

Rules and Regulations

Winsted on the Lake Townhomes Association, Inc.

Adopted October 23, 2012.

A. LEASING.

Leasing of Units shall be allowed, subject to the following conditions:

1. No Unit shall be leased for transient or hotel purposes.
2. No Unit shall be subleased.
3. All leases shall be in writing.
4. All leases shall provide that they are subordinate and subject to the provisions of the Governing Documents (i.e. Articles of Incorporation, Declaration, Bylaws, and Rules and Regulations, and the Minnesota Common Interest Ownership Act, as amended or supplemented from time to time).
5. All leases must provide that the tenant's failure to comply with the provisions of the Governing Documents shall be a default under the terms of the lease and that the association shall have the right to enforce the terms of the lease and the tenant's compliance with the provisions of the foregoing documents.
6. All association dues must be current.
7. Prior to occupancy by the any tenant, the Owner shall provide a document to the Association evidencing that the Unit is currently covered by insurance. In addition to the Owner, Winsted On The Lake Townhomes Association shall be a named insured on the policy.
8. An Owner must give the Board of Directors and its management company at least thirty (30) days written notice of its intent to lease the Unit. The notice must include a copy of the proposed lease, a residential tenant report with the meaning of Minnesota Statute 504B.235 from a reputable professional screening organization in a form satisfactory to the Board of Directors, at the Owner's expense. If no submission has been made to the Board or if the Board disapproves of the tenant and the Owner leases the unit, the Association may proceed as if the Declaration was breached.
9. Lease Filings. After approval by the Board, but prior to any occupancy by any tenant, the Owner shall file the following with the association and its management company:
 - a. A copy of the signed lease;
 - b. A document stating the name and address of all Owners and any occupants of the Unit;
 - c. The nature of each Owner's interest or estate in each Owner owned unit;

- d. The address at which the Owner desires to receive notices with respect to the Unit;
- e. The name and address of the secured party holding the first mortgage on the Unit, if any.
- f. A signed statement by all Tenants (in a form provided by the Association) that the Tenants are aware of, and will comply with, the provisions of the Governing Documents.

10. The Owner shall pay a leasing fee of \$1,000.00. The leasing fee shall not be considered a security deposit and will not accrue any interest. The Association may commingle the lease fee and apply said funds to remedy damage caused by the Tenant or its guests. Within thirty-one (31) days after the Association received notice at the end of the tenancy, the Association shall return the leasing fee or send a letter explaining the amount withheld, and reason for withholding.

11. The Board may withhold its approval of the lease for any lawful reason.

B. MOTOR VEHICLES AND PARKING.

1. Parking is limited to vehicles owned or leased by Owners, Occupants, and their guests and is further limited to their garage, driveway, and common area pad sites. No more than two (2) operable or currently registered vehicles of any kind may be stored or parked on the hard surface driveway of each Unit. Vehicles shall be parked in such a manner as not to impede or prevent ready access to any garage or other parking spaces.

2. There is no parking on Association streets.

3. No parking is allowed in any units that are unoccupied.

4. No vehicle shall be left standing anywhere on the Property in a non-operative condition. Vehicle repairs will be permitted on the Property only as authorized in writing by the Board of Directors. Abandoned vehicles will be towed at its Owner's or Occupant's expense, *without prior notice* to the Owner or Occupant. No vehicle repairs will be permitted on the Association property.

5. Driving, riding, or parking of all vehicles, including bicycles, all-terrain vehicles, and snowmobiles is prohibited on sod or non-tarred areas at any time of the year. The cost of repair of damage to the property resulting from the acts of Owners, Occupants, and their guests will be assessed against the Owner's unit.

6. No Owner or Occupant shall cause or permit the blowing of any horn by any vehicle of which such Owner or Occupant is an owner anywhere on the Property, except as may be necessary for safe operation thereof.

7. Each Owner or Occupant, and their guests, shall obey all parking regulations posted by the Association in the parking areas and any other traffic regulations promulgated by the Association in the future for the safety, comfort and convenience of the Owners and others using the Property.

