

HOUSE RULES

The following House Rules have been developed to ensure harmonious living within Rae Ann Townhome Association. All present and future owners, tenants and occupants of any home within Rae Ann Townhome Association are subject to these rules. Any person who purchases, leases, rents or occupies any unit thereby agrees to abide by the covenants, conditions and restrictions as set forth in the Declarations, Bylaws and these House Rules.

RESIDENCE & USE RESTRICTIONS

All townhouse units shall be used exclusively for single family residential purposes. No business or commercial activity shall be maintained or conducted in any residence, except that professional and administrative occupations may be carried on within the residence so long as there exists no external evidence thereof.

Any unit owner may lease their unit, but such a lease arrangement must be in writing and shall provide that the failure to comply in all respects with the provisions of the Declarations, Bylaws and these House Rules shall be a default under the terms of the lease. No unit owner may lease their unit for transient or hotel purposes. A unit owner who leases his unit shall report to the management agent the occupant's name, mailing address and home and work telephone numbers.

PARKING AND RECREATIONAL VEHICLES

No inoperable vehicle shall be kept on the Project. Vehicles on the Project shall be moved promptly after a snowfall so snow removal can take place. Vehicles owned or controlled or in the custody of occupants of the Project shall be stored in the garage and not on the Project or in the street in front of a lot.

The Municipality of Anchorage approved a resolution for a special exception to reduce the width of the street from the standard, zoning size. This resolution prohibits conversion of garages into living space and prohibits on-street parking. This resolution provides that in the event of failure to comply with the terms and conditions of this special exception, the Municipality shall take the steps necessary to assure compliance (violators are subject to tow, at the vehicle owners risk and expense).

Guest parking areas are for short-term parking only. These areas are not to be utilized for "storage" purposes. Vehicles are considered stored when left for a period exceeding 48 hours (violators are subject to tow, at the vehicle owners risk and expense).

NUISANCES

No noxious or offensive activities (including, but not limited to, the repair of automobiles) shall be carried on upon the Project. No horns, whistles, bells, or other sound devices, except security devices used exclusively to protect the security of a residence and its contents, shall be placed or used in any such residence. No loud noises shall be permitted on the Project, and the Board of Directors of the Association shall have the right to determine if any noise or activity producing noise constitutes a nuisance. No owner shall permit or cause anything to be done or kept upon the Project which will increase the rate of insurance thereon or which will obstruct or interfere with the rights of other owners, nor will he commit or permit any nuisance on the premises. Each owner shall comply with all of the requirements of the local or state health authorities and with all other governmental authorities with respect to the occupancy and use of a residence.

SIGNS

No signs, posters, displays or other advertising devices of any character shall be erected or maintained on, or shown or displayed from, the residences without prior written approval having been obtained from the Board of Directors; provided, however, that the restrictions of this rule shall not apply to any sign or notice of customary and reasonable dimension which states that the premises are for rent or sale. Customary and reasonable dimension shall mean those standard signs displayed from the exterior of a unit. No yard signs or signs with posts erected in the grounds shall be permitted at any time. Address, identification signs, and mail-boxes shall be maintained by the Association, at the expense of the Owner. The Board of Directors may summarily cause all unauthorized signs to be removed and destroyed.

OUTSIDE INSTALLATIONS, MODIFICATIONS, ADDITIONS, ETC.

No fences or basketball standards or fixed sport apparatus shall be attached to any residence or placed on any lot without the prior written approval of the Architectural Control Committee. No wiring for telephone or electrical purposes, nor television antennas, nor machines or air conditioning units, nor other equipment or appurtenances whatsoever shall be installed on the exterior of any residence; nor on any lot without prior written approval from the Architectural Control Committee.

No structures, additions, buildings, fences or any other items shall be placed upon the spaces designated as Common Areas; nor any modifications, additions, attachments to the exterior of any unit shall be made without the consent of the Board of Directors of the Association or its duly appointed Architectural Control Committee, and any such consent shall be revocable at any time, with or without cause.

PETS

No animals, livestock, or poultry shall be kept on any lot except that domestic dogs, cats, fish and birds in inside bird cages may be kept as household pets within any residence provided they are not kept, bred or raised therein for commercial purposes or in unreasonable quantities. "Unreasonable quantities" shall be deemed to limit the number of dogs, cats and birds to two (2) each. The Association shall have the right to prohibit maintenance of any animal which constitutes, in the opinion of the Board of Directors, a nuisance to any other owner. All pets must be kept within an enclosure or on a leash being held by a person capable of controlling the animal. Any animal found unattended may be removed from the property. Furthermore, any Owner shall be absolutely liable to each and all remaining Owners for any damage to person or property caused by any pet brought or kept upon the Property by an Owner or by members of his family, guests, or invitees.

MISCELLANEOUS

Unit owners shall be responsible for their guests or renters compliance with the Declarations, Bylaws and House Rules of Rae Ann Townhome Association.

The Board of Directors may authorize entry into a unit in emergencies where the unit or any part of the Project is threatened whether or not the Owner or occupant is present at the time.

The Association is not responsible for damages due to fire, water, theft to personal effects within the unit. Homeowners are encouraged to obtain personal contents insurance.

All garbage/trash cans shall be removed from the pick-up areas by 6:30 pm on collection day and returned to their storage space. No garbage/trash cans shall be stored in such manner as to be visible from a road or from the common area. No portion of the Project shall be used for the storage of building materials.

No garments, rugs or other objects shall be hung from the windows or facades of the units, nor dusted, shaken or beaten from or about or upon such windows or facades. Only customary curtains and/or shades and/or draperies visible from the exterior of the units shall be used. In this regard and without limiting the foregoing, no newspapers, metal foil, sheets, blankets, etc., shall be used as window coverings.

VIOLATIONS

The Board of Directors reserve the power to establish, make and enforce compliance with such additional rules and regulations as may be necessary, with the right to amend the same from time to time, and to impose reasonable fines for infractions of all rules and regulations.

The application of terms in the above shall be interpreted by the Board of Directors as that which a reasonable person, under reasonable circumstances, would normally interpret the application of terms to be.