

TERRACE FALLS CONDOMINIUM OWNERS' ASSOCIATION

RULES AND REGULATIONS

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1. CREATING A STRONG COMMUNITY

- 1.1 Terrace Falls is registered in the State of Utah as both a condominium owners association and as a non-profit corporation. It operates under the leadership of five Owners who are elected to serve as the Board of Directors. As a collective group, the Board manages the operation of the property by maintaining, repairing, restoring, replacing and renovating the Common Areas, as needed. The Board is also responsible to keep the property safe and secure and manages the financial operations.
- 12 Under the covenants applicable to Terrace Falls, the Association and its Owners have agreed upon responsibilities. By purchasing a Unit in the building, an Owner becomes a member of the Association and enters into covenant relationships with other Owners and with the Association. Every Owner is expected to:
 - a. **read and understand the Governing Documents**, copies of which may be found in the Board Room and on the Welch Randall website, www.welchrandall.com/Tenace-Falls.php ("Website Portal"), which consist of:
 1. The Articles of Incorporation of Terrace Falls Condominium Owner's Association;
 2. The Amended and Restated Declaration of Covenants, Conditions and Restrictions of Terrace Falls Condominium Owners' Association;
 3. The Amended and Restated Bylaws of Terrace Falls Condominium Association;
 4. These Rules and Regulations; and
 5. Various Guidelines, including:
 - a. Guidelines for Moves
 - b. Assistance Animals Guidelines
 - c. Unit Improvements Construction Guidelines
 - d. Common Area Improvements Construction Guidelines and
 - e. Such other Guidelines that the Board may publish from time to time;
 - b. **fully comply with the Governing Documents and ensure that others who are at the Property at the Owner's invitation are aware of, and follow them;**
 - c. **provide the needed financial support** by paying all Dues, Assessments and Fees on time and in full;
 - d. **stay abreast of matters impacting the Association** and provide the Board with timely input during Board or Owners Meetings or at other times throughout the year;

- e. **vote during elections and when the Board brings other matters to the Owners for a vote; and**
 - f. **serve as a member of the Board or in other roles such as an Assistant Officer, Committee Chair, or Committee Member as the Owner's circumstances permit.**
- 1.3 In a condominium complex, we must work collectively to see that what goes on in and around the complex is in conformance with our Governing Documents. If we see behavior that violates our provisions, or see things that need to be accomplished, we must act. Sometimes, we can fix things ourselves, like educating someone about a rule that is not being followed, or by closing a propped open door that is causing a security risk. At other times we may need to call upon others to help correct a situation. For example, if we are uncomfortable speaking to another about a rule violation, or we discover a leak, or we find the cable TV in the Exercise Room is not working, or we find that damage has occurred in an area, we must notify a Board member.

2. COMMUNICATING AND COOPERATING WITH EACH OTHER

Living in an 80-Unit condominium community, with others who have had different experiences and may have ideas that differ from our own, can be challenging. It can also be a rewarding experience. When a Resident does something that benefits the entire community, volunteers to serve in a position, or simply does something to help a neighbor, it enriches our lives and provides opportunities to establish new friendships and strengthen ones that already exist.

People who thrive in covenant communities like Terrace Falls are people who are good at sharing and cooperation, know how their actions impact others and are patient and understanding. They work to build positive relationships and focus on finding mutually beneficial compromises. They strive to learn and understand what is in the Governing Documents and why they exist, and strive to consistently follow them.

- 2.1 Effective communication and cooperation between members of the Terrace Falls community happens when:
- a. **Our interactions take place in a positive, kind and courteous manner.** We help build trusting, friendly relationships and approach concerns in a spirit of problem solving. **The following actions undermine the atmosphere we are trying to achieve and must never occur:**
 - i. actions that diminish the rights or privileges of others in the community;
 - n. the use of loud, profane, abusive or bullying language that is critical of, threatens or demeans others;
 - iii. physical assault of another person; and
 - iv. any similar disrespectful or uncivil actions.
 - b. **We understand that having rules and following them is part of living** in a covenant community.
 - c. **Other than Board-sanctioned communications, which may be delivered in a mass fashion, we do not distribute mass notifications or solicitations** either by putting physical notices under Unit doors, on doors or walls or in elevators or through email, text or other electronic means. We use community bulletin boards for Owner communications that are of general interest.
 - d. **We support the work of the Board and others who serve in Community positions.**

1. Those who serve are our fellow Owners who have agreed to help keep Terrace Falls a great place to live. They have the same basic interests and desires related to the Association as we do.
 - ii. Board members, who volunteered to run and serve for two years, were elected by us or, in the case of a mid-term vacancy, were appointed by the Board we elected. They have significant responsibilities to maintain and strengthen the Association and a fiduciary duty to manage the Association in a manner that protects the financial interests of the individual members and the Association as a whole.
 - iii. Board members work as a united team. They have different titles and responsibilities as officers, but no Board member has more power than any other Board member. They make decisions collectively and no one Board member has the authority to act alone on any matter.
 - iv. Board members and Committee Chairs do their best to make good decisions for our community. They appreciate and benefit from our informed and timely input. Ideally, we should offer ideas *before* a decision is made, not afterward. We can show interest and have a voice in what is happening in the Association by attending Board meetings and Committee meetings and by willingly sharing our ideas in a constructive manner.
 - v. We may not always agree with decisions made by those who serve in Community positions or by majority votes on matters but we should do our best to support the decisions once they are made.
 - vi. Board members and Committee Chairs devote considerable time to fulfilling their duties. We can show our appreciation in multiple ways. We can take a turn as a Board member, serve as an Assistant Officer, Committee Chair or Committee member. We can also volunteer to serve in a variety of ways, depending on the community and Committee needs. For instance, we might help put up and take down holiday decorations, lend a hand weeding a garden area or hand-watering potted plants, or simply clean up an amenity that we find in disarray. This type of cooperation helps ensure the Association runs economically and smoothly.
- 2.2 We must not give our maintenance and housekeeping personnel and outside workers instructions on how to complete their assignments. When we have questions or concerns about how and why work is being done, we should promptly bring them to the Board's attention.

iv. USE OF UNITS

We probably had several reasons for purchasing a Unit at Terrace Falls. Foremost on our list may have been finding a Unit with the space and features that fit our lifestyle and appeared to be a place we would enjoy living. As we reviewed the material we received in conjunction with our purchase, we probably better understood what we are able to do with our Unit and what we aren't able to do because we are part of a covenant community. Some of these include:

- 3.1 The Association's **Guidelines for Moves** are designed to protect the security and appearance of the building while minimizing the impact on others. **Among other things, the Guidelines address notice, timing, building access, parking, use of elevators, use of moving dollies/hand-trucks/carts and clean-up obligations.** We need to follow these Guidelines

when moving into or out of the building and when otherwise moving large items (such as deliveries of pieces of furniture or appliances) through the Common Areas. (See the Guidelines for Moves for additional details.) A copy of the Guidelines for Moves is available for review in the Board Room and on the Website Portal, and a copy will be provided to anyone who is moving in or out of the building.

