrace Association or so as to disturb other people.
- E. No feeding of wildlife animals, including but not limited to geese and raccoons.

LIMITED COMMON AREA / DECKS:

Decks are considered 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 them.

- A. All decks and other exterior areas shall be kept in a clean and orderly fashion.
- B. No coverings such as plastic, wood or other materials may be placed on exterior windows.
- C. Laundry may not be hung outside at any time. Outdoor clotheslines or other outdoor clothes drying or airing on the decks or railings are not permitted.
- D. No unattended open flame barbecues are allowed. Propane, natural gas and electric barbecues are permitted.
- E. Firewood is permitted only if neatly stacked, but not above deck railing and not to exceed one half cord (64 cubic feet). Heavy loads of firewood will cause damage to the structures.
- F. Outdoor patio furniture is permitted. No indoor furniture or storage of any kind may be stored on the decks.
- G. Owners and / or Tenants are responsible for snow removal from the decks if accumulations should exceed 24 inches.
- H. No portable fire pits and fireplaces are allowed.

CONSTRUCTION AND COMMON AREA IMPROVEMENTS:

- A. Any construction, property improvements, and or physical alterations requires prior written approval from the Lakeshore Terrace Board of Directors and applicable governmental agencies. There must be one authorized Board Members signature on the Architectural stamp accompanied with the detailed set of plans to be submitted to the building department for final approval.
- B. Each Owner must ask for a certificate of workers compensation and general liability insurance as proof of in-force insurance prior to letting anyone perform any services on Lakeshore Terrace property.
- C. Any changes to the Common Area must be submitted in writing to the Board prior to any alteration to the Common Area. Improvements, Maintenance, Repair and Landscaping of the Common Area shall be done only under the direction of the Board and shall be treated as a Common Area expense item. Homeowner may plant area adjacent to his/her unit at his/her own expense subject to Board approval.
- D. Repair of damage caused by use of unauthorized alteration of the Common Area shall be assessed to the Owner responsible for such alteration.
- E. All construction debris must be cleaned up daily and not deposited in the association's dumpster. Material storage on common area requires association approval. Project must have final Association approval for completion.

PETS:

- A. Owners may have pets. Tenants may not have pets. Guests of Owners and Tenants may not bring pets onto the property.
- B. Pets must be under control by their owner at all times. Pets not on a leash will result in a fine and will be picked up by animal control.
- C. Barking dogs that disturb the peace and quiet of other Owners and Tenants will result in a fine to the unit's Owner.
- D. Dog Owners are responsible for cleaning up dog droppings. The Board can deny the privilege of keeping a dog to any Owner who violates this rule more than twice.

ALL VEHICLES AND PARKING REGULATIONS:

- A. Speed limit is 10 M.P.H. maximum on common roadways.
- B. Parking is permitted in paved areas only. No storage of vehicles permitted on common parking area or roadways. **Parking of boats, trailers, recreational vehicles, commercial or similar vehicles on common area longer than 48 hours or during a holiday weekend is prohibited**, or unless prior written approval is obtained from the Association Board.
- C. Motorcycles and Mopeds are prohibited on common area except for direct ingress and egress on paved areas.
- D. No powerboats allowed on the beach. **The speed limit for boats within 200 Feet of shoreline pier or buoy fields is 5 M.P.H.**
- E. All inoperable, derelict vehicles with expired and / or no license plates and without current registration will be towed at Owner's expense.
- F. No vehicle repairs shall be permitted upon the common area. All automobiles that leak fluids must be repaired immediately. The Owner of the unit to which the offending vehicle belongs shall be held responsible for the cost of all cleanup and asphalt repairs made necessary by the leakage.
- G. No camping or living in recreational vehicles shall be permitted.

GARBAGE:

- A. All garbage must be removed from the unit in a timely manner so as to keep the premises clean and free of odor.
- B. Plastic liners are provided in containers for each collection.
- C. No garbage or trash shall be picked up unless bagged in a container.
- D. All refuse containers and trash must be kept in the refuse closet provided for each unit.
- E. Boxes must be broken down and deposited into the trash dumpster in the enclosure area near the entrance to the property as well as larger items that do not fit into the trash container in the refuse closet at the unit.
- G. Do not put ashes in refuse containers. Red metal containers marked "ASHES" are provided for ashes at the west end of the property by unit #48.

BEACH PIER AND BUOY REGULATIONS

- A. Please observe all the posted rules.
- B. No camping or sleeping on beaches, pier or common grounds at any time.
- C. **NO LIFE GUARD IS ON DUTY; use the beach and pier at your own risk. Children under 12 years must be under adult supervision at all times.**
- D. No pets allowed on the beach.
- E. No fires allowed on the beach.
- F. No motor, wind driven, jet skis or other equipment may be operated within the designated SWIM AREA.
- G. Keep the beach area clean.
- H. Do not leave Boats tied to the pier in excess of two hours unless prior approval from the Association. No roller blades, skateboards, bicycles, or other such equipment is allowed on the pier.
- I. Buoys are private property of Lakeshore Terrace unit owners and are for the exclusive use of Lakeshore Terrace occupants. The Lakeshore Terrace Board of Directors assigns buoy positions.
- J. The speed limit for Boats and water vehicles is 5 MPH within 200 feet of shoreline or buoy field. No powerboats allowed on the beach or in the designated swim area.
- K. Boats must be safely secured. Each boat owner will be responsible to the Association for any damage done by his boat to the pier or buoys due to improper mooring or negligent operation. The pier is for use of boat owners and their guests only.

