RULES AND REGULATIONS FOR RIO DE SION HOMEOWNERS ASSOCIATION

INTRODUCTION

Rio de Sion HOA (the "Association") was designed and developed to serve as the primary or secondary residence for its owners. One of the Association's purposes is to ensure that the aesthetic integrity of the community is maintained. As in any community, common rules of courtesy must be observed in order that the common good of the community is served.

All maintenance of individual property is the responsibility of the Owner. This includes painting, roofs, and landscaping. Each Owner is also responsible for their homeowner liability, fire, earthquake, personal property, and other insurance. The Association only maintains liability insurance with respect to the Common Areas.

The following is the outline of the Rules and Regulations of the Association that are intended to aid the Owners, their families, and guests in determining a reasonable method of conduct. Some of these Rules and Regulations restate and expand upon the provisions of the Restated Declaration of Covenants, Conditions, Restrictions and Reservations of Easements of the Association (the "CC&Rs"). If there is a conflict between these Rules and Regulations and the CC&Rs, then the CC&Rs shall govern. However, Rules and Regulations that expand upon provisions in the CC&Rs shall not be considered to be in conflict with the CC&Rs.

Owners are encouraged to review the CC&R's as well as these Rules and Regulations from time to time to avoid inadvertent violation of the rules of the Association. Capitalized terms used in these Rules and Regulations shall have the same meaning ascribed to them as in the CC&Rs.

These Rules and Regulations may be changed or adjusted, as necessary, from time to time to reflect the needs of the community. Written suggestions for any adjustments to the Rules and Regulations should be brought to the attention of the Association's Community Manager.

Every Owner is expected to provide a copy of these Rules and Regulations to all authorized Occupants. It shall be the responsibility of every Owner to ensure that their authorized Occupants have read and understand these Rules and Regulations prior to occupancy of the residence and that they comply with them.

The Board of Directors of the Association is authorized to impose penalties and/or fines and to take any reasonable action required to ensure that these Rules and Regulations are properly observed. Owners may report to the Association's Community Manager any alleged violation of the CC&Rs or these Rules and Regulations via a signed and dated written communication or e-mail that conveys the pertinent facts and identifies both the complaining party and alleged violator.

The Board of Directors shall have the right to delegate any of its power to regulate and enforce these Rules and Regulations to a committee of the Board of Directors.

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PART I: Rules & Regulations

I. GENERAL RULES

- a. DAMAGE TO COMMON AREA-Any damage to the Common Area caused by an Occupant, their family members, guests, or pets is the responsibility of the Owner. The Owner will pay for all costs associated with the repairs loss or replacement that result from any such damage, including, but not limited to fines, legal fees, and expenses. The Board may levy an Individual Assessment against an individual Lot Owner for such costs.
- **b.** NUISANCES-Illegal, offensive, nuisance, or obnoxious actions that interfere with any Occupant's quiet enjoyment, or that threaten the health, safety, and/or welfare in any part of the Project are prohibited. Occupants are prohibited from engaging in actions that may impair the structural integrity of any building. Construction work on the Property may only be done during hours determined by the Architectural Committee.
- c. OWNER'S MAINTENANCE AND REPAIR OBLIGATIONS-Each Owner must maintain the Lot (including improvements) in a neat, sanitary, and attractive condition, and is solely responsible for the cost of repairs and improvements. Lots not properly maintained will be maintained by the Association and the homeowner will be charged an Individual Assessment for the cost of the work and may additionally be fined for violation of the Association's Governing Documents.
- **d.** QUIET ENJOYMENT-To ensure quiet enjoyment of the premises, Occupants shall not produce or permit any unreasonably loud noise, vibration, music, or similar sounds, or loud or unruly behavior, that may emanate from their residence or Lot or from the Common Area. Quiet hours are from 10:00 PM to before 7:00 AM each day. No occupant shall permit any activity that may interfere with the rights, comfort, safety, and convenience of the other Occupants.
- e. RESPONSIBILITY-The Owner of a Lot shall be responsible for all damages of any type (including fines, legal fees, and expenses) that an Occupant causes directly or indirectly by any such Occupant or their pets.
- f. RESPONSIBILITY FOR GUESTS-Owners are responsible for their actions and those of their guests, invitees, tenants, Occupants and any pets while on the Property.
- g. SIGNS-An Owner may advertise a Lot for sale with one (1) standard real estate

sign of beige and brown color with a maximum face area of six square feet. One (1) small security sign is permitted on a lot within two (2) feet of the home. No other sign or advertising device may be displayed on a Lot without the prior written consent of the Board of Directors.