- 3.2.1 We have a lot of freedom, *but not total freedom*, in **remodeling and decorating the inside of our Unit**. Before we begin doing any Unit improvement work, we must read the **Unit Improvements Construction Guidelines, and we must agree to strictly follow them in all aspects of our project**. The Unit Improvements Construction Guidelines cover many topics, from permitted hours of activity, to contractor parking, to security, to required construction materials, to elevator use, and more. The Guidelines also address our right, in connection with improvements work being done on our Unit, to enter into an adjacent Owner's Unit (and the adjacent Owner's obligation to permit us to enter), when, as determined by the Board in its discretion, there is no reasonable alternative way to access the Common Areas and Facilities in which our Unit's mechanical, electrical, gas or plumbing systems are located or to which our Unit's systems are connected. (See the Unit Improvements Construction Guidelines for additional details.) Before improvement work begins we also need to sign a Construction Contract when the nature of our project meets certain criteria. Copies of the Unit Improvements Construction Guidelines and the two different Construction Contracts (Contract for Minor Unit Improvements Project and Contract for Major Unit Improvements Project) are available for review in the Board Room and on the Website Portal, and copies will be provided upon request.
- 3.3 We have far less freedom when it comes to making changes to the outside of our Unit. **We are not able to change the items located on and around the outside of the hallway door**. The Unit numbers, doorbell, wood surround, wallpaper, light fixture, door hardware and other items located there are part of the Common Area and need to match what is outside all the other Units throughout the building. Certain items may be modified or exchanged to support the needs of those with disabilities, but these exceptions must be selected by and approved in advance by the Board. Door mats, except mats approved by the Architectural Review Committee ("ARC") to be used when a Unit is under construction, are not permitted in the Common Area hallways. Mats in front of Unit entry doors present a problem for our housekeeping personnel and detract from the uniform design of the building. **Moreover, when we make repairs to or replace our HVAC condenser units located on the Common Area flat roof**, we must ensure that the wrappings on the HVAC condenser unit pipes remain intact or, if damaged or missing, are replaced with appropriate pipe wrapping material.
- 3.4 We are **required to keep our Unit in good repair**, and especially if any damage occurs, the inside of the Unit must be returned to its former condition, or better, as soon as possible.
- 3.5 **All furnishings or items on balconies, decks and patios** visible from the street, Common Areas or other Units must be neat and attractive, as determined by the Board in its discretion.
- 3.6 Because **plumbing problems in our Unit can impact neighbors** on several floors, we must restrict items that are put down bathroom, kitchen or other drains. We must minimize the use of garbage disposals and must deposit gels, oily and greasy material in the trash instead of putting them down the disposals. (See Unit Improvements Construction Guidelines for additional details.) Harsh chemical drain cleaners must not be used to clear or clean slow drains. When confronted with a clog or slow drain, use a combination of Dawn (or similar grease cutting) dish detergent and hot water or use a drain snake to clear the problem. An enzymatic build-up remover such as ZEP may also be used. If these solutions do not work, contact a plumber. We also must refrain from using high suds detergents in our washing

machines, and must make sure we empty our water softeners if our Unit is going to stand empty for several weeks or months, because the softener salt combined with the lack of water circulation can cause the water softener tank to leak and degrade the cast iron pipes in the building.

- 3.7 We must not let **trash and garbage** accumulate in our Units. We can take trash to one of the two refuse areas or we may place it in tied bags and put it down one of the two trash chutes in the building. Large items that could clog the chutes must be taken directly to the dumpsters, instead of being put down a chute. Chutes must not be used during Quiet Time or during other times identified by the Board and posted in the Refuse rooms, such as when the dumpsters are being emptied and are not available to catch the trash coming down the chutes. (See Section 5 below for additional details.)
- 3.8 We are encouraged to **recycle materials that fall within Salt Lake City's guidelines** for recycling. Recyclable material should be placed in the blue recycling bins (not down the trash chutes or into the dumpsters). Remember that plastic bags are NOT recyclable. Recyclable material must be placed loose into the blue bins, or must be consolidated into PAPER bags only. **Cardboard boxes must be folded flat and/or cut into smaller pieces** to allow significantly more recyclable material to fit in the bins.
- 3.9 **A storage cage** is part of our Unit and we should know what can go in it and how high items may be stacked. Hazardous material must not be stored in these cages (or anywhere else in the building). Additionally, yellow tape markers have been placed on each storage cage 18" below the sprinkler head deflectors. In accordance with fire department regulations, and for fire safety reasons, all items in the cages must be below this 18" level, except for those items stored along solid walls. If the fire department finds cages that are out of compliance during one of its regular inspections, it can require all Residents to vacate the building until the situation is corrected.
- 3.10 Every Unit also has one or two **parking spaces** in the four **Resident Parking Garages**. Owners must park in the center of the parking space to avoid encroaching on adjacent vehicles and to prevent damage to vehicles when doors are opened. We are responsible for keeping the spaces we own. and/or use clean and tidy. Bikes, car racks and other items can be hung from the walls **but CANNOT be suspended from beams and/or ceilings because the post-tensioned concrete cables might be nicked or cut in the process of installing the necessary hardware**. All spaces must be neat and well-organized, and stored items must not interfere with the use of other parking spaces or the flow of traffic. Smaller items must be placed in closed metal storage cabinets or in plastic tubs within the spaces. Major repair work on vehicles cannot be done in the garages.
- 3.11 Owners and their families and their households (or in the case of an Owner that is an entity, the entity's owners and family-equivalents and their households) can live in the Owner's unit **The Owner's Unit may also be leased to someone outside of that group of people if the Owner has resided at Terrace Falls for at least twelve consecutive months or has owned the unit for at least three years** and no more than **seven** other Units are currently being leased, and advance approval by the Board is obtained. **Leases must be at least one year long, but not more than three years long**. (Please see Item 6.1 below for more information on leases.) An Owner can use the Association's Sample Lease, or may use a different lease document as long as the contract the Owner and the person who signs the lease (the "Lessee") sign contains all the required elements identified in the Sample Lease. (See the Sample Lease, a copy of which is available in the Board Room and on the Website Portal.) There can be **no timeshares, rentals, leases or trades of a Unit or exceptions to the leasing provisions** other than as set forth in these Rules and Regulations, Section 4.4 of the Declaration and Section 10.1 of the Bylaws, or as required by law.
- 3.12 Residents cannot keep, have or permit any **animal** in their Units, or in the Common Areas and Facilities, unless the animal is an Assistance Animal as defined in the **Assistance Animal**

Guidelines, and all of the provisions of those Guidelines are complied with. A copy of the Assistance Animal Guidelines is available for review in the Board Room and on the Website Portal, and a copy will be provided to anyone who is requesting approval to have an Assistance Animal on the Property. Residents are responsible for any damage or injury that the animal causes, and are expected to promptly notify the Board of any such problems.

- 3.13 **Smoking/vaping of any substance is prohibited in Units and Common Areas, which includes our driveways and yards. Use of chewing tobacco is prohibited in the Common Areas.**
- 3.14 Multiple pieces of **Home Health Care Equipment** have been donated to the Association by Residents. This equipment is stored on the 3rd floor of the building and Residents may use it as long as needed, at no charge. When the equipment is no longer needed, the Resident should thoroughly clean it and return it to the storage area or, if it is no longer in a condition that would benefit others, dispose of it. This equipment is donated in an "as-is" condition and is not examined or maintained by the Association. Persons using such equipment do so at their own risk.
- 3.15 One of the Association's major annual expenditures is to purchase a variety of types of **insurance**. While the policies that are purchased cover several conditions where insurance could be needed, Owners should review the summary of coverage the Board provides each year and may want to consider purchasing personal policies to increase their coverage or cover any deductibles they may be responsible for paying.

4 GENERAL COMMON AREAS AND FACILITIES PROVISIONS

In addition to finding just the right Unit where we wanted to live, we were undoubtedly attracted to the many amenities Terrace Falls has to offer. The Common Areas, which includes the land and all the facilities outside the Units, are owned by all of us. The proportion of the Common Areas we own

is determined by a formula based on square footage and location that was established in 1985 when the complex was opened.

