TO: PINNACLE GARDENS ASSOCIATION MEMBERS

RE: RULE AND REGULATION REVISIONS

Recently the Pinnacle Gardens Board of Directors, in newsletters and mailings, has communicated the adoption of the revised "Rules and Regulations" (noted as R & R in this document). This open letter to all unit owners/occupants is to further outline and explain the process the board will be following as the new R & R are implemented. This revision was designed to provide a binding agreement between unit owner/occupants and the association which follows current law, is the least restrictive as possible, and continues to ensure that the community does not fall into disrepair but continues to progressively build social and physical value for all association members.

As you may know, a monthly 'walk-about' is conducted by KY Realty as part of the management company's responsibility to our association under the terms of our current contract. Beginning with the February property review an addition to normal inspection of landscape and building maintenance issues will be conducted. A review of current compliance with new R & R of rules (as outlined in the new R & R document) will be noted. This review is intended to be an initial discovery review to determine compliance with the new R & R. If violations are discovered, notification will be made to the unit owner/occupant as appropriate. The Board of Directors will then address violations and may make recommendations for a fair process to resolve these issues prior to any fines being issued.

Many times a violation of a particular regulation may be simply and quickly resolved by filling out the form requesting a 'variance' for a planting or temporary structure and submitting the form to the Board for review. This form can be found on our website <u>http://pinnaclegardens.org</u> under documents. If accepted, the form would become part of the owner's file, and as such would be available for review at any time a question might arise. With this document on file with the association, any challenge to violations of regulations can be quickly and fairly determined.

It is the hope of the Board that as a unit owner/occupant, you will understand the need to comply with these R & R for continued investment in your community.

PINNACLE GARDENS BOARD OF DIRECTORS



RULES AND REGULATIONS

OF

PINNACLE GARDENS CONDOMINIUMS HOMEOWNERS ASSOCIATION

(ADOPTED: <u>01/01/13</u>) (EFFECTIVE: <u>01/01/13</u>) (Revised: <u>11/16/12</u>)

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REVISED

RULES AND REGULATIONS

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I. INTRODUCTION

These Rules and Regulations are adopted by the Board of Directors (the <u>"Board"</u>) of Pinnacle Gardens Condominiums Homeowners Association (the <u>"Association"</u>) for the benefit of the Owners of Pinnacle Gardens (sometimes referred to herein as the <u>"Community"</u>). They are intended to contribute to preserving a clean, attractive and peaceful environment. They are not intended to unduly restrict or burden the use of property.

Pinnacle Gardens Condominiums is a condominium community. As such, residents share walls in common with other residents and a certain amount of noise and vibration from other Units is inevitable and should be expected. To minimize these effects, all residents are asked to be considerate of others and to refrain from engaging in activities and behavior that would interfere with the peaceful and quiet enjoyment of the Community.

The essence of these Rules is for each Owner to treat each other with respect and courtesy and <u>exercise common sense</u>, so Pinnacle Gardens Condominiums can be an outstanding place to live. All Owners and Related Users (i.e., their family members, guests, invitees, licensees, agents, etc.), are bound to abide by these Rules, which are adopted pursuant to and in accordance with the provisions of the Condominium Declaration of Pinnacle Gardens Condominiums (the <u>"Declaration"</u>) and the Articles of Incorporation and Bylaws of the Association (collectively, the <u>"Project Documents"</u>). The Rules and Regulations are supplementary to the Project Documents and should be read in conjunction with the Project Documents.

These Rules supersede all previous rules, regulations and policy resolutions and may be revised in any way, consistent with the Project Documents, at any time by the Board as conditions warrant, provided that no revision shall be effective until a written copy thereof is sent to the Owners advising them of the change.

The Board, in its discretion, may delegate its powers and duties with respect to the granting of consents, approvals and permissions under these Rules to a manager or managing agent ("Property Manager").

In addition to these Rules and the Project Documents, Owners and Related Users are bound by any applicable governmental law, ordinance or regulation. Owners are urged to contact appropriate legal authorities in the event of activities deemed to be illegal.