- i. Each Lot may also display one political sign of not greater than nine (9) square feet in size during any local, state or federal election period, and the sign must be removed within 5 days of the conclusion of the election.
- ii. No other signs, flags, banners, balloons, or advertising may be displayed without the prior written approval of the Board, except as provided by Utah law.
- h. WINDOW COVERS-Newspaper, paper, aluminum foil, sheets, or similar unsightly materials may not be used as window coverings.
- i. RENTING OR LEASING-Homes shall be leased or rented for a minimum of thirty (30) consecutive days. All other provisions of the CC&Rs must be adhered to. Owners shall not advertise their property for rent or lease for less than the minimum of thirty (30) consecutive days. Any rental or lease advertising that is inconsistent with the restrictions contained in the Governing Documents will be treated as a violation. A copy of the fully executed lease or rental agreement shall be provided to the Association prior to the commencement of the lease or rental term. The lease or rental must be for the entire Lot and all improvements thereon. The lease or rental of portions of the home, including individual casitas, is prohibited.
- j. OWNER INFORMATION-Each year Owners shall provide the following information using the Association provided form: 1) the address or email to which Association notices should be sent, 2) an alternate or secondary notice, if any, 3) the name and address of any legal representative, if any, and 4) whether the Home is Owner occupied or rented out.

I. COSTS INCURRED IN ENFORCING RULES AND REGULATIONS

a. Any Owner found not to be in compliance with the Governing Documents will be responsible for all costs, including, but not limited to, court cost, reasonable attorney's fees and management fees, including interest at the legal rate then specified, incurred in enforcing these Rules and Regulations and/or the CC&Rs.. Nonpayment of these costs of enforcement may result in an Individual Assessment being levied against the Lot of such Owner and may be collected in the manner set forth in the CC&Rs.

II. MISCELLANEOUS INFORMATION

a. ALTERATION OF RESIDENCES-No Homeowner may alter any exterior portion

- of a Residence or Lot, including painting and repainting, installation or addition of anything, which in any way affects the appearance of said Residence or Lot without the prior written consent of the Architectural Committee.
- b. Alterations done without Architectural Committee approval will fall under the Enforcement Procedures set forth by the CC&Rs and these Rules and Regulations.
- c. ARCHITECTURAL CONTROL COMMITTEE APPROVAL-As provided in the CC&R's the Association has an Architectural Control Committee (ACC) to review plans to alter or improve existing structures or landscaping or to construct new improvements. The ACC has broad powers and authority to enforce the CC&R's to preserve the harmony and overall aesthetic beauty of the entire community. The work of the ACC ensures that the high quality of the community is maintained for the benefit of all Owners.
 No changes may be made without prior approval: All requests to build, construct, alter, change or redesign the existing structure or the addition of a peripheral structure shall not be permitted without the prior written approval of the ACC. See CC&R's, Article 7VII. Owners must submit an application to the ACC and receive written approval before beginning construction on any changes. The ACC shall provide approval (with or without conditions) or disapproval of the requesting Owner's application within sixty (60) days of receipt of the application.
- d. ARCHITECTURAL RULES AND STANDARDS The Architectural Committee may impose reasonable rules and regulations as a condition precedent to the construction including, but not limited to, providing the Architectural Committee with color boards, material samples, details and design drawings. The Architectural Committee may also inspect the Residence and/or Lot both before and during construction and require the proposed project to be completed within a set time frame. The cost of this inspection, at the discretion of the Architectural Committee, must be borne by the Owner seeking approval. Requests for approval should be submitted to the ACC via the instructions on our website at www.riodesionsubdivision.com. The ACC shall then have sixty (60) days to rule on any proposal brought before it. If an application submitted by an Owner is incomplete this timeframe shall not commence until a complete application is submitted such that the ACC has sufficient information upon which to make a decision. The Architectural Committee has drafted various standards to aid homeowners in planning and carrying out various projects which are defined as our Architectural Design Guidelines. Prior approval of the proposed project is still required, but the standards can be utilized by owners in putting together a proposal that is more likely to be approved by the Committee.

