WATERFORD ASSOCIATION, INC. RULES AND REGULATIONS

<u>Section 1.</u> <u>Condominium Documents</u>: These Rules and Regulations shall be supplementary and in addition to the provisions of the Declaration of Condominium of Waterford Condominium, the Articles of Incorporation and By-Laws of Waterford Association, Inc. Capitalized terms used in these Rules and Regulations are as defined in the Declaration of Condominium of Waterford Condominium. The Board of Directors may alter, amend, delete or change these Rules and Regulations at any time upon a majority vote of the Board.

Any violation of these Rules and Regulations should be immediately reported to the Association's Management Company. The Management Company has authority to address the violation and will notify the Board of any significant violation or any violation that the responsible Unit Owner refuses to address. Failure to comply with these Rules and Regulations will be subject to fines as described in <u>Section 18</u>.

Section 2. Use: Each Unit shall only be used for private residential use. Private residential use does not prohibit (1) maintaining a personal or professional library in his or her Unit, (2) keeping personal business or professional records or accounts therein, or (3) handling personal business or professional telephone calls or correspondence therefrom.

All use of the Condominium Property and any Unit therein shall conform to applicable zoning ordinances, and all other laws and regulations of State, County and Municipal authorities having jurisdiction thereof.

The Common Elements shall be used only for access, ingress and egress to and from the respective Units by Unit Owners and their respective family members, guests, invitees, and other authorized visitors. Designated walkways and paved areas shall be used at all times, and shortcuts shall be avoided to prevent accidents and to preserve the appearance of planted areas. The sidewalks, driveways and parking areas must not be obstructed or encumbered. No part of the Condominium Property shall be used for commercial activities of any character, including solicitation of business.

<u>Section 3.</u> <u>Unit Access:</u> The Board of Directors and its designated agent (Management Company) must have access to individual Units for the repair, maintenance, replacement, alteration, care or protection of the Common Elements, Limited Common Elements, or individual Units.

Section 4. <u>Nuisances</u>: No unlawful, immoral, noxious or offensive activities shall be carried on in any Unit, the Common Elements, the Limited Common elements, or elsewhere on the Condominium Property. Any nuisance, in the judgment of the Board, which causes unreasonable noise, odors, light or other disturbance to others will be prohibited.

<u>Section 5.</u> <u>Maintenance and Repair</u>: Each Unit Owner shall maintain their Unit in good condition and repair and shall not do anything which may increase the rate or cause the cancellation of insurance on any Unit or the Common Elements.

Section 6. Trash Disposal: Trash, garbage and other waste can only be disposed of in the trash dumpsters. All trash shall be placed in a clean and sanitary manner in sealed, waterproof bags to avoid leakage in route to the trash dumpsters. Trash dumpsters are restricted to household garbage only – construction waste is prohibited.

<u>Section 7.</u> <u>Balconies / Patios:</u> No flammable materials may be stored in any portion of the balcony or patio. No attachments are allowed to the balcony railings and no items are to be hung over the balcony railings. No clothing, rugs, sheets, blankets, or other laundry articles shall be exposed from the balconies, patios, terraces or windows. No permanent modifications of the balcony or patio area is allowed without prior approval of the Board. All ceiling fans shall be uniform in appearance – brushed nickel, outdoor fan.

Section 8. <u>Common Area Storage</u>: Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be

stored or kept in the Common Elements or Limited Common Elements. All storage will be confined to the Unit and no ornament, furniture, planter or statue will be allowed outside the entrance door of the Unit. No flammable materials may be stored in any portion of the buildings, including the stairwells. Owners may store personal items in the bottom stairwells as long as walk areas are not impleaded. Any lost or damaged items stored in the stairwells are the responsibility of the Unit Owner.