In the event that any applicable federal, state or local law or any provision of the other Project Documents shall be in conflict with and prevail over these Rules, it is the intention of the Board that these Rules shall be considered severable and that the invalidation of any Rule or part of any Rule contained herein shall not invalidate the remaining Rules or parts of the Rules.

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No provision contained in these Rules shall be deemed to have been abrogated or waived by reason of any failure to enforce the same (except where a right is dependent upon the notice to be given within a specified period), irrespective of the number of violations or breached that may occur.

Any consent or approval by the Board given under these Rules shall be revocable by the Board whenever it deems such revocation to be in the best interest of the Community.

References to a Unit herein shall mean to both the Residential Unit and garage appurtenant thereto as a Limited Common Element, if applicable, with respect to a particular Unit. Unit shall also be deemed to include any other Limited Common Elements appurtenant to the Unit, including decks, balconies, porches and patios.

II. OCCUPANCY STANDARDS

- A. An Owner shall not occupy or use his/her Unit or permit the same, or any part thereof, to be occupied or used for any purpose other than as a private residence for the Owner and Related Users as provided in the Declaration.
- B. No Unit shall be used for any commercial, professional or other purpose except as expressly provided in the Declaration.
- III. COMMON AREAS The term <u>"Common Areas"</u> shall mean the open areas and all portions of the Community other than the Units and the Limited Common Areas. The term <u>"Limited Common Areas"</u> shall mean those areas reserved for the exclusive use of one or more Units but less than all the Units.
 - A. Every person who is entitled to membership in the Association shall be privileged to use and enjoy the Common Areas, subject to the right of the Association to promulgate further rules and regulations governing such use and enjoyment.
 - B. There shall be no obstructions of the Common Areas. Nothing shall be stored or parked in or placed on the Common Areas, except in accordance with these Rules and the Declaration, without the prior written consent of the Board.
 - C. The sidewalks and entrances shall not be obstructed or used for any purpose other than entrance to and exit from the units. This is required in order to maintain unobstructed fire exits.
 - D. No Common Areas shall be landscaped, decorated or furnished by any Owner (or related user) in any manner without the prior written consent of the Board. Owners can complete the Architectural Form found on the website <u>www.PinnacleGardens.org</u> under "Documents" and submit to the Board for approval.

- E. Landscape lights are permitted along walkways and along the front mulching area.
- F. Small shepherd hooks in the mulch area for hanging plants and bird feeders are permitted.
- G. Small decorative flags in front mulch area is permitted.
- H. Potted plants out front near the sidewalk are permitted as long as the size of the pot in not to exceed 12 inches in diameter and does not block the entrance in and out of the unit.
- I. Children may not play on another condominium owner's porch, patio or driveway.
- J. No one shall play in the Common Areas or play any games in the parking area that could impede the flow of traffic or which could potentially damage parked vehicles, the landscaping or the exterior of any building.
- K. Skateboarding is expressly prohibited in all Common Areas. Skateboards are to be carried (not ridden) on and off the premises.
- L. Middletown Police Department has advised us that Razor Mini-bikes are not allowed on public streets or sidewalks. Our streets are considered to be public; therefore the use of Razor Mini-Bikes is prohibited on our streets.
- M. Rollerblading and roller skating in the Common Areas is expressly prohibited, except to exit the premises and to return to a Unit via the shortest practical path.
- N. Nothing shall be altered or constructed on or removed from the Common Areas or the Limited Common Areas without the written consent of the Board.
- O. No recreational implement, lawn furniture, toys or other similar articles shall be placed or parked on any part of the Common Areas and facilities except in accordance with these Rules.
- P. The Common Areas and facilities shall be kept free and clear of rubbish, debris and other unsightly material. No activity shall be conducted on any part of the complex that is or might be unsafe, unsightly, unhealthy or hazardous to any person.
- Q. Charcoal and gas grills (and other similar devices) and fire pits are restricted from all Common Areas. (Please see Kentucky Fire Code). No open fires are permitted.
- R. No one shall make or permit any disturbing noises or activity in the Common Areas, or do or permit anything to be done therein, that will interfere with the rights, comforts or conveniences of others. Without limiting the generality of the foregoing, no one shall play any musical instrument, or operate a stereo, radio, compact disc or tape player, television or other loud speaker or similar equipment, if the same shall disturb or annoy others.
- S. Nothing shall be done or kept in the Common Areas that will increase the rate of insurance of the Community or contents thereof without the prior written consent of the Board. No Owner shall permit anything to be done or kept in the

Common Areas that will result in the cancellation of insurance on the complex or which would be in violation of any law. No waste shall be permitted in the Common Areas.