- **a. NECESSITY OF BUILDING PERMITS-**Nothing in this section will allow an Owner to alter or construct a structure without a building permit, if required.
- **b. RESPONSIBILITY FOR DAMAGES**-The Owner will be responsible for all damages caused by the contractor to the Common Area in connection with the architectural/landscaping changes. The Owner will also be responsible for any violations or fines caused by their contractor or service provider.
- **c. ENFORCEMENT-**Failure to follow the provisions set forth in this section and in the rules or Architectural Committee may result in the imposition of fines, special assessments, and/or legal action.
- d. DEPOSIT-Owners may be required to pay a construction deposit prior to commencement of any work as part of the architectural approval process. The Board shall, in its discretion, determine the deposit amount based on the proposed scope of the work. The deposit may be used to pay expenses related to the architectural review process, including, but not limited to, design professional, engineer or architect fees, or any other fees the Architectural Committee or the Board may reasonably incur in evaluating a proposed improvement. Furthermore, the deposit may be used to repair damage to the Common Area, pay fines, and reimburse attorneys fees and costs incurred by the Association to compel Owners' compliance with the Governing Documents and/or approved application. Any unused part of the deposit will be refunded to the Owner on completion of construction plan and issuance of Certificate of Occupancy.
- e. ASSOCIATION'S INDEPENDENT CONTRACTORS AND EMPLOYEES ARE EXCLUSIVE AUTHORITY OF THE BOARD-The Association's employees or independent contractors are agents of the Association as a whole and their direction is provided <u>solely</u> by the Board of Directors through the Association Community Manager. Employees and independent contractors of the Association shall not be directed in their work by Occupants.
- **f.** COMMUNITY MANAGER'S AUTHORITY-All independent contractors of the Association are managed by the Association's Community Manager and any comments regarding their performance or demeanor shall be directed in writing to the Association's Community Manager. No Owners shall interfere with, give direction to, or communicate with the Association's independent contractors.
- g. COMMON WALLS (FENCES)-Owners with a common wall have an equal right to use the wall, with the following provisions:
 - 1. Each Owner has exclusive right to use the interior surface of the wall facing the Residence;
 - 2. Owners may not drive nails, screws, bolts or other objects more than

half way through any common wall;

- 3. Owners may not interfere with the adjacent Owner's use and enjoyment of the common wall;
- 4. Owners may not threaten or impair the structural integrity of the common wall:
- 5. Each Owner shall be solely responsible for the maintenance of the interior surface of the common wall facing that Owner's Lot;
- 6. The cost of reasonable repair and maintenance of a common wall shall be shared jointly by the Owners who share the common wall, including any maintenance required due to wear and tear;
- 7. An Owner will be liable for property damage due to negligence or willful acts or omissions that cause such damage and shall be solely responsible for the cost of repair or replacement.
- h. DELIVERIES, SERVICE/TRADES PEOPLE-Service/trades people who violate these Rules and Regulations, or who are found in areas other than those authorized, may be immediately removed from the Property and barred from future access to the Property. Service/trades people are also subject to these Rules and Regulations. An Owner who utilizes service/trades people will be responsible for their violations of the Governing Documents. No work shall be done on Sunday unless it is an emergency.

 Work done by either an Occupant Owner or service/trades people which could cause unreasonable noise will be done only during the hours of 7:00 am to 7:00 pm, Monday through Saturday.

j. PETS

- a. Customary household pets may be kept provided they are not kept, bred, or raised for commercial purposes and they are kept under reasonable control at all times.
- b. **LEASH REQUIREMENT-**All pets must be controlled by a leash at all times when outside the Lot. No unattended pets shall be allowed to be tied up in the front or rear yard or patios at any time. All damage to the Common Area caused by any animal is the responsibility of the Owner. Pets are only allowed in the Common Areas and shall not be permitted to enter upon any portion of a Lot of any Owner without the prior permission of such Owner.
- c. **NUISANCE AND PET WASTE-**Owners are responsible for ensuring that their pets do not create a nuisance that they do not immediately remedy on any other lot owner or common property.