- 4.4 **The Board is responsible for ensuring the Common Areas are kept in a clean, safe, functional and attractive condition.** The Dues and Assessments that Owners pay are used to support Operational needs (day-to-day expenses) and Reserve Fund needs (long-term major project costs). Each year the Board prepares the Operational Budget and a Reserve Study to plan for the coming year, and provides copies to Owners for review. **Owners are asked to review the proposed Operating Budget and the Reserve Study information before the Operating Budget is finalized and to provide feedback concerning them.**
- 4.2 **When we take ownership of a Unit and begin to use or permit others to use our Unit, parking spaces, storage cages or any of the Common Areas and Facilities, we (and those other users) automatically agree that we accept all the provisions in the Governing Documents and that we will fully comply with them.**
- 4.3 The Association has taken multiple steps to address **security of the building** including placing numerous cameras throughout the property, installing a Fob access-control system, changing locks on all exterior doors and upgrading the garage door control system and the main entry doors. Yet, the most important security tools we have are the awareness and actions of Residents, their guests, and those who come hereto perform work on our Units or in the Common Areas. The following provisions apply to security at Terrace Falls:
- a. The number of authorized Access Cards or Key Fobs (security devices) per Unit is twice the number of occupants in the Unit. The number of garage door openers is equal to the number of Resident Parking Spaces owned by the Unit. These Access Cards, Key Fobs and Garage Door openers are provided by the Association without charge.

- b. An Owner may rent additional security devices and garage door openers (collectively "Access Devices") from the Association, at an established price, for any reason(s) found acceptable to the Board. If the reason the Access Device was issued no longer exists, the Owner must notify the Board and the Access Device will be de-activated. Excess and deactivated security devices belong to the Association and must be returned to the Association. Refunds are not issued for returned security devices.
- c. Annually, a member of the Security Committee will determine which Access Devices have not been used in the preceding year and will ask the possessor of each such Device if that Device may be deactivated. A possessor may ask to have the Device remain active if the possessor provides an acceptable reason to the Board. If the possessor does not respond within 30 days, or the possessor's continued-activation reason is not acceptable to the Board, the Access Device will be deactivated.
- d. Owners and Residents must never give a "Resident Fob," which has 24-hour, 7-day-per-week access, (or a physical key if the Unit has an outside entry) to anyone other than their family members and overnight guests. **If a Unit's Owner or Resident allows a guest to occupy that Unit for one or more nights when the Owner or Resident is not present, the Owner or Resident may lend the guest the Owner or Resident Fob or key, but must notify the Board in writing at least 24 hours prior to the guest's visit.**
- e. Owners wishing to provide building access to those who are not qualified to receive a Resident Fob, such as contractors, must ask the Association to issue "limited-hours Fobs" to those individuals.
- f. When Unit ownership is transferred, the Owner must transfer all authorized (see 4.3.a above) Access Devices to the new Owner, who must promptly report the serial numbers to the Association for re-coding. Additional Access Devices should be returned to the Association.
- g. An Owner who acquires a Unit without Access Devices may rent replacements from the Association at an established price. All previous Access Devices associated with the Unit will be deactivated.
- h. Loss of an Access Device must immediately be reported to the Association and it will be de-activated. A rental fee must be paid for each replacement Access Device.
- i. **Exterior entrance doors, including garage doors, must never be propped open while unattended.**
- j. Residents must not permit anyone to enter the building unless the person is properly identified and has an acceptable reason for admission.
- k. Owners and Residents must instruct anyone they invite to the building about the importance of security and ensure they will follow the security requirements. Contractors who are involved in major projects must provide a Compliance Deposit. If they violate security measures, they may forfeit part or all of that deposit and may be denied further access to the building.
- l. Residents must lock their Unit doors and windows when they are not in their Unit.
- m. Autos must always be locked. Keys must not be left inside and valuable items must be removed from the vehicle or placed in the trunk.
- n. An Owner or Resident hosting a social event on site must station someone at the main entrances to greet guests and provide directions to the event's location..
- o. If a Unit is listed for sale, a realtor holding an open house must first receive permission from the Board and must provide sufficient personnel to greet attendees at the main entrances, escort them to the Unit, and escort them back to the main lobbies, so as to prevent people from wandering through the building unattended.

4.4 Each Owner has the **right to use the Common Areas and Facilities** as specified in the current Declaration and Bylaws and these Rules and Regulations. If an Owner leases the Owner's Unit to another, the right to use the Common Areas and Facilities transfers from the

- Owner to the Lessee and the Owner may no longer use the Common Areas and Facilities except as needed to attend Association meetings or to manage the Unit, or as an invited guest of the Lessee or of someone else.
- 4.5 **Guests are permitted to use the Common Areas and Facilities, but must carry an Official Guest Card, or be accompanied by someone who is carrying an Official Guest Card,** if they are not accompanied by an Owner or Resident. Anyone using a Common Area or Facility who does not have the ability, whether due to age or any other reason, to substantially understand and follow the Rules and Regulations applicable to that amenity, must have a responsible person with them during use of that amenity.
- 4.6 If an **unaccompanied guest** violates a provision of the Governing Documents, the Board will attempt to contact the Owner or Resident who invited the guest to ask the Owner or Resident to correct the situation. If the Owner or Resident cannot be promptly located, the Board or other Residents may take action to correct the non-compliant behavior and will notify the Owner or Resident as soon as possible afterward.
- 4.7 **If any person's actions violate the provisions of the Governing Documents, that person may be asked to cease using and immediately leave the Common Area and/or Facility and may be denied future access to that Common Area and/or Facility.**
- 4.8 **The Social Room and Kitchen, Sun Deck and Guest Sleeping Room may be reserved** for an Owner's or Resident's private events. **Only the Owner and/or Resident of a Unit may make a reservation.** Schedules and Reservation Agreements and Instructions for these amenities are available in the Parcel Room located on the 2nd floor. If there are questions, the person serving as the Committee Chair (identified in the Terrace Falls Newsletter) for that particular amenity may be contacted. (See Items 5.3, 5.11 and 5.12 below for additional details.)
- 4.9 **As of the issuance date of these Rules and Regulations, reservations are also required for those who wish to have exclusive use of the Pool; the Spa cannot be reserved without prior approval of the Board.** See Item 5.5 below for further details. Our Pool and Spa reservation system **is under review** by the Board; **any changes** to these reservation requirements **will be posted on the highboy table** near the gate to the Pool and Spa area, and will be effective upon posting.
- 4.10 **Those using a Common Area or Facility must return the amenity to a clean and orderly condition when they are finished with its use and fill out and hand in any required cleaning checklist.** If damage, breakage, stains, disorderly appearance or any other conditions that require time or money to correct are present, the Owner of the Unit using the amenity will be held responsible. The Owner may be asked to return to fix the problem, and/or an Individual Assessment may be levied against the Owner (see Item 7.7), and/or the Owner and/or the Owner's guests may be **restricted from future use** for a time.
- 4.11 **Roll-away beds (cots)** are available for **temporary** use within Units. They are stored in the building, are available at no charge, and may be obtained by contacting the Owner in charge of the Guest Room. Cots should be returned in good condition as soon as they are no longer needed.
- 4.12 **Owners are welcome to donate items to be used by the Association.** All donations must be approved by the Board before they are made; a record of the donation will be made. Once donated, the items belong to the Association and will be used, maintained, repaired or disposed of by the Association in its sole discretion. If the Owner later wants to **reclaim the donated item**, the Owner must request its return in writing and obtain the Board's written permission to reclaim it. All returns of donated items are in the Board's sole discretion.