- T. No signs may be displayed in your yard, mulched areas, or on the outside of your unit (per master Deed 16b, pg. 16). This includes, but is not limited to For Sale signs, political signs and security signs. Please place these signs inside of front windows.
- U. All residents are responsible for cleaning up after their own pets. Please refrain from allowing your pet to use the shrubs and/or trees.
- V. Pets, when outdoors, must be on a leash at all times.
- W. The Board does not allow invisible fences for pets.
- X. The Common Areas shall be subject to such further Rules and Regulations (including those expressly set forth herein) as may be adopted by the Board from time to time.

IV. UNIT AND BUILDING RESTRICTIONS

- A. Each Owner shall keep his/her Unit in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown from the Unit, or from the doors or windows thereof, any dirt or substance. Units with a second floor balcony must be aware and respectful of those below.
- B. All window coverings must comply with the terms of the master deed (Section 16c, page 16 states "venetian blinds or draperies which are visible from the outside shall be an 'off-white' color and shall be approved by the Board"). No window tinting or window decorations shall be used in or about any Unit except such as shall have been approved in writing by the Board, which approval may be granted or refused in the sole discretion of the board. Any arable, such as sheets, towels, etc., which were never intended to be used as drapes or curtains are automatically unallowable, as are reflective glazing, silver foil and other similar sun screening materials.
- C. No personal items other than exterior patio furniture in good repair, plants and electric or gas grill (identified under item number a below) may be placed or stored on decks, balconies, porches or patios. Items that are not allowed to be stored on decks, balconies, porches or patios would include, but not limited to, couches, bicycles, sporting goods, exercise equipment, toys, beds, surf boards, baby carriages, wood burning stoves, boxes, etc. No clothes, sheets, towels, laundry of any kind or other articles shall be hung out or exposed on any deck, balcony, porch or patio.

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- D. All Unit Owners and Related Users must abide by the National Fire Protection Association (NFPA1) Uniform Code as adopted by the State of Kentucky and the Metro Louisville government. Thus, no charcoal grill, hibachi, gas-fired grill, or other similar device used for cooking, heating, or any other purpose, shall be used or kindled on any balcony or under any overhanging portion or within 10 feet of any structure. The complete code can be accessed on the Louisville.gov website.
- E. No radio or television aerials, satellite receivers or any wires shall be attached to or hung from the exterior of any building except in accordance with the Declaration and as further described herein. Written approval is required prior to installation. A Replacement/Change Request Form must be completed and submitted to the Board of Directors. The following specifications and regulations must be complied with in order to gain approval. Unauthorized installation will be subject to a fine.
 - i. Satellite dish will not be more than eighteen inches (18") in diameter and mast cannot be more than 24 inches high.
 - ii. Dish must be located inside the patio area or deck on a tripod or in a bucket.
 - iii. Residents/Tenants must provide written proof of approval from their Landlord/Unit Owner prior to the Association's Management Company granting approval.
 - iv. Owner must sign and notarize a "Restrictive Covenant Agreement." Owner will also pay for the recording fees so that the agreement can be filed by the Association with the recorder in Jefferson County.
 - Dishes are NOT permitted to be installed on roofs or any portion of the exterior of the building surface, or in the front of any building.
 - vi. Dishes are to remain the original color and are not to be painted.
 - vii. Cables for the dish will be hidden from sight. Cables penetrating the stucco of the building will be properly sealed so as to minimize potential water intrusion.
 - viii. Owner will be responsible for all installation, maintenance, repair, removal, and damage costs associated with the satellite dish.
 - ix. The Association will assume no responsibility for any leak, interior damage, or any other liability associated with the installation or satellite dish itself.
- F. No signs may be displayed in your yard, mulched areas, or on the outside of your unit (per master Deed 16b, pg. 16). This includes, but is not limited to For Sale signs, political signs and security signs. Please place these signs inside of front windows.
 - G. The hanging of seasonal or holiday decorations shall be allowed provided they are limited to entry doors, windows, balconies, decks, porches and patios and are removed within 15 days after the holiday has ended.
 - H. Patio shades are not permitted without prior written permission from the Board of Directors.
 - No ventilator or air conditioning device shall be installed in any Unit, except those provided in the original construction, without the prior written approval of the Board. The approval may be granted or refused in the sole discretion of the Board.