DUES AND FINES:

All dues are paid quarterly and considered late if postmarked 30 days after the due date.

- A. 18% (per annum) or 1 ½% (per month) of dues will be the late fee charged.
- B. Owners will be notified by mail for each and every fine. Owners will be fined \$50.00 for each offense or violation of the Rules and Regulations. Violations will be determined by the Board
- C. Fines will be added to the dues for payment the following month.
- D. Liens will be placed on units ninety days (90) in arrears on dues at the Owner's expense.
- E. Foreclosure proceedings on liens will begin on all units that are one hundred twenty days (120) in arrears on dues at the Owner's expense.
- F. Any offense or violations of the Rules and Regulations will result in a fine.

APPEAL PROCESS:

- A. Owners who wish to appeal a fine may do so by providing written notice of their intent to appeal to the Board of Directors via Management.
- B. Said notice of appeal shall be filed within thirty (30) days following receipt of the

notice of violation and the appeal presented to the Board at its next regularly scheduled or special meeting.

ADDITIONAL ENFORCEMENT RIGHTS: Notwithstanding any other provisions to the contrary, the Association may elect to enforce any provisions of the Declaration, Bylaws, or any Rule or Regulation by self-help (specifically including, without limitation, the towing of any vehicles that are in violation of parking regulations) or by legal means in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above.

EVICCTIONS: After due notice having been given to the Owner and his or her Tenants, the Association may evict a Tenant for willful and continuous failure to abide by the Rules and Regulations of the Association in accordance with the laws of the State of Nevada.

CLUBHOUSE POLICY:

The Lakeshore Terrace Clubhouse has a restroom, a kitchen equipped with an electric stove that has a self-cleaning oven, a refrigerator and double sink with garbage disposal. There are two sofas, a coffee table and end table with a lamp. Additionally there are two tables, one with four chairs and one with six chairs. On the lakeside there is a deck.

Reservations for use must be made with the Management company in advance. The charge is \$50.00 per day with a \$100.00 security deposit and a \$25.00 cancellation fee.

Use of the clubhouse is restricted to Homeowners and Tenants with written approval of their Owner. The Board of Directors for Lakeshore Terrace Association may allow special use of the Clubhouse for different organizations or public agencies.

THERE IS A SEPARATE CLUBHOUSE RENTAL AND USE AGREEMENT THAT MUST BE SIGNED BY THE USER AT LEASE 48 HOURS IN ADVANCE OF OCCUPANCY.

The terms "Condominium Declaration," "Bylaws," "Board," "Common Expense," "Unit," "Management," "Association," "Condominium Rules," and "Owner" used in these Rules shall have the same meaning as set forth in the Condominium Declaration for the Lakeshore Terrace Association recorded in the office of the Recorder of Washoe County, State of Nevada. As in the Condominium Declaration, the term "Common Area" includes "Limited Common Area."

REVISION OF RULES: These Condominium rules can be revised at any time by the Board as conditions warrant, provided a written communication is sent to each Owner advising him or her of the change 30 days in advance of its effective date.

The Rules and Regulations are adopted by LAKESHORE TERRACE ASSOCIATION Board of Directors on April 4, 2002, and are effective June 17, 2002.

LAKESHORE TERRACE ASSOCIATION



President, for the Board

5/16/02

Dated

Exhibit B

Lakeshore Terrace Association Clubhouse Policy

Description: Building has 546 sq.ft. of entertaining space for 50 persons. Building contains a bathroom and a kitchen. Kitchen is equipped with a electric stove with self-cleaning oven, refrigerator and double sink with garbage disposal. Furniture includes two couches to seat 6 a coffee table and end table with lamp. There are two tables, one with 4 chairs and one with 6 chairs. The kitchen has a serving counter with 3 chairs. Outside on the lakeside is a 14'x 28' deck with glass rail.

Use Fee: \$50.00 per day.

All reservations to include a \$100.00 security deposit. There is a \$25.00 cancellation fee. Keys available at 4:30 the day prior to the reservation. Clubhouse must be cleaned and key returned by 10:00 a.m. the following day to avoid additional charges. Damage over the \$100.00 will be assessed against the renting unit.

Fees do not include cleaning. Cleaning may be arranged with a private service for an extra charge. Carpet stains that require cleaning will be assessed to the renting unit at a \$50.00 minimum.

Qualified Use: Use of the Clubhouse is restricted to Homeowners and Long Term Renters¹ with written approval of their landlord. The Board of Directors for Lakeshore Terrace may allow special use of the Clubhouse by neighboring organizations or public agencies.

In the spirit of being a good neighbor, limited parking and respecting the quiet enjoyment of other homeowners, the association discourages use by social and business organizations.

¹ Long Term Renter is a Renter that leases a unit for not less than six months. Copies of lease are required to be filed with the association.