k. VEHICLES AND PARKING

- **a. SPEED LIMIT-**Speed limit within the Project is twenty (20) mph maximum.
- b. Storing or parking a car with a cover in the driveway or, on street is not permitted.
- c. No boats, trailers, buses, motor homes, campers, recreational vehicles, or other similar vehicles shall not be visible upon any lot or Roads or Driveways for more than three (3) consecutive days. Recreational Vehicles garages are allowed pursuant to the review and approval of the ACC. Recreational Vehicles can be stored in garages that conform to Section (7) of the CC&Rs and to the Architectural Design Guidelines. Recreational vehicles can only be stored outdoors for a maximum of 3 days.
- d. Motorcycles and like vehicles are permitted in the Common Area for ingress and egress only and are to be parked in the garage or hidden behind a property wall/gate. All motorcycles and like vehicles, as well as operators, must be licensed and insured in accordance with Utah Law.

e. PARKING

- 1. Occupants' automobiles shall be parked in garages or driveways only. Garage doors may not be left open overnight.
- 2. On-street parking is limited to guest vehicles not to exceed 7 days Exceptions to this rule require prior notice to the Community Manager and approval by the Board of Directors.
- 3. All vehicles or other items parked or stored in violation of the rules will be subject to immediate tow away or such other action deemed necessary by the Board of Directors or the Community Manager. All costs incurred, including attorney's fees, will be charged to the owner of the unauthorized vehicle and/or the Owner of the applicable Lot.
- **f. NOISE-** No blowing of horns, racing of engines, loud vehicle mufflers, loud car or golf cart radios or similar noise is allowed.

1. TRASH AND REFUSE

- a. **GENERAL**-Weeds, rubbish, debris, objects or materials that are unsanitary, unsightly, or offensive are not permitted on the property. Driveways must be kept clean and free of oil and rust stains.
- b. **RUBBISH CONTAINERS**-Rubbish or storage containers, woodpiles, machinery,

equipment, and other unsightly objects are prohibited to be visible from other Lots or the Common Areas.

c. **COLLECTION**-Rubbish containers may be placed temporarily for pick up not to exceed 24 hours before and after scheduled trash collection hours.

- II. ENFORCEMENT OF RULES-Once an Owner gives the Community Manager a written complaint that a rule has been violated, the Board will investigate the allegation and <u>may</u> take action against the offending Owner or Occupant. This includes, but is not limited to, fining, levying an Individual Assessment when appropriate, and/or instituting legal action. However, nothing in this section obligates or requires the Board of Directors or authorized committee to take any action against an individual Owner or Occupant. The Board of Directors, in making this decision, will determine the costs and benefits of taking such action.
 - 1. **DUE PROCESS**-Prior to the imposition of any fine or Individual Assessment, or suspension of rights, the violating Owner shall be given written notice with opportunity to appear at a hearing before the Board of Directors.
 - m. **ENFORCEMENT GUIDELINES**-Generally, **though not necessarily**, the Association will adhere to the following schedule:
 - i. <u>First Offense</u>: Notice of hearing and possible fine, suspension of voting privileges and Membership rights.
 - ii. <u>Second Offense</u>: Notice of hearing and possible fine, suspension of voting privileges and Membership rights
 - iii. Third and Ongoing Offenses: Notice of hearing and possible fine, suspension of voting privileges and Membership rights. Possible initiation of lawsuit and or lien filing.

1 st Fine	2 nd Fine	3 rd Fine
\$50-\$150	\$100- \$250	\$150-\$500

- n. The Association reserves the right to institute any of the above-referenced enforcement measures regardless of whether it is a first violation, second violation, etc.
- o. Each individual infraction of the Governing Documents will be treated as a separate violation. The Association has the right to impose escalating fines for separate, identical violations identified in the same hearing notice. For example, if two noise violations are identified in the same hearing notice, the Association has the right to impose "First Violation" and "Second Violation" fine amounts at the hearing.
- p. Violations that are not cured within a reasonable time set by the Board may have repeated fines until the violation is corrected.
- q. Construction Rules Violations are of more complexity and have a much larger impact on the community, so will be treated according to the terms laid out in the Architectural Design Guidelines Construction Rules.