

Rosemary Place Townhomes Rules and Regulation

(updated February 2016)

Living as part of a community entails both privileges and responsibilities. The intention of this document detailing rules and regulations is not be overly strict, but it is also necessary to provide guidelines for what is deemed acceptable in the community that Rosemary Place residents call 'home'. The desire is to make this a pleasant place in which to live, and one that is safe for, and respectful of, all residents. Good rules of thumb for 'acceptable' are to act neighborly and to put yourself in the shoes of your neighbors. Additionally, as part of the larger Meadowmont community, we are bound to the Meadowmont Community Association's rules and regulations.

Owner Responsibility and Accountability

Owners are responsible for informing, educating and ensuring compliance of themselves, family members, tenants, guests, realtors, employees and any other representatives or invitees with all property rules, regulations, and all items contained in the association documents. Each owner is responsible for their tenants and any guests or visitors associated with the unit; fines for non-compliance and the cost of repairs may be assessed to the unit owner and their tenants. Everyone on Association property, including guests, is required to adhere to the association documents. Any issue deemed by the Board to be a 'nuisance' to the community — especially those that are repetitive in nature — will be considered a violation.

Formation of a Rules and Regulation Review Committee

At the Board's discretion, a Rules and Regulation Review Committee may be established with two or more Board Members and/or Owners to review appeals submitted by owners. Such a committee can be established or dissolved by a majority decision by the Rosemary Place HOA Board of Directors. The Committee will review the appeal and issue a recommendation to the Board of Directors.

Violations and Acknowledgment of the "No Tolerance Policy"

The property manager, upon noting a violation, will send the owner a written notice to cure the violation. This notice will be mailed via U.S. postal service to the owner. If the owner does not cure the violation after 7 days, the community manager shall send a second notice which will be mailed electronically, as well as by U.S. postal service, warning that the violation be corrected and warn that if the violation is not cured, the matter shall be sent to the Association's Board for action. If the owner does not cure the violation within 7 days of the second notice, the community manager shall send a request to take enforcement action to the Association Board; a demand letter, along with notice of appeal rights, will be sent to the owner. To appeal, the recipient must request a review meeting with the Board of Directors or the Rules and Regulation Review Committee. The owner of record must submit a request for review in writing within thirty (30) days from the date of the initial violation notice for the unit, directed to the property manager. The recipient must submit the reason for his/her appeal in writing and will have ten minutes to verbally present their request to the Board/Committee. The Board/Committee in its sole discretion has the power to waive the violation depending on the circumstances submitted and a notification of the decision will be issued to the owner within thirty (30) days of the review meeting.

Imposition of Fine

Thirty (30) days from the date of the violation notice or three (3) days after the appeal is denied, a twenty-five dollar (\$25.00) fine will be assessed to the unit if the violation is not cured. A ten (10) day grace period will be allowed to pay all fines. Successive fines may be imposed against a single owner or resident for the same type or for different violations as set forth in each violation notice or in the Rules and Regulations. Such fine(s) shall become immediately due and payable. The collection of fines will be dealt with in the same manner as any past due debt to the Association. Late fees will be applied, and collection of fine(s) and late fees will be administered by the Managing Agent or legal counsel for the Association. All costs associated with the collection of the fine or late fees, including attorney's fees, incurred by or attributable to any such violation(s), shall be assessed and billed to the owner's account. In the extraordinary case requiring immediate judicial intervention, a matter may be turned over to the associating attorney without sending the above demands, and suit may be filed without warning.

Unit Insurance

All owner(s) and resident(s) are responsible for personal contents of their units and are encouraged to obtain the proper insurance to cover those contents, as well as personal liability (H06 Policy). Damage to personal items is the owner's responsibility. In the event a tenant/owner initiates litigation against the Association to collect restitution for a personal item, the legal expenses associated with the matter will be assessed to the unit making such claim. In the event the Association insurance is used to cover a claim, the unit responsible for the damage is obligated to pay the deductible. The amount of the deductible will be assessed to the unit that initiates the damage to the property.