C. ANIMALS.

1. No animal may be bred, or kept or maintained for business or commercial purposes, anywhere on the Property.

2. No more than two (2) animals, in total, may be kept or maintained in each Unit. These animals are limited to dogs, cats, birds, and fish. (Example: 1 dog and 1 fish; 1 cat and 1 dog; one bird and one fish.) No animals of any other kind, including but not limited to reptiles, may be bred, kept or maintained anywhere on the Property.

3. Certain breeds of dogs have been determined unsuitable to town home living and may not be covered by the Association insurance. Therefore, these breeds are not allowed to reside on or visit the premises. These breeds include: Akita, American Pit Bull, American Stafford Terrier, Chow, Rottweiler, Wolf, and any dog that may have a mix of any of these dogs in their genetics.

4. Owners, Occupants and guests may not bring a dog onto the property that has a history of biting or attacking people or other animals, even if the dog is not one of these known aggressive breeds.

5. The maximum weight limit for any animal must be 35 pounds or less.

6. Within 30 days of adoption of these Rules, each Owner shall provide a list to the board of all pets currently residing in their Unit.

7. Service animals are exempt from this regulation to the extent required by the Americans With Disabilities Act (ADA).

8. Each pet owner must follow all of the City of Winsted requirements for animals.

9. Dogs and cats must be on a leash when walking in the complex and supervised at all times when outside the Unit. No pets are allowed to be left unattended in any area of the Association. All pets must be under the direct control of the owner or another capable of controlling the animal.

10. All feces, including feces deposited in winter months, must be picked up immediately no matter where on the Association Property. Any violation will be subject to include, but not limited to fines, clean up by an outside firm with the unit owner being billed for this service. Owners are responsible for any damage to the property and grounds, including sod and plant damage. If repairs are not made by the owner immediately the HOA will make the required repairs and bill the owner.

11. Howling, meowing or barking by any animal for 10 or more consecutive minutes in a 24-hour period is not allowed. Any attack or assertive playing is not allowed.

12. Damage to any part of the Property caused by any pet shall be the full responsibility of its Owner, and such Owner shall promptly pay all costs and expenses incurred in restoring

such damaged portion of the Property. By housing a pet, such Owner agrees to hold the association harmless and indemnify the association for all damage or injury caused by such pet.

13. Any repeated or prolonged disturbance by a pet, such as noise, odor, waste, or threatening or nuisance activity, shall be cause for imposition of a fine on the pet's owner and/or the removal of the offending pet from the Property, at the discretion of the Board. The Board's decision concerning the removal of the pet can be appealed by the pet owner, to the Board, through a written request of appeal. This request of appeal will be addressed at the next scheduled meeting of the Board.

D. OWNER INFORMATION.

Each Owner shall register with the property manager, in writing, the name and address of the Owners, Occupants or any Renters of the Unit, the address to which the Owner desires to receive notice of any meeting of Owners, if other than the Unit address. The Owner shall have a continuing obligation to advise the Association in writing of any changes in the forgoing information. Each Owner shall fill out an "Association Information Document."

E. GARBAGE AND REFUSE.

1. Refuse and garbage containers are to be kept within the garage or living unit until the scheduled refuse pickup. No garbage cans or trash containers shall be placed in the Common Elements or decks or patios. No accumulation of rubbish, debris or similar unsanitary material shall be permitted in the Common Elements. Refuse shall be placed in properly tied, non-leaking garbage bags and disposed of in designated rubbish cans. Loose papers and boxes shall be crushed into tight bundles. If the rubbish consists of packing cartons or crates, the Owner or Occupant shall arrange for pick-up of such materials.

2. All refuse and recyclable materials shall be placed in the containers provided by the refuse hauler and shall be placed for pickup no earlier than 4:00 p.m. the night before pickup. The containers shall be placed at the end of the driveway.