- J. All radio, stereo, television and other electrical or electronic equipment of any kind installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the Underwriters Laboratory and the public authorities having jurisdiction over these items. The Owner shall be liable for any damage or injury caused by his/her electrical and electronic equipment.
- K. No one shall make or permit any disturbing noises or activity in any Unit, or do or permit anything to be done therein, that will interfere with the rights, comforts or conveniences of others. Without limiting the generality of the foregoing, no one shall play any musical instrument, or operate a stereo, radio, compact disc or tape player, television or other loud speaker or similar equipment.
- L. Owners shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.
- M. No Owner or Related User shall at any time bring into or keep in his/her Unit any flammable, combustible or explosive fluid, material, chemical or substance, except for normal household use. No cleaning products of any type should be stored in close proximity to a Unit's furnace or hot water heater.
- N. Nothing shall be done or kept in any Unit that will increase the rate of insurance of the Community or contents thereof without the prior written consent of the Board. No Owner shall permit anything to be done or kept in his/her Unit that will result in the cancellation of insurance on the complex or which would be in violation of any law. No waste shall be permitted in the Common Areas.
- O. No wood stoves or fire pits are permitted anywhere.
- P. No Owner shall make any alteration of or structural changes to his/her Unit, nor construct any new structure or appurtenance, or make any improvements to the building of which his/her Unit is a part without the consent of the Board. Any Owner shall have the right to make interior decorating improvements or any interior changes that do not affect any facilities that are shared with the other Units within the building and which are not part of the exterior of the building structure. Notwithstanding the foregoing, no Owner shall make or permit any penetrations of any kind in the upper ceiling or in any common wall of his/her Unit except as allowed by the Declaration and no changes of any nature whatsoever may be made to the concrete foundation. TAMPERING WITH THE HIGH TENSION STEEL CABLES EMBEDDED IN THE FOUNDATION CONCRETE MAY RESULT IN SERIOUS DEATH OR INJURY. If the Unit is a first floor Unit that has been constructed to meet government-mandated accessibility requirements with respect to certain exterior and/or interior elements of the Unit, any change or alteration of such element must be made in compliance with applicable laws.
- Q. Mailbox keys and garage door openers must be left with the new owners when you sell your unit.
- R. Replacement garage doors must be approved by the Board.
- S. Front doors must be blue and replacement requires Board approval. (The paint is

Porter paint, Acri-shield Gloss tinted to the color Independence blue; Product #614, color # 6450-2, Quart formula 2yc 1 ye 16v)

T. All storm doors must be approved by the Board.

V. HEAT AND ELECTRICITY

- A. During the year when temperatures are below 32°, the heat in each Residential Unit must be maintained at no lower than 62° Fahrenheit regardless of whether the Unit is occupied. This is necessary to prevent the bursting, from freezing, of water and plumbing systems within each Unit and to prevent damage to adjacent Units. In addition, it is necessary to prevent freezing of sprinkler heads, which could release water into a Unit and prevent damage to the fire protection control system.
- B. Any damage that occurs to a Unit where the minimum heat was not maintained, or damage that occurs to other Units as a result of said Owner's failure to maintain the minimum heat setting, will be payable by said Owner.
- C. Electricity must remain on at all times so that the smoke detectors within the Unit remain functional.