Occupancy of Townhome

Occupancy limits are subject to the Town of Chapel Hill Housing Ordinances as it pertains to homeowners. No Townhome shall be used or occupied in such a manner as to obstruct or interfere with the peaceful and quiet enjoyment or safety of occupants of the adjoining units, nor shall any nuisance or illegal activity be committed or permitted to occur in or on any Townhome unit or upon any part of the common elements of the Rosemary Place Townhomes.

Siphoning Electricity

Siphoning or tapping into electricity from the Association or its members is dangerous and any unit caught siphoning electricity will be fined \$75.00 per day, plus any damages caused by or as a result of tapping into the electrical system. Stealing electricity is grounds for the Association to call for police intervention. No prior warning is needed.

Failure to Maintain Townhome

At the Board's discretion and after ten (10) days have elapsed from written notice, owners that fail to maintain their units are subject to having the Association repair the item and the areas damaged by the malfunctioning part, fixture, or appliance. The cost of the repair and a fine will be assessed to the owner for failure to maintain their unit. If the Board opts not to make the repair, a fine may be assessed daily until the repair is completed and the damaged areas repaired.

No owner or any other occupant of any Townhome unit shall make alterations, modifications, or improvements, nor add awnings, patio covers, or other devices to the common elements or other equipment appurtenant to the Townhome property, remove or add to any original shrubbery, structure, fences, satellite dish, furnishings or other equipment, except with the written consent from the Association. No approval shall be granted without the submission of the plans and specifications showing the nature, kind, shape, size, materials, color and location of the same with regard to harmony or external design and location in relation to the surrounding structures and topography.

No unsightly materials shall be on patios, which shall have a neat appearance at all times. Sidewalks in front of and behind the townhomes are considered common areas and should remain free of all personal items.

Crawlspace Areas

No items are to be stored within the crawlspace areas. The crawlspaces are sealed and storing items on the crawlspace lining or near the walls can damage the integrity of the sealed crawlspace for purposes of energy efficiency and the termite warranty.

Townhome Repairs

Owners are responsible for timely repair of all items. In the event damage occurs to another unit or common/limited common elements, the Association has the right to make such repair and bill the owner for the repair. The managing agent must be notified of any interruption in water service that will affect other Rosemary Place residents.

Grills and Flammable Liquids

In accordance with the NC fire code, "Charcoal burners and other open-flame cooking devices shall not be operated on combustible balconies or within 10 feet (3048 mm) of combustible construction. Exception: LP-gas cooking devices having LP-gas container with a water capacity not greater than 2.5 [nominal 1 pound (0.454 kg) LP-gas capacity]." Any violation of the above fire code is subject to a citation from the Fire Marshall. Violation of this rule will result in a fine to the owner.

No storage or use of any flammable liquids is permitted inside or adjacent to any townhouse units. The use of generators, candles, or other open fire as a substitute for non-emergency electrical service is not acceptable.

Pets

Pet owners must abide by Chapel Hill town ordinances regarding pets, including the stipulation that pets are to be leashed at all times when on common property. Owners are required to pick up their pet's waste. No pets shall be left unattended on any patio, nor shall any pet be allowed to make a resident or guest feel unsafe or threatened. Excessive pet noise will be considered a nuisance. Pet violations are subject to a fine per incident; damages caused by any pet to the common area or limited common elements will be the financial responsibility of that owner.

Vehicles and Parking

All vehicles parked on the property must be operable and contain the following: a valid license plate, a valid registration, and any other permit or license as required by the State of North

Carolina. A vehicle in violation of any or all of the above requirements is subject to being towed from the property without notice at the vehicle owner's sole expense. Resident parking is by assignment only. The Rosemary Place Association Board will assign each owner one (1) parking space per Townhome. An Owner can request up to one (1) additional parking space per Townhome, and spaces will be allocated on an available basis according to the Association's policy. This second space may be revoked for any reason, and 14 days' notice will be given. Owners are responsible for updating any registered vehicle information (make/model/year/color and license plate number) with the Association.