3. The Owner shall return trash containers to their garage no later than the evening following pickup. If an owner misses the scheduled refuse pickup, the owner must return all trash and trash containers, including recyclable materials, to the garage until the next regularly scheduled refuse pickup.

4. Owners are responsible for any debris that has been left behind after pickup. All trash and recycling must be secure so that it does not blow in the wind. Littering is prohibited.

5. The removal of refuse or litter left in the Common Elements by any Owner or Occupant, or a guest thereof, shall be the responsibility of such Owner or Occupant. Owners or Occupants shall use their best efforts to prevent the Common Elements from becoming unsightly.

F. CHILDREN.

1. Residents are responsible for their children and the children of their guests. Residents shall ensure they do not damage, deface, or destroy any property in the Association. Children are to be under adult supervision at all times.

2. For safety reasons, children should not be allowed to play in the streets of the Association. Riding toys must be used in a safe manner and not be ridden on the streets.

3. Bicycles, skateboards, and all other play equipment may not be stored in the front of the Unit; they must be taken in to the garage or living area when not in use.

4. Due to Association insurance requirements, trampolines are not allowed on any Association grounds including limited common areas.

5. Small covered sand boxes are allowed in the rear of the buildings on the cement patio area only.

6. The Playground is open from sunrise to sunset. Children 12 years old and under may use the playground only with direct adult supervision. All people 13 years old and older are prohibited from using the playground, sitting on the playground equipment, or loitering on or near the playground.

G. GUESTS.

Owners and Occupants are responsible for the conduct of their guests and shall apprise such guests of these Regulations.

H. SIGNS; OTHER STRUCTURES; CURTAINS AND SHADES.

1. No "For Sale", "For Rent", or "For Lease" signs or other window displays or advertising shall be placed on any part of the Property by any person other than Declarant, except as authorized by the Board of Directors.

2. No additional building, tent, shelter or structure of any kind shall be placed, erected, kept or maintained on the Property without the prior written consent of the Board of Directors.

3. No radio, CB, television or other antennae shall be installed by any Owner or Occupant on the Property without the prior written permission of the Board of Directors.

4. No identification or other signs shall be placed anywhere in the Buildings except home address numbers or on the mailbox provided for the use of the respective Units, if any.

5. No shades, awnings, window guards or other such appurtenances shall be used on decks or patios except as shall be approved by the Board of Directors. Draperies, curtains, or shades must be installed by each Owner on all windows of his Unit and must be maintained in such windows at all times.

I. ACTIVITIES; REPAIRS; AND DUTY TO MAINTAIN.

1. Damage to the Property caused by the moving or carrying of articles thereon shall be paid for by the Owner or person in charge of such articles. Damage to the property of others, including the Common Elements, resulting from misuse of such facilities shall be paid for by the Owner or Occupant responsible.

2. Walkways, stairways, parking areas and other portions of the Common Elements used for access to and from Units, garage spaces and parking areas shall not be obstructed or used for any other purpose than for ingress and egress.

3. No noxious or offensive activity shall be carried on in any Unit or on the Common Elements; nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Owners or Occupants. No Owner or Occupant shall make, or permit any disturbing noises to be made by family or guests, on the Property.

4. Each Owner shall keep his or her Unit and all Limited Common Elements assigned to the Unit in a good state of cleanliness and repair.

5. Neither water nor any other utility provided by or paid for by the Association shall be wasted by any Owner, Occupant or guest.

6. No Owner or Occupant shall interfere in any manner with any portion of the common utility apparatus or other common equipment and systems in or about the Property.

7. Owners, Occupants or their guests shall not enter upon the roof of any Building without authorization from the Board of Directors.

8. No Owner or Occupant shall permit anything to be done or kept in his Unit or in the Common Elements which will result in a cancellation or increase in the cost of insurance on the Property or contents thereof, or which would be in violation of any law or ordinance.

9. No Owner or Occupant shall damage, alter, impair, or remove any part of the Common Elements, nor paint, stain or otherwise change the color or appearance of any exterior portion of any Unit.