Section 9. Pets:

- 9.1 Residents may have a total of two (2) well-behaved, orderly dogs, cats and/or caged birds or other domestic pets, provided they are not kept or maintained for commercial purposes or for breeding. The maintenance, keeping, breeding, boarding and/or raising of animals, livestock or poultry of any kind is prohibited within any Unit or Common Elements. The Board of Directors shall have the right to order any person whose pet is a nuisance to remove such pet permanently from the premises upon three (3) days' prior written notice.
- 9.2 Pets must be kept under control by the Owner at all times in common areas. The most effective method of control is a leash that does not exceed six (6) ft. Control by voice command, without a leash, is allowed for well-behaved and non-aggressive pets. Owners will be personally responsible for any injuries to another pet, person, or property.
- 9.3 Pet owners are responsible for cleaning where pets foul the Common Elements, Limited Common Elements or adjacent properties. Such fouling must be cleaned up immediately and not allowed to accumulate.
- 9.4 Any resident who has a pet on the Condominium Property shall indemnify and hold the Condominium Association and each of its members, tenants, guests and employees, free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium Property.

Section 10. Signs: Unless specifically authorized by the Board, no signs of any character shall be erected, posted, or displayed in the Common Elements or on the outside of any Unit, including a window or door.

Section 11. Parking and Driving:

- 11.1 All traffic regulations must be observed by each Unit Owner and each Unit Owner's family members, guests, tenants, or employees.
- 11.2 No vehicle shall be parked on the Common Elements or Limited Common Elements except in authorized and designated parking spaces.
- 11.3 Boats, campers, trailers, or oversized vehicles may not be parked on the Common Elements except in the lower parking lot. Trailers parked on the property for more than seven (7) days will be towed at the owner's expense. No vehicle may be parked on the roads or ramps providing ingress and egress on the Condominium Property except in those spaces which have been designated as parking areas. Any illegally parked vehicle will be towed away at the Owner's expense. No motorized vehicle shall be operated on any walkway or other area, except on the driveways and parking areas designated for vehicular use.
- 11.4 A disabled vehicle cannot remain on the Common Elements or Limited Common Elements for a significant amount of time without the express permission of the Board and no vehicle repair shall be made on the Condominium Property. A violation of this rule will result in the vehicle being towed away at the expense of the Unit Owner.

Section 12. Boat Slips and Personal Watercraft Ports:

- 12.1 The boat dock and slips are a Common Element of the Condominium. Use of the boat dock and slips is at the risk of the user. The Association shall in no way be responsible for any injury to person or property that results from the use of the boat dock or slips.
- 12.2 A Unit Owner may install at their expense a boat lift or a personal watercraft port.

- 12.3 Unit Owners, guests and tenants who use a boat slip are solely responsible for maintaining their boat in a safe and legal operating condition, which is independent of any amenity provided by the Common Elements.
- 12.4 There shall be no electrical work whatsoever done on the boat dock except by the Association. No permanent electrical cord may be installed by any boat owner. The boat owner shall have the right to temporarily use the power on the dock, which shall be a Common Expense.
- 12.5 Boat slip walkways are Common Areas and must stay free of any floats, canoes, or carts.
- 12.6 No boat or other watercraft can be parked in a guest slip longer than 72 hours.
- 12.7 Five guest slips can be rented from the Association on a first come first served basis by Unit Owners for \$1,200 a year. If demand exceeds the available 5 slips, a yearly lottery will be performed at the annual November meeting.
- 12.8 Effective January 1, 2023, an owner can only rent a boat slip to another owner. All such rentals must be reported to the Board.

Section 13. Common Elements Repair / Damage:

- 13.1 Any alteration or repair of the Common Elements or Limited Common Elements is the responsibility of the Association, except for those matters which are stated in the Declaration to be the responsibility of the Unit Owner. Only authorized maintenance personnel as directed by the Management Company are allowed to adjust or repair any Common Element structure or equipment.
- 13.2 Any damage to the buildings or equipment, Common Elements or adjacent property caused by an Owner, family members, guests, tenants, invitees or pets shall be repaired by the Association, and the cost shall recovered from the Unit Owner.
- 13.3 No item of common ownership shall be removed or damaged by any resident or guest from the Common Elements or Limited Common Elements. The Unit Owner is responsible for the cost of any damage or replacement of Common Element items that are attributed to their tenant, guest, or other invited parties.