5 USE OF COMMON AREAS AND FACILITIES

- 5.4 Our Common Areas and Facilities are for the use of Owners and Residents and their respective families and guests. All of our amenities normally can be used on a non-exclusive, first-come first-served basis and some of our amenities can be reserved for private events (see individual amenity descriptions below) **by the Owner or the Resident** as long as (1) the private event is hosted by the Owner or Resident, (2) the Owner or Resident is present throughout the duration of the private event, and (3) the private event is not of a promotional or commercial nature. Rental of our Common Areas and Facilities is not allowed. The Board may establish a reservation system for any amenity if, in its sole judgment, there is good reason to do so.
- 5.5 Because Units are situated next to each other and because we have a large, multi-story Atrium, one of the biggest concerns we have is **minimizing noise**, especially when others are trying to relax or sleep. Because of this, although **most of our amenities are open for use 24 hours a day, two areas - the Pool and Spa and the Billiards Room - have limited hours**. Further, we have designated **the hours between 9:00 p.m. and 8:00 a.m. as Quiet Time** throughout the Property, and **the hours between 10:00 p.m. and 6:00 a.m. as a time that the free weights and weight machines in the Fitness Center cannot be used**. During these hours, we must make a concerted effort to keep Common Area noise at a minimum. Further details concerning Quiet Time as applied to particular amenities are included in this Section 5.
- 5.3 All Common Areas are to be used in a **reasonable and respectful manner**. Boisterous behavior, including but not limited to running, horseplay, shouting and yelling is not permitted in any of our indoor spaces. In addition, Owners, Residents and their families and guests using our Common Areas and Facilities are **expected to comply** with the amenity-specific rules below; **failure to do so may result in Individual Assessments as well as temporary or permanent revocation of the right to use the amenity**.
- 5.4 The **Social Room and adjoining Kitchen** are located on the 5th floor, across from the Pool and Spa. The amenity can be reserved for exclusive use using the reservation request calendar in the Parcel Room. When not reserved, the amenity is available for non-exclusive use on a first-come first-served basis. During Quiet Time, all guests using this amenity must be accompanied by a Resident, no gatherings of more than four people are permitted, the piano and other musical instruments must not be played, listening to music is only permitted if headphones or earbuds are used, and all conversation must be in hushed tones.
- Tables and chairs are kept in the storage closet, can accommodate approximately 60 people and must be returned to the storage closet after the event. Tablecloths and cloth napkins are available and must be laundered and returned promptly if they are used.
 - Furniture that is in the room can be moved to one side of the room or into the hallway, if the whole room is needed. It must be returned to its original location immediately after the event ends by those who participated. A map depicting proper location of the furniture is posted inside the storage closet, on the door.
 - Food may be prepared in or served from the Kitchen, which is supplied with an assortment of serving utensils. There is also a complete set of China, water glasses and silverware for use. All Kitchen items and surfaces must be thoroughly cleaned immediately after the event using the checklist on the clipboard that is kept on the counter on the East side of the Kitchen, as a guide. Any dishes or utensils used must be washed, dried and returned to their original location; tea towels are provided for that purpose and should be promptly laundered and returned if used. If dishes and other items are loaded into the Kitchen dishwasher, the washer must be run immediately and the dishwasher must be unloaded no later than the end of the day following the event.

- d. If food or other items are dropped on the carpet they must be picked up promptly and the carpet must be cleaned immediately by following these steps: 1) blot, do not rub, the stain with a clean, slightly damp white cloth; 2) if plain water does not remove the stain, use the stain remover that is located under the sink, making sure to follow the manufacturer's directions; and 3) notify the Social Room Committee Chair or a Board member if the stain still remains.
- e. Vacuum the carpet (with the vacuum the closet near the Social Room's South entrance door) and sweep and wipe the tile floor, take out the trash and place a new plastic bag (which is stored under the sink) in the trash can.
- f. The last person leaving the Social Room and/or Kitchen must ensure that the ceiling lights are turned off.

5.5 The **Swimming Pool and Spa** are the centerpieces of the 5th floor Atrium and are available for use between the hours of 6:00 a.m. and 10:00 p.m. Until further notice (see Item 4.9 above), using the reservation system located near the Pool deck entry gate, Owners and Residents may reserve the Pool for private use by their Unit for up to 90 minutes at a time during the day, and up to an hour at a time in the evening; the Spa may not be reserved for exclusive use. If no one has reserved the Pool for the time slot immediately following that reservation, you may remain in the area, but use of the Pool will no longer be exclusive. Up to two Pool reservations by the same Unit on the same day are possible, but may not be consecutive - at least one hour must elapse between same Unit reservations. During Quiet Time, all guests using this amenity must be accompanied by a Resident. Operation and use of our Pool and Spa are subject to Utah Department of Health regulations and Salt Lake County ordinances. The following rules are in line with those legal requirements and must be observed:

a. **Related to use of the entire Pool and Spa Area:**

1. **The following persons cannot use the Pool and/or Spa:**

- i. Any person having a communicable disease transmissible by water;
 - ii. Any person having any exposed sub-epidermal tissue, including open blisters, cuts, or other lesions; and
 - m. Any person who has or has had diarrhea within the previous two weeks caused by an unknown source or by a communicable or fecal (poop) borne disease. See Item 5.5.a.10 for more information on this topic.
2. **There is NO Lifeguard on duty.** Bathers are cautioned against using the Pool or Spa without others present. All persons using the Pool or Spa do so at their own risk.
 3. **Children age 14 and under must not use the Pool without responsible adult supervision.** Residents are required to accompany and supervise their family and household members or guests who cannot swim or may need other assistance to safely use the Pool and Spa.
 4. Life-saving equipment and first-aid supplies are located on the wall of the Pool deck near the Pool and Spa deck entry. Life-saving equipment must not be used as play items.
 5. In case of an emergency call **911**, please use your cellphone. If a landline is **needed, there is an emergency phone in each elevator.**
 6. Pool capacity is 15 at a time, and Spa capacity is 6 at a time, for a maximum capacity of 21 people (bathers and spectators alike) in the entire Pool and Spa area at one time. We must not hold group events in the Pool and Spa area that

exceed this limit. If we arrive and find that the maximum capacities are exceeded or would be exceeded with our use, we must come back at another time.

7. Unaccompanied guests using the Pool and/or Spa must enter their names and their hosts' Unit numbers on the Reservation sheet and must place their Official Guest Cards in the plastic holder near the Pool deck entrance.
8. All persons entering the Pool and Spa area must check their footwear for cleanliness, and clean or remove it as needed prior to entering the Pool and Spa deck area.
9. All bathers in the Pool and/or Spa must be dressed in swimsuits.
10. **In the past two decades the medical community has seen an increase in recreational water illnesses, like cryptosporidiosis ("crypto"), a disease caused by a very small parasite that is more resistant to swimming pool chlorine than most germs.** Most people who get crypto have watery diarrhea, stomach cramps, an upset stomach and/or slight fever. **Most outbreaks of diarrhea associated with pools appear to be related to fecal contamination of the water by someone who is ill with diarrhea. In addition, tiny amounts of fecal matter (poop) are rinsed off all swimmers' bottoms as they swim through the water.** Continuous filtration and disinfection of our Pool and Spa water reduces the risk of spreading illness, but bathers can still be exposed to crypto during the time it takes for chlorine to work or for water to be cycled through our filter. That's why **it is important that each of us makes decisions to protect one another. To that end, we must follow these simple steps:**
 - i. **Don't swim when you have diarrhea;**
 - ii. Practice good hygiene. **Shower with soap before using the Pool or Spa and wash your hands** after using the toilet;
 - iii. **Don't swallow** the pool water, and avoid getting it in your mouth;
 - iv. Take children and those with incontinence issues on **frequent bathroom breaks;**
 - v. **Use water-resistant swim diapers and waterproof swimwear on all children under 3 years old, all children not toilet-trained, and anyone who lacks control of peeing or pooping.** The waist and leg opening of such swim diapers and waterproof swimwear must be properly fitted so that they are in contact with the waist and leg around the entire circumference;
 - vi. **Do not change diapers or dispose of them poolside!** Change diapers and dispose of them in your Unit. Do not leave used diapers in the Common Area restroom trash receptacles (they are not emptied daily);
 - vii. If you are changing diapers, **wash the diaper-wearer thoroughly (especially his/her/their rear end)** before he/she/they enters or re-enters the Pool or Spa, and wash your own hands too.
11. Food, drink (*except* water), glass and breakable items are not allowed in the area.
12. At all times, be considerate of those whose Units surround the Atrium by minimizing loud or boisterous behavior. Listening to music in the Pool and Spa area is only permitted if headphones or earbuds are used.
13. Running, boisterous play and rough play are prohibited, as is diving into the Pool or Spa.