10. Unless the Association gives prior written consent in each instance, Owners and Occupants shall not install or operate any machinery, refrigerating or heating device or air conditioning apparatus, except for common household appliances and existing equipment, in any Unit, or use or permit to be brought onto the Property any gasoline or other explosives or inherently dangerous articles. All mechanical or electrical, equipment of any kind or nature installed or used in any Unit shall comply with all the rules, regulations, requirements or recommendations of the Board of Fire Underwriters and other public authorities having jurisdiction.

11. The agents of the Association and any contractor or workman authorized by the Association or its agent, bearing proper identification, may enter any Unit or Limited Common

Area at any hour of the day, after notification (if practicable) to the Owner or Occupant, for the purpose of correcting any condition which presents a danger of serious loss or damage to the Property or injury or death to any person.

12. Unless authorized to do so by the Board of Directors, no Owner or Occupant shall send any employee or contractor of the Association on any personal business, nor direct an employee with respect to any matter relating to the Association or the Property.

13. Seasonal furniture, holiday decorations and related personal property shall be removed from decks or patios and stored out of sight during the off season.

14. No clothes, sheets, blankets, laundry or any other kind of articles shall be hung out of the Units or similarly exposed to view. No vehicles, toys, equipment or other personal property shall be stored or otherwise left in the Common Elements, except in designated areas.

15. No unsightly personal property shall be placed in the Common Elements or decks or patios, nor shall anything be hung or shaken from the windows, or on the decks and patios, or Common Elements.

J. ADMINISTRATION AND ENFORCEMENT.

1. Complaints regarding services provided by the Association or the operation of the Property shall be made in writing to the Board of Directors or its representative.

2. An Owner or Occupant may apply to the Board of Directors for a temporary waiver of one or more of the Regulations. Such temporary waiver may be granted by the Board of Directors for good cause shown, if, in the judgment of the Board of Directors, such temporary waiver will not interfere with the rights of other Owners and Occupants.

3. The Board of Directors may make such other Regulations from time to time as may be deemed necessary for the safety, care and cleanliness of the property and for securing the comfort and convenience of all of the Owners and Occupants. No such additional or modified Regulation shall take effect until reasonable notice thereof has been given to the Owners.

4. The Association may impose such fines, denial of privileges or other appropriate sanctions against violators of these Regulations as may be allowed or not prohibited by the Governing Documents. Any fines imposed by the Association as sanctions shall constitute a lien against the Unit owned or occupied by the violator and said lien may be foreclosed upon in the manner provided by the Governing Documents.

5. The terms used in these General Regulations shall have the same meaning as those set forth in Section 1 of the Declaration. References to the Association mean the Association acting through the Board of Directors.

K. INTERPRETATION AND SEVERABILITY.

Nothing in these rules shall be construed to violate any applicable law. If any of these rules is invalid or unenforceable to any extent, then such provision and the remainder of these rules shall continue in effect and be enforceable to the fullest extent allowed by law.

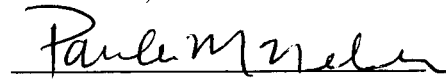
L. COMPLIANCE WITH ALL LAWS.

Persons residing on or using the Property are obligated to comply with all applicable laws, ordinances and regulations of the City of Winsted and other governmental authorities. If charged with a violation by a governmental authority, the Owner or Occupant is obligated to indemnify, defend and hold the Association, and other Owners and Occupants, harmless from all fines, penalties, costs, attorney's fees or prosecution resulting from the violation.

M. REPEALER.

All previous Rules and Regulations adopted by the Board of Directors are hereby repealed, effective on the date of adoption of the foregoing Rules and Regulations.

The undersigned hereby certifies that the foregoing Rules and Regulations were adopted as the Rules and Regulations of Winsted on the Lake Townhomes Association, a Minnesota non-profit corporation, by action of the Board of Directors on October 23, 2012.



President