Visitor Parking

Visitor parking is intended for visitors. Owners, tenants, occupants or other individuals living in the unit may not use the visitor parking spaces. No visitor shall occupy a visitor space for more than 48 hours. Guests of a given townhome unit shall not occupy more than two of the visitor parking spaces for more than 24 hours unless special authorization is received from the Board of Directors. All Violators are subject to being towed without further notice.

Rosemary Place Homeowners Association Inc. disclaims any responsibility for any damage to a vehicle as a result of towing, criminal activity, or any other event that causes damage to a vehicle while it is on Association property.

Architectural Control Committee

The Architectural Control Committee (ACC) will be composed of at least 2 individuals, one of whom will be a board member; others are appointed by the board for a specified term. No work of any kind shall be done on exterior building walls, roofs, or on any common element by any owner or resident without the written approval of the Board of Directors. No installations may be made in such a way that it protrudes through the walls or roof of the Townhome unit. To obtain approval, an owner must submit an Architectural Review Form. These forms are available at the management office. All completed ACC forms must be turned in to the management company. The committee will advise the board within 15 days of receiving the completed form; the board will communicate their decision to the owner within 15 days of receiving the committee's decision. Owners may appeal to the board within 15 days of receipt of the board's decision.

Vandalism

Any damage to the common areas or limited common elements by an owner, guests, tenants, agents of the owners, employees of the owner, or any other parties on Association property under the authority of an owner shall be repaired at the expense of the owner.

Trash Collection Policy

Owners, residents, and guests must properly place all trash in trash receptacles. The dumpster for garbage and recycling containers are located behind the green gated area in the Harris Teeter parking area closest to the Rosemary Place Townhomes. No corrugated cardboard is to be put into the dumpster or the recycling containers within the Rosemary Place Townhomes dumpster area, as this can result in fines to the Association, which are in turn paid by owners. There is a recycling center conveniently located behind Harris Teeter, which has dumpsters exclusively for corrugated cardboard. The Rosemary Place dumpsters are for the use of Rosemary Place Owners only.

No Littering

While on the Rosemary Place property, there will be absolutely no littering by owners, tenants, or guests. This include cigarette butts. Please utilize the appropriate containers for trash/litter.

Special Exemption Request

Rules and Regulations may be modified at the request of an owner to accommodate a special condition or resident with special needs. An owner may request, in writing (including all necessary documentation), to the Board of Directors an exemption or modification to any property rule or regulation. The Board will review the request and provide the owner with a written response granting or denying the request. If granted, such exemption or modification is solely for that individual owner and his/her special need. The modification has no effect whatsoever on any other owner and their responsibility to abide in full with all property rules and regulations.

Amendments

The foregoing rules and regulations are subject to amendment by the Board of Directors. Notification of amendments will be mailed to all owners at their addresses.

Enforcement

THE RULES AND REGULATIONS WILL BE ENFORCED BY ROSEMARY PLACE HOMEOWNER'S ASSOCIATION INC. BOARD OF DIRECTORS AND/OR THE PROPERTY MANAGEMENT COMPANY CONTRACTED BY THE ASSOCIATION.

The Homeowners Association, under the Board of Directors, may at its sole discretion, take action which includes, but is not limited to, fining members of the Association for violation (s) or failure to correct any violation (s) of any of the foregoing rules and regulations or any other infringement which at the opinion of the Board of Directors would be detrimental to owners, residents, and guests and/or possibly place the Association in a legal liability situation.

All violations are subject to a \$25.00 fine per incident unless otherwise stated in the Rules and Regulations. The Board of Directors reserves the right to take legal action against any owner to protect members of the Association from violation(s) of the property rules and regulations and/or to seek recovery of any amount owed.

Acknowledgment of the Rules and Regulations

All owners after purchasing a unit, must sign an acknowledgement of the Rules and Regulations and return the signed copy to the Association Management Company. Failure to acknowledge receipt may result in charges to the owner for additional mailing and processing fees.