14. Association-owned flotation and exercise devices must be returned to the large, hinged storage box on the Pool deck before departing the area. **When closing the box lid, do not force it down as the air-compressed hinges can break.** Personal pool items may also be stored in the box, but they are subject to disposal at the Pool and Spa Manager's discretion. Other personal items left in the area will be hung on the hooks between the Spa and the exit ramp. If personal items are left in the area for more than 48 hours, they will be discarded.
 15. **Heavily chlorinated. Pool and Spa water damages our carpets.** All Pool and/or Spa users should **thoroughly dry themselves off, and dry off any toys or other items they are taking with them,** before they exit the Pool and Spa enclosure. After drying off, cover-ups/towels/shoes and slippers should be worn to further prevent heavily chlorinated water from dripping on the carpet and bleaching it.
 16. The Pool area plants are watered by our Landscaping Committee. Do not water the plants in the area unless you specifically have been asked to do so.
- b. Related specifically to use of the Spa:**
1. **Children under the age of 6 are not allowed in the Spa, and other children under the age of 14 must be accompanied and supervised** by at least one responsible adult when using the Spa.
 2. The following persons are cautioned to consult their physicians before using the Spa:
 - i. Elderly persons;
 - ii. Persons suffering from heart disease, diabetes or high blood pressure;
 - iii. Persons using prescription medications; and
 - iv. Pregnant women.
 3. The following cautions are also given:
 - i. Individuals under the influence of alcohol or other impairing chemical substances should not use the Spa; and
 - ii. Persons should not spend more than 15 minutes in the Spa in any one session.
 4. Our Spa's temperature will be maintained in the range of 100 to 102 degrees Fahrenheit. Someone who desires higher-temperature heat therapy should consider using the Sauna in the appropriate Fitness Center locker room. Residents should not ask to have the temperature adjusted.
 5. Jumping into, in or around the Spa is prohibited.
 6. In line with Quiet Time, the Spa jets must not be used after 9:00 p.m. or before 8:00 a.m. When you exit the Spa, please turn off the jets if no one is in it.

- 5.6 The **Fitness Center** is available for use 24 hours a day with one exception: **the free weights and weight machines may not be used between the hours of 10:00 p.m. and 6:00 a.m.** The Fitness Center contains a variety of cardio and strength-training equipment. Exercise equipment can be extremely dangerous if used improperly. Persons using the Fitness Center equipment do so **at their own risk.**
- a. All equipment is available for use on a first-come first-served basis.
 - b. A person who does not have sufficient strength, balance, flexibility and experience to safely control the equipment should not use the equipment.
 - c. A guest who is not accompanied by a Resident must bring and display an Official Guest Card.

- d. The dance studio/ping pong room is available for general use on a first-come first-served basis. If the ping pong table is used, the table must be put back square in the room and the paddles and balls must be placed in the storage devices at the end of use.
 - e. Food, beverages (except water), glass and any breakable objects are prohibited in the Fitness Center.
 - f. **All persons using the Fitness Center are expected to thoroughly clean up after themselves, putting used equipment away in designated storage areas and wiping down the items they used with the provided disinfectant spray.**
 - g. The last person leaving the Fitness Room must ensure that the television, fans and lights are turned off.
- 5.7 **The Men's and Women's Locker Rooms** are located next to the Fitness Center.
- a. Lockers are for temporary use. To reduce unpleasant odors, towels, clothing, swimwear and other items must not be left in the lockers on a long-term basis.
 - b. **All persons using the Locker Rooms are expected to thoroughly clean up after themselves. Sink vanity counters must be left clean and dry.** Showers, sinks and toilets must be left clean and must be turned completely off or flushed after use. If any of them are not functioning properly, notify our maintenance personnel and a Board member immediately.
 - c. There is a Sauna in each Locker Room. Those using a Sauna must read and follow the posted instructions and observe the "Warnings." **For safety reasons, children aged 5 and under may not use the Sauna, and children between the ages of 6 and 14 must be accompanied and supervised by at least one responsible adult when using the Sauna.**
 - d. An unaccompanied guest using the Sauna must bring and display an Official Guest Card.
- 5.8 **The Billiards Room** has two classic pool tables.
- a. Because playing Billiards is inherently noisy, the Billiards Room is closed during Quiet Time. The room is available on a first-come first-served basis from 8:00 a.m. to 9:00 p.m.
 - b. An unaccompanied guest using the Billiards Room must bring and display an Official Guest Card.
 - c. Players must have sufficient playing experience to not damage the table or equipment. Any person lacking that experience must be accompanied by a responsible person.
 - d. After completing play, the balls must be racked ready for the next players, cues must be put away in the wall racks, instruction manuals must be placed on the ledge near the cues, and, as needed, the felt on the tabletop must be brushed to remove any dirt and dust from the felt.
- 5.9 **The Library** is available on the 5th floor near the Fitness Center.
- a. Materials in the Library consist of recently purchased books and periodicals as well as a large collection of books donated by Residents. The Library Committee determines what reading materials to add or eliminate based on space and the interest of readers. Suggestions can be made to the Committee for additional material; book donations can also be left on the Library table for the Committee to consider.
 - b. Wi-Fi service is available and instructions for connecting to the network are posted.
 - c. The Library may be used by Residents and guests as a place to read and study, but may not be reserved for exclusive use. Materials may be borrowed and returned on the honor system.
 - d. Food and beverages are not allowed in the Library.
- 5.10 **The Copy and Business Center** is also located on the 5th floor.
- a. The Center has a variety of items such as paper cutters, three-hole punches, and scales for use by Residents in completing their personal administrative activities.
 - b. A supply of US Postal Service mailing boxes and envelopes is available at no cost to Residents.

- c. There is a 10 cents per copy charge to cover the cost of ink and paper for the copy machine. A locked box is on the counter where money for copies must be deposited.
- 5.11 A small meeting room, known as **the Board Room**, is located to the North of the Social Room on the 5th floor.
- a. The Board of Directors frequently hold Board Executive Sessions in this room.
 - b. Residents may use this room for personal meetings or other small gatherings on a first-come first-served basis when it is available. It does not have a reservation system.
 - c. **Copies of the Governing Documents, Board Meeting Minutes, recent Reserve Studies, Association Guidelines and other documents are kept in this room.** These copies may be viewed in the room but must not be removed without coordinating with a member of the Board. The documents are also available through the Website Portal.
 - d. Copies of the original blueprints and building construction plans are stored on racks and in folders in the Board Room. These blueprints and plans can be used by Owners and Contractors for planning work in Units. An electronic copy of the materials is also available on a thumb drive that is kept in the room. Members of the Physical Facilities Committee should be contacted for access to either of these blueprints and plans.
- 5.12 The **Sun Deck** is located on the 7th floor outside the glass door to the West of the Atrium. The Sun Deck can be used as a place to relax and enjoy the fresh air as well as great views of the Utah State Capitol and the surrounding area. Deck furniture and other accessories are in storage from November 1st through April 30th. **Please do not schedule any group events that would require Terrace Falls deck furniture to be put in place before May 1st.**
- a. During Quiet Time, (9:00 p.m. to 8:00a.m.) guests must be accompanied by a Resident, and noise beyond hushed conversation is prohibited.
 - b. Resident gatherings may be scheduled on the Sun Deck or individual Residents may use the area on a non-exclusive basis. Reservations by Residents for exclusive use by groups of 25 or more people may be made with the prior approval of the Board.
 - c. Climbing on tables, counters, planter boxes, walls or railings, or accessing the roof from the Sun Deck is prohibited. Skateboards, roller skates, scooters and similar wheeled toys are not permitted on the Sun Deck.
 - d. Restrooms are conveniently located in the hallway immediately West of the Sun Deck. Residents using the Sun Deck for gatherings must make sure the restrooms are left in a tidy condition after their events.
 - e. A refrigerator is also located in that hallway area. It is available for use in connection with gatherings on the Sun Deck, and must only be used for that purpose; storage of personal items is prohibited. Items may be placed in the refrigerator a day before an event and must be removed when the event is over. Items that are not removed in a timely manner will be discarded.
 - f. Grates on the grills must be cleaned after each use.
 - g. Before departing, if chairs and cushions, tables and umbrellas were used they must be put back where they belong, and any spills on these items, on the floor, or elsewhere on the Sun Deck must be cleaned up. Garbage generated during gatherings must be bagged and removed.
- 5.13 The **Guest Room (#300)** has a queen-sized bed, 2 standard pillows, bed linens, towels, a chair, a sink, a toilet, a shower and a window air conditioner unit. It is located on the West side of the 3rd floor and is available for Owners and Residents who need additional space for their guests for limited periods of time. Toiletries, excluding toilet paper, must be supplied by the Owner, Resident or guest.
- a. Reservations for the Guest Room **can only be made by Owners and Residents**, and are on a first-come, first-served basis and can be made as shown in Item 4.8 above. A second Owner or Resident may request a back-up reservation in case the original reservation is no longer needed.