<u>Section 14.</u> <u>Association Management Company</u>: Complaints or suggestions regarding the Management Company shall be made in writing to the Board of Directors.

Sections 15. Structures: No structures or appurtenances, such as a doghouse, tent, shack, treehouse, trailer, fence, aerial antenna or playground equipment, shall be placed or erected on any part of the Condominium Property, including the balconies or terraces. Outdoor clothes lines shall not be maintained upon any portion of the Common Elements or Limited Common Elements at any time. Satellite dishes must be restricted to designated areas specified by the Board.

Section 16. Open Flames: No open flames shall be allowed in any Condominium building.

Section 17. <u>Window Treatment</u>: Draperies, shades or blinds used to cover Unit windows shall be neutral colors.

<u>Section 18.</u> <u>Enforcement of Rules and Regulations</u>: The Board of Directors is responsible for ensuring that these Rules and Regulations are enforced and that corrective actions are taken when violations occur. The Management Company is authorized by the Board to notify Unit Owners when violations occur. The Management Company will notify the Unit Owner in writing that a violation has occurred and will request corrective action. Failure to correct the violation will result in a fine according to the following schedule:

First violation: \$100 Second violation: \$500 Three or more violations: \$1,000 Fines may include costs of repairs and damages resulting from a violation. The Unit Owner is ultimately responsible for any fines attributed to violations incurred by rental tenant or guest. All fines imposed by the Association are due and payable on the first day of the month as specified in the fine notification. Failure to pay the fine by the 15th of each month will result in a \$50 late penalty per month. Payment shall be made to the Management Company payable to Waterford Association, Inc. Failure to pay any fine or assessment shall ultimately constitute a lien against the Unit Owner. Any attorney's fees and costs will be paid by the Unit Owner.

<u>Section 19.</u> <u>Monthly Condominium Dues / Assessments</u>: All quarterly Condominium dues are due and payable on the first day of the new quarter. Special assessments are due as instructed in the assessment notification. Payments should be made to the Management Company in the name of Waterford Association, Inc. Failure to pay by the 15th day of the month will result in a \$50 late penalty per month. For any dues or assessments that are one hundred and twenty (120) days late, the matter will be turned over to the Association's attorney, who shall then institute collection procedures with the Unit Owner. The delinquent Unit Owner will be responsible for the payment of any attorney's fees and costs.

<u>Section 20.</u> <u>Purchase Assessment:</u> A purchase assessment of \$500 will be collected and paid to the Association at the time of closed for Unit sales. This assessment will help defer administrative costs associated with new owners (association records, billing records, mail box keys, etc.)

Section 21: Unit Rentals: Unit rentals under six months for units purchased after July 2022 are prohibited unless specifically approved by the Board.

Units purchased prior to July 2022 can be rented for less than six months under the following conditions, (1) no more than 10 guests per unit, (2) seven (7) night minimum per unit, (3) minimum age for responsible rental party is 25 years old, and (4) rental fee of \$250 per week to the Association. Any violation of the above rules will result in a \$500 assessment to the Unit Owner per rental. Repeated violations may result in the Board prohibiting the Unit Owner from short-term rentals.

<u>Section 22.</u> <u>Elevators and Moving</u>: When moving items into the building, great care should be taken to avoid damage to the elevators, walls and doors. The cost of repairing any damage to the elevator or the building from delivery or removal will result in a special assessment to the Unit Owner.

<u>Section 23.</u> <u>Construction or Improvements to Units</u>: Prior to the commencement of any construction or improvement a Unit in which the cost is estimated to exceed \$10,000, the Unit Owner must notify the Management Company to discuss the construction plans. The Management Company will ensure that the construction plans will not compromise the structural integrity of the building or other Units. Construction waste cannot be placed in the trash dumpsters and the Unit Owner may be required to obtain a Construction dumpster at their expense. Upon recommendation of the Management Company, the Board reserves the right to collect a damage deposit before commencement of construction or improvement.