VI. PARKING RULES

- A. There is no parking in the streets or in the yards. Please advise guests of this policy and is your responsibility to direct them to park in the parking areas at the ends of the complex.
- B. All vehicles must be properly licensed and in operating condition. Improper parking/illegally parked vehicles will subject such vehicle to immediate towing. All towing expenses will be the responsibility of the vehicle owner.
- C. No RV's, boats, trailers, or other such vehicles may be parked on the property. Please store these inside your garage or in another location.

II. VEHICLE REPAIRS

- A. Extensive repairs of motor vehicles are prohibited in the Community. "Extensive repairs" include, but are not limited to, the following:
 - 1. Overhauling engines
 - 2. Transmission work
 - 3. Body work and painting
 - 4. Any work requiring a vehicle to be placed on blocks, ramps or jacks.
 - 5. Any work requiring more than one day to complete
- B. Oil changes may be completed provided they are done in a garage and the

oil disposed of in a environmentally appropriate manner following Federal, State & Local laws.

C. No radiator flushing or engine degreasing is allowed.

VIII. STORAGE

- A. Nothing shall be stored in the Common Areas or in the front or back of any Unit. This includes bicycles, boats, motorcycles, furniture, etc.
- B. No one shall deposit or keep garbage cans, rubbish, debris or other unsightly materials in the Common Areas or any Limited Common Areas.
- C. Garbage pick-up scheduled for Monday mornings. On holiday weekends, pick-up is moved back to Tuesday. Garbage cans should not he displayed on the outside of your unit at any time except on the evening before scheduled pick-up. Garbage cans should be placed inside your garage by the end of scheduled pick-up day. Garbage cans are approved and issued by Waste Management. The green 80 Gallon trash cans are for the use of their automated trucks, and the only can allowed for their service. They are the property of the Board and must be left behind when you sell your unit.
- D. No toxic or dangerous materials may be stored in any Unit or otherwise or on the premises.

IX. ENFORCEMENT OF RULES

- A. These Rules are intended to allow personal freedom consistent with considerations necessary to living in a condominium community. All Owners and Related Users are obligated to conduct themselves in accordance with these Rules. All Owners should encourage their fellow Owners and Related Users to observe these Rules.
- B. A resident who observes a violation of these rules are encouraged to file a written, signed complaint with the Board if he/she desires that the complaint be investigated.
- C. The Board or its designee has the power to enforce the Rules of the Association. It has the authority to assess and levy fines for any violations thereof. Failure to enforce these Rules does not indicate a forfeiture of the right to do so in the future. In addition to specific penalties stated in these Rules or the Declaration, any proven violation of the Rules may result in the imposition of a fine, denial of use or limitation of use of Common Areas, denial of voting rights, correction of the violation at the Owner's expense, or any other penalty or action as set forth in the Association's Project Documents or as provided by law.
- D. After Notice and Hearing as provided in the Declaration and Bylaws for any person found to be in violation of an Association Rule will be provided at the request of the alleged violator or of the Board.
- E. A progressive discipline Fine system will be in effect for violation of the Rules:

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- I. First Offense of a Rule a written warning from the Board to the Owner
- II. Second Offense of the same Rule up to a \$25.00/Day Fine against the Owner
- III. Third Offense of the same Rule up to a \$50.00/Day Fine against the Owner
- IV. Fourth Offense of the same Rule up to a \$100.00/Day Fine against the Owner
- V. Successive offenses of the same Rule up to a \$200/Day Fine against the Owner
- VI. Trash can Fines are mandatory \$25.00/Week.
- F. Additionally, any criminal act committed by an Owner or a Related User resulting in conviction or Criminal charges shall be grounds for the Board, at its discretion, to assess a fine to \$1,000 per person, per offense. In addition the Board shall be entitled to collect from Owner all costs incurred by the Association with respect to such act.
- G. Owners are responsible to the Association and to other Owners for any cost incurred by the Association or such Owners for violation of these Rules and otherwise for performed or caused by them or Related Users.

Article IX of the Rules and Regulations provide for fines to be levied against a unit owner in violation as enforcement for the Rules and Regulations. The condominium act at KRS 81.9167 (1) (k) expressly provides that the Association may impose these kind of charges and, after notice and an opportunity to be heard, levy reasonable fines for violation of the Master Deed, Bylaws, and Rules and Regulations of the Association.