- b. Once the reservation is confirmed, Owners and Residents may obtain the key to the room from the-Guest Room Committee Chair.
 - c. Owners and Residents with confirmed reservations who discover they **no longer need** the Guest Room for some or all of the reserved timeframe must **promptly alert** the Guest Room Committee Chair.
 - d. Guests must follow the instructions for the use and cleaning of the room that are on a clipboard in the closet of the room.
 - e. Owners and Residents must ensure the room is cleaned and in good condition after use. If any items in the room are missing or damaged, the Resident will be charged for their repair or replacement, which will be done by the Association's Aesthetic Committee.
- 5.14 **The Shop** is located on the 2nd floor, to the South of the main lobby. It is only for the use of Terrace Falls Residents. **Power equipment in the shop can be extremely dangerous.** Users should be experienced in the use of this equipment, use great care and know that they are using the Shop **at their own risk. Children under 18 years old are not permitted to enter or use the Shop without adult supervision.**
- a. During Quiet Time (9:00p.m to 8:00 a.m.), the use of power tools, noisy hand tools, and shop vacs is prohibited, the radio and other music must remain off, and conversation must be hushed.
 - b. Contractors doing Unit or Common Area Construction projects are not permitted to use the Shop.
 - c. Residents may leave items they are working on in the Shop for short periods of time, with a sign that has their contact information, but no items may be stored there for an extended period.
 - d. Residents may donate equipment to the Shop for general use, subject to the approval of the Shop Committee Chair. If any equipment is found not to be working properly, the person discovering the problem must unplug it, place an "Out of Order" sign on it and immediately report the concern to the Shop Committee Chair or a member of the Board.
 - e. Users must tidy the Shop and clean all tables, equipment, and floors from sawdust and other debris before they leave the Shop, and must turn off the lights.
- 5.15 The building's four **Driveways** provide access to the **four Resident Parking Garages and Visitor Parking. All exceptions to the rules below must be approved in advance by the Board or, as appropriate, the Architectural Review Committee.**
- a. Residents, guests, Contractors and Delivery Service Personnel must not park on any of the driveways for more than 15 minutes at a time, unless coordinated with and previously approved by the Board member or the Moving Committee Chair. Once the activity that caused the need for a short stay is completed, vehicles must be moved to designated parking spaces.
 - b. The 2nd floor breezeway area must be kept clear for emergency and service vehicles. **Movers and construction personnel should use the 4th 3rd and 1st floor driveways to drop off or pick-up items and must not enter the building through the main lobby entrances on the 2nd floor.**
 - c. All vehicles kept and parked on the Property must be parked only in parking stalls. Oversize vehicles which do not fit fully within the Association-established parking stall lines, or which unduly impede access to a neighboring parking stall or vehicle, or which unduly impede the flow of traffic within the garage or Guest Parking area, are prohibited. Residents normally should park in Owner Parking, and must not park in Visitor Parking for more than one hour.
 - d. There are two designated Contractor parking spaces on the West side of Visitor Parking. **These are reserved for Contractors from 8:00a.m. until 6:00 p.m. Mondays through Fridays.**

- e. There are three designated Electric Vehicle charging stations on the South end of Visitor Parking. These are to be shared among Owners, Residents and their overnight guests who have electric vehicles. **Non-charging vehicles may not be parked in these spots at any time and each vehicle should only take up one space.** Charged vehicles must be moved from the charging stations promptly after charging is complete. Owners or Residents who charge, or permit their overnight guests to charge, electric vehicles must keep a record of their electricity usage and must reimburse the Association for the electricity used. Further details about the electricity tracking and reimbursement requirements are available from the Electric Vehicle Committee Chair.
 - f. Any **guest vehicle** parked in Visitor Parking or the Contractor Parking area between 10:00 p.m. and 7:00 a.m. **must have an Official Guest Card** or some similar identification paper with the Resident's Name and the Unit Number on the dashboard.
 - g. During times of heavy need for parking in the neighborhood, the Association may require the Official Guest Parking Permit to be displayed on the dashboard during all hours of the day.
 - h. Except with the approval of the Board, no boat, mobile home, snowmobile, trailer, camper, recreational vehicle, or similar vehicle of any kind can be parked or stored within the Property.
 - i. Vehicles may not be maintained, constructed, repaired or reconstructed on the Property, except for minor maintenance work that does not interfere with parking garage use or traffic flow, or carry the risk of site contamination.
 - J. A vehicle that is not operative or not being used on a regular basis may not be parked on any portion of the Property, without permission from the Board, and all abandoned vehicles left on the Property over seven days may be removed from the Property by the Association at the vehicle owner's expense.
 - k. Riding of skateboards, roller blades, skates, Razor-type scooters or similar items in the Terrace Falls driveways, garages, and parking areas is prohibited.
 - I. No one except the Board, or its representative, is permitted to paint or repaint, or oversee the painting or repainting, of parking stall lines.
 - m. **Improperly parked vehicles may be booted or towed at the vehicle Owner's expense.**
- 5.16 Our Common Areas and Facilities are meant to be used for their intended purposes. Owners, Residents and their overnight guests are expected to sleep in Units or the Guest Room. We do not permit use of the Common Areas, including but not limited to the Social Room, Fitness Center, Locker Rooms and Saunas, Pool and Spa area, Sun Deck or our various outside yards, for **overnight sleeping.**
- 5.17 The Association's **Maintenance and Housekeeping personnel** are hired by the Association to help maintain the Common Areas. **They are not responsible for any maintenance or cleaning inside Units.** Residents may separately hire them to work inside a Unit, but all conversations arranging for the work and about the work, and the work itself, must occur outside of normal business hours so that their work for the Association is not negatively impacted. Additionally, a Resident who creates or becomes aware of a situation in a Common Area that needs maintenance or cleaning must notify a Board member instead of directly asking the maintenance and housekeeping personnel to correct the problem.

6 PROCEDURES FOR LEASE APPROVALS AND EXPENSE REIMBURSEMENTS

- 6.1 It is important to us to ensure **fair and consistent enforcement** of our **leasing restrictions, which limit the number of leases to eight at a time, except in the case of an emergency need.** Any Owner who wishes to lease his Unit must meet the requirements for normal or emergency leases set forth in Section 4.4 of the Declaration and must request and receive approval from the Board prior to entering into a Lease.