The Unit Owner shall be totally responsible for the contractors, workmen, suppliers and employees while they are on the Condominium Property, and the cost to repair any damage or loss to the Condominium Property caused by the contractors, workmen, suppliers and employees will result in a special assessment to the responsible Unit Owner. The Common Elements of the Condominium must be cleaned each day after construction activities at the Unit Owner's expense. Construction activities cannot interfere with the quiet enjoyment of the other Unit Owners. No portion of the Common Elements or Limited Common Elements may be altered in any way by any Unit Owner.

During or after construction is completed, the Management Company can request to inspect the Unit to ensure that improvements or repairs have not compromised the building structure or poses a risk to the other Units. If such deficiencies are noted, the cost to repair any damage must be paid by the Unit Owner. The failure to repair the damages will result in a special assessment to the Unit Owner.

Section 24. Pool and Pool Deck Rules:

24.1 All persons using the swimming pool located on the Condominium Property do so at their own risk. The Association is not responsible for any accident or injury in connection with

use of the pool or for any loss or damage to personal property. Persons using the pool area agree not to hold the Association liable for any actions occurring within the pool area.

- 24.2 No pets shall be allowed in the pool area.
- 24.3 Persons twelve (12) years of age or under must be accompanied at all times by an adult.
- 24.4 Unit Owners are responsible for the conduct of their guests at all times, and for the careful observance of all safety and sanitation precautions.
- 24.5 No boisterous or rough play shall be permitted in the pools or in the pool areas.
- 24.6 All persons are requested to cooperate in maintaining maximum cleanliness and tidiness in the swimming pool areas.
- 24.7 No glassware shall be brought into the pool areas.
- 24.8 Any furniture provided by the Association to be used in connection with the pool shall not be removed from the pool areas.
- 24.9 The pool shall be used in accordance with such rules and regulations as shall, from time to time, be promulgated by the Board of Health of Cullman County, Alabama, and/or by the Board of Directors of the Association.
- 24.10 The pool will be closed from 10:00 p.m. to 6:00 a.m.

Section 25. Admission of Guests on Condominium Property:

- 25.1 Each Unit Owner is responsible for every person the Unit Owner, tenant, guest, etc. admits onto the residential floors and controlled access areas of the Condominium Property.
- 25.2 No garage sales may be held on the Condominium Property.

<u>Section 26.</u> <u>Swapping of Parking Spaces / Boat Slips:</u> The assignment of parking space and boat slip numbers are legally recorded in the First Amendment to the Declaration of Condominium of Waterford Condominium dated May 2011. Any trading or swapping of parking spaces or boat slips will not be legally enforceable unless properly recorded in County records. Published parking space and boat slip numbers on the Association's website will not be changed unless proof of legal changes are provided to the Board.

Section 27. Security Cameras / Recordings: No owner is authorized to modify, remove, or alter the location of the security cameras. Any damage incurred to a security camera by a Unit Owner, tenant, guest, etc. will be responsibility of the Unit Owner to repair or be subject to a special assessment. No security footage will be provided to any party without the approval of Board President.

<u>Section 28.</u> <u>Wastewater (Septic) System:</u> Only domestic or similar sewage consistent with the requirements and limits of system permits issued by applicable state and local agencies are allowed in the septic system.

No garbage disposals are allowed to discharge into the system. The following items are NOT allowed in the septic system, i.e. DO NOT FLUSH:

Cigarette Butts	Disposal Diapers	Motor Oil	Photographic Solutions
Coffee Grinds	Fats, Grease or Oil	Paper Towels	Rags
Condoms	Fuels	Paints/Thinners	Sanitary Napkins/Tampons
Dental Floss	Kitty Litter	Pesticides	

Further, no one shall cause or permit to be discharged into the sewage system any toxic, hazardous or radioactive substances or waste. If you have a question about an item, do not flush or otherwise dispose of it in the sewage system. For more specific information on prohibited substances, please see the Wastewater Management Entity Rules of the Alabama Public Service Commission.