- a. Except in emergency situations, the Board considers lease requests by Owners on a first-come first served basis, and maintains and applies a Waiting List when more than eight Owners wish to lease their Units. Waiting List priority is given in reverse order of leasing history (that is, an Owner who has never or not recently leased will have priority over an Owner who has previously or recently leased), so that the community's limited number of leasing opportunities are more evenly spread out.
 - b. The Board will promptly consider every request for lease and will request additional information from the Owner as it deems necessary to fairly evaluate the request. Any Owner requesting a lease will cooperate with the Board and will promptly supply any such additional information sought by the Board.
 - b. Within 15 days of its receipt of the information it has requested from the Owner, the Board will approve or deny, in whole or in part, the Owner's lease request. The Board will document its decision-making process for the request, and will promptly inform the Owner in writing of its decision and any conditions on that decision. The Board's conditional approval of permission to lease does not eliminate an Owner's need to comply with all other Lease requirements from which the Owner was not exempted.
 - c. Unless stated otherwise in writing by the Board, Board approvals are only valid for 90 days. If a fully executed Lease is not signed by the Owner and his Lessee within that timeframe, the Owner will have forfeited his approved leasing spot and must reinitiate the lease approval process.
 - d. The Board will keep track of all lease requests, recording the date of the request, the Unit Owner making the request, whether the request falls under one of the emergency exceptions identified in Section 4.4.b. of the Declaration (and if so, which exception), the decision reached, and the start and end dates of any leases ultimately entered pursuant to the request. The Board will also keep with that record a copy of the written communications pertaining to each such lease request.
 - e. When making a decision on a lease request that falls into one of the emergency exceptions in Section 4.4.b. of the Declaration, the Board will review its records to ensure it is consistently administering and enforcing its emergency leasing restrictions.
- 6.2 Han Owner is involved in an activity where Association funds are to be expended and the Owner is asked to make any purchases, the Owner must obtain approval from the Board member, Assistant Officer or Committee Chair who is responsible for that area prior to making any purchases. Once the expenditures are approved, the Owner must use the Association credit card the Owner was previously issued or obtain an Association card and use it to make the purchase. The Owner must also immediately record the purchase by taking a picture of the receipt and sending it to the credit card company. If an Association credit card is not available, the Owner should wait until one can be obtained before making the purchase. In the Board's discretion, purchases made with an Owner's own cash, check, personal credit card or personal debit card may or may not be reimbursed.

7 ENFORCEMENT OF THE GOVERNING DOCUMENTS

Having and following Governing Documents brings clarity to the way our community operates. Expectations are established and we know what is and is not appropriate in our interface with each other and with the Association. The Governing Documents help create a livable community for everyone. The goal is to consistently and uniformly enforce these Documents if a violation occurs.

- 7.1 The Board has the authority and the obligation to ensure the provisions of the Governing Documents are enforced. Although Board members would prefer not to have to correct their neighbors when violations occur, they will issue warnings or collect fines, or ask our

Management Company to do so, when necessary. Ideally, however, the Board will seldom have to step in, because we will simply govern ourselves. Along those lines:

- a. Disagreements can often be worked out between the parties through respectful dialogue. If, however, the parties cannot resolve a dispute that involves, or may involve, a violation of the Governing Documents, the matter can be brought to the Board's attention, and the Board will resolve that dispute.
- b. Owners and Residents are responsible for helping those they invite to or permit to come to the property to know and follow the provisions of the Governing Documents.
- c. Owners can **educate** others about rules they are or may be violating, but Owners must always deliver those messages kindly and courteously. Owners should not take it upon themselves to act as Terrace Falls rule enforcers. If the situation is not corrected through a friendly conversation, the Owners should bring the matter to the Board's attention.
- d. **If a Lessee or any individual the Lessee has invited or permitted to come onto the Property does not comply with a provision of the Governing Documents, the Board will ask the Unit Owner to cure the violation.** If an Owner fails to satisfactorily cure the situation, the Owner will be subject to Non-Compliance Fines and/or other corrective action and penalties as outlined below.

7.2 If, after appropriate investigation, the Board believes violations of the Governing Documents have occurred, **the Board may take one or more of the following actions to enforce the provisions**, including:

- a. **Verbal Warnings**
- b. **Written Warnings**
- c. **Fines imposed in the form of Individual Assessments**
- d. **Revocation of an offender's right to use or occupy Common Area and restriction of the offender's future use** of that amenity
- e. **Legal action**, to include lawsuits for collection, money damages and/or equitable remedies, enforcement of liens, foreclosures and evictions.

7.3 **Written records will be kept of all enforcement actions.**

7.4 **Verbal Warnings** are informal warnings given primarily to educate when there is a violation of the provisions of the Governing Documents. These Warnings, when given, are to be given by a Board member or someone whom the Board has specifically authorized to deliver such Warnings.

7.5 A **Written Warning** will, among other things:

- a. describe the violation;
- b. state the rule or provision of our Governing Documents that has been or is being violated;
- c. warn that Non-Compliance Fines maybe assessed if a continuing violation is not cured or if similar violations are committed within a year of the Written Warning or within a year of any Non-Compliance Fine actually assessed pursuant to the Written Warning; and
- d. if the violation is a continuing violation, state a time by which the violation must be cured. The time to cu.re will be set in the Board's discretion, but will be at least 48 hours after the Written Warning was issued.

7.6 Once a Written Warning has been issued, the Board may **assess a Non-Compliance Fine** against an Owner if these **other conditions** are present:

- a. within one year after the day on which the Owner was given the Written Warning, the Owner (or another person for whom the Owner is responsible) **commits another violation of the same rule or provision**; or
- b. in the case of a continuing violation, the Owner **does not cure** the violation to the Board's satisfaction within the time frame stated in the Written Warning.

7.7 **Individual Assessments** may be levied against an Owner when the Owner or the Owner's Lessee, or other individuals that the Owner or the Owner's Lessee invites or permits to come

onto the Property, damages the Common Areas and Facilities or fails to not comply with the provisions in the Association's Governing Documents. These are of two types:

- a. **Reimbursement Demands**, which are designed to recoup the full amount of the costs incurred by the Association in repairing damage to our Common Areas and/or in enforcing the Governing Documents. These will be levied with 1) an accompanying written statement describing a) the damage that was done and/or the provisions that were violated, and b) the repairs that were made and/or the enforcement actions that were taken, and 2) an accompanying itemization of the costs incurred by the Association in remedying the situation; and
 - b. **Non-Compliance Fines**, which are designed to deter violations of our community covenants as set forth in our Governing Documents. These will be levied only after an appropriate **Written Warning** has been given and **other conditions** have been met, and will be in the amounts set forth in the **Schedule of Fines, Fees, Deposits and Interest** attached in **Appendix 1**.
- 7.8 After the Board assesses a Non-Compliance Fine, the Board may, **without issuing another Written Warning**, assess an **additional** Non-Compliance Fine against the Owner **each and every time** the Owner (or another person for whom the Owner is responsible):
- a. **violates the same rule or provision** within one year after the last Non-Compliance Fine was assessed; or
 - b. **permits the violation to continue for 10 days or more** after the day on which the Board assesses the Non-Compliance Fine.
- 7.9 An Owner who has been assessed a Reimbursement Demand or Non-Compliance Fine may request an **Informal Hearing** before the Board to dispute that Individual Assessment. The request must be made in writing within 30 days after the Owner receives notice of the Assessment. The Board will set a mutually convenient date and time for the Informal Hearing and give the Owner a reasonable opportunity to present the Owner's position. Participation in the hearing may be in person or through electronic communication. The Board will issue its **final decision** on the Individual Assessment within 15 days of the Informal Hearing.
- 7.10 **Owners must pay their Individual Assessments** within 30 days of their levy date, or, in the event of an Owner's timely request for Informal Hearing, **within** 30 days of the Board's final decision. Late payments will lead to **Late Fees** and **Interest** in the amounts set forth in the Schedule of Fines, Fees, Deposits and Interest in Appendix 1. If **partial payments are made**, they will be applied first to accrued Interest, then to Late Fees, and finally to the underlying Individual Assessment amount.
- 7.11 If **Dues or Assessments are 30 days past due**, they are considered delinquent. The following remedies will be applied unless the Board determines that there is good cause to waive them:
- a. **Late Fees and Interest will be applied in the amounts set forth below in the Schedule of Fines, Fees, Deposits and Interest in Appendix 1.**
 - b. **Continuing Liens** are created upon the Unit when Dues and/or Assessments are unpaid and shall remain in force until paid, whether or not the lien has been recorded;
 - c. The Association may begin **Lien foreclosure proceedings** against the Unit **after three months of unpaid Dues and/or Assessments**. The foreclosure may include any costs and attorney fees in accordance with applicable laws;
 - d. The Association may also **obtain a money judgement** against the Owner for unpaid Dues and/or Assessments which can include Late Fees, Interest, costs and attorney fees;
 - e. If a Unit is leased, the Association may require Lessees of a Unit to make future lease **payments directly to the Association** rather than to the Unit Owner, so long as Dues, Assessments, pertinent Late Fees, Interest, and/or any other charges remain unpaid for such Unit, and such payments to the Association by the Lessee shall not constitute a default under the terms of the lease with the Unit Owner;

- f. The Association may **suspend voting rights** for the period during which Dues, Assessments, and/or pertinent late fees against an Owner and/or the Owner's Unit remain unpaid.
- 7.12 In addition to the issuance of Non-Compliance Fines against the Owner, **Vehicle and Parking** violations have some special enforcement mechanisms. All Owners, Lessees and others they have invited or permitted to come onto the Property must obey the **Vehicle and Parking Restrictions**, as specified in Item 5.15 above, and any violation of these provisions may result in:
- a. An **impound boot** being affixed to any violating vehicle.
 - b. A **vehicle being towed** to an off-premise lot at the vehicle owner's expense.
- 7.13 In addition to the issuance of Non-Compliance Fines against the Owner, **Unit Construction** also has some special enforcement mechanisms. All Owners and their Contractors must obey the Unit Improvements provisions, as specified in the Unit Improvements Construction Guidelines. Copies of these Guidelines are available for review in the Board Room and on the Website Portal. Violation of those provisions will result in the issuance of Written Warnings, the imposition of Non-Compliance Fines against the Owner, and forfeiture of part or all of the refundable Compliance Deposit paid in conjunction with the project. The Compliance Deposit forfeiture rules are as follows:
- 0 to **1** Written Warnings - no forfeiture of Deposit
 - 2 to 3 Written Warnings - 50% forfeited
 - 4 or more Written Warnings -- 100% forfeited

Note that the Unit Improvements Construction Guidelines include a requirement that Major Improvements Projects may not exceed nine months in duration, unless there are unusual circumstances and advance authorization for a longer schedule is obtained from the Board. Projects exceeding this time-frame also will result in Non-Compliance Fines against the Owner. Note also that forfeiture of the Contractor's Compliance Deposit is not in lieu of Non-Compliance Fines against the Owner. Written Warnings can trigger both enforcement mechanisms simultaneously.

8. ADOPTION OF RULES AND REGULATIONS

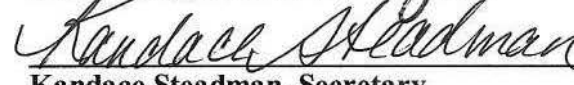
This edition of the Terrace Falls Condominium Owners' Association "Rules and Regulations," along with its Schedule of Fines, Fees, Deposits and Interest set forth in Appendix 1, is adopted by the Board of Directors of the Association pursuant to the authority granted in Section 3.3 of the Association's Declaration. It supersedes all prior Association Rules and Regulations. Changes to these Rules and Regulations and/or to the Schedule of Fines, Fees, Deposits and Interest will not be effective unless they are in writing and signed by the Board of Directors.

Issued by the Board of Directors this 3 day of April, 2023:


Jonathan Boxer, President


Deanna Debry, First Vice President


Lark Galley, Second Vice President


Kandace Steadman, Secretary


Norman Waitzman, Treasurer

APPENDIX I

SCHEDULE OF FINES, FEES, DEPOSITS AND INTEREST

The table below sets forth the Non-Compliance Fines that may be assessed by the Association against the Owner for violations of the provisions in the Terrace Falls Governing Documents, whether those violations are by the Owner or by another for whom the Owner bears responsibility under the Governing Documents. Non-Compliance Fines will be levied only after an appropriate Written Warning has been given and other conditions have been met, as further set forth in Article 7 of the Association Rules and Regulations. Notwithstanding the amounts listed below, the aggregate amount of Non-Compliance Fines assessed against an Owner/or violations of the same rule or provision of the Governing Documents will not exceed \$500 in any one calendar month. The table also sets forth the Association's Reinvestment Fee, Impact Fee, Compliance Deposits for Major Unit Improvements Projects, and Late Fees and Interest Rates for delinquent payments of all types.

NON-COMPLIANCE FINES			
Topic	Reference	Cure Period	Amount
All violations except as specified below	All Governing Documents	48 hours for violations that are "continuing" in nature. No cure period for violations that are not "continuing" in nature or for repeat violations of the same rule or provision within one year of a Written Warning or Fine.	\$50 Fine against Owner per violation. "Continuing" violations that remain uncured beyond the cure period incur an additional \$50 Fine every 10 days.
REINVESTMENT FEE			
Topic	Reference	Delinquency Date	Amount
Transfer of Unit ownership, where permitted by law	Declaration Section 5.6.d.i.; Bylaws Section 8.4.a	Payable to the Association by Buyer of a Unit at closing.	0.5% of Unit purchase price reflected in the closing documents.
IMPACT FEES			
Topic	Reference	Delinquency Date	Amount
Unit Construction, Owner Impact Fee	Declaration Sections 5.6.d.ii and 6.1.d; Rules and Regulations Item 3.2; Unit Improvements Construction Guidelines, Paragraph D.1	Payable by Owner on or before first day of Major Unit Improvements Project Project may not begin prior to payment.	10% of the applicable Contractor Compliance Deposit. Impact Fee is non-refundable.
Household Moves	Declaration Section 5.6.d.ii; Bylaws Sections 8.4.b and	Payable by Owner on or before first day of each household move into and out of Unit.	\$250 Impact Fee is non-refundable.

	10.2; Rules and Regulations Item 3.1		
DEPOSITS			
Topic	Reference	Delinquency Date	Amount
Unit Construction, Contractor Compliance Deposit	Rules and Regulations Item 3.2 and Unit Improvements Construction Guidelines, Paragraph D.2	Payable by Contractor on or before first day of Major Unit Improvements Project Project may not begin prior to payment.	Based on Anticipated Project Duration: 1-3 Months -- \$2,000 3-6 Months -- \$4,000 6-9 Months -- \$6,000 Projects ordinarily must be completed within 9 months. Refundable in whole or part based on number of Contractor violations of Construction Guidelines. Fines will be levied against Owners for Contractor violations and for late Project completion.
LATE FEES			
Topic	Reference	Delinquency Date	Amount
Dues, Fees and Assessments, except as specified below	Declaration Section 5.10; Bylaws Section 8.4	30 days after each payment due date.	\$50 Late Fee
Individual Assessments: Non-Compliance Fines and Reimbursement Demands	Declaration Section 5.10; Bylaws Section 8.4 and Rules and Regulations Items 7.10, 7.11	30 days after Fine or Reimbursement Demand is assessed, unless Informal Hearing is timely requested, and then 30 days after hearing decision is issued.	\$50 Late Fee
INTEREST RATES			
Topic	Reference	Amount	
Interest on delinquent balances	Declaration Section 5.10; Bylaws Section 8.4	12% per annum	