Exhibit 3

Association living is a new experience for many of us and requires an understanding of its operation. Others are veterans of foreign HOAs. With everyone's cooperation, all may enjoy the advantages of association living.

In order to create a congenial and dignified residential atmosphere, your Board of Directors assembled these General Rules & Restrictions for Lakes of Lockwood for the guidance of all owners, their families, guests, and tenants. These General Rules & Restrictions are the result of our interpretations of our Governing Documents as well as standing Community adopted rules. They are not all-inclusive but are intended to highlight rules and restrictions of those documents. In the event of a misstatement or inconsistency, the Governing Documents take precedence.

Any questions, suggestions or complaints should be made to our POA Management Company, preferably in writing. If the Management Company cannot resolve them for you, they will refer them to the Board of Directors.

It is hoped that we may have the understanding and cooperation of all owners, guests, and tenants in order that we may all enjoy the benefits of association living to the fullest.

Board of Directors,

LAKES OF LOCKWOOD PROPERTY OWNERS' ASSOCIATION, INC.

Chuck Swartz, President Alan Czyzewicz, Vice President Debbie Bonin, Treasurer Steve Bennett, Secretary Joe Morefield, Director at Large

1. CCR Article V – ASSESSMENTS

- a. Entry \$609
- b. Annual \$609
- c. Special Only When Necessary

2. CCR Article VI – ARCHITECTURAL CONTROL

To preserve the original architectural appearance of our Subdivision no alteration of any nature to include changes or additions to existing dwellings and/or landscaping, fountains, lighting, play-ground equipment, statues, etc., shall commence on any exterior portion of the dwellings unless so approved by the Board of Directors and the Architectural Review Board.

3. CCR Article VII – RESTRICTIONS UPON USE OF LOTS AND STRUCTURES

- Sec 1 Any and all improvements to any Lot require ARB approvals.
- Sec 2 Subdivision of Lots is not allowed.
- Sec 3 Combining lots is allowed but you are still responsible for assessments on the individual lots.
- Sec 4 Altering building lines requires ARB Approval.
- Sec 5 Single-family residences only.
- Sec 6 Keep your lot tidy.
- Sec 7 Be thoughtful of your neighbors. Don't be a nuisance.
- Sec 8 Propane tanks must be buried.
- Sec 9 Satellite dishes are not to be placed in the front of the property.
- Sec 10 Home office is allowed so long as there are no signs, advertisements, obtrusive vehicles, busy business activity in or about the area, does not include visiting clients, or unreasonable levels of mail, shipping, storage, obnoxious odors, or special trash requirements.
- Sec 11 No Mining or Drilling allowed.

Sec 12 – Household garbage may be placed along the main road not earlier than 3 PM the day immediately preceding scheduled trash collection and be returned to its proper location not later than 7 PM the day of trash collection. No burning of rubbish or debris is permitted.

Sec 13 - 10' easement on everyone's property to provide access for utilities.

Sec 14 – No structures of a temporary character, including but not limited to mobile homes, trailers, tents, etc., shall be permitted on the premises either temporarily or permanently.

Sec 15 – Propane tanks must be buried and not visible from any location.

Sec 16 – Change of boundary lines must be approved by the LOL/BOD.

Sec 17 – No clotheslines viewable from anywhere.

Sec 18 – Shallow well for irrigation is allowed with ARB approval.

Sec 19 – Overnight parking in the street or drive areas or in the grass is <u>strongly</u> discouraged.

Sec 20 – Septic system are allowed.

Sec 21 – No curbs or sidewalks.

Sec 22 – POA can build facility as office for the benefit of the Association.

Sec 23 – Work shall be substantially complete within 6 months of ARB approvals.

Sec 24 – Only use substantially new materials for construction and no used structures.

Sec 25 – Commonly accepted household pets may be housed and maintained by the owner provided that such pets are not kept, bred, or maintained for commercial purposes.

- All pets must be kept on a leash while outside of the owner's home.
- Excessive barking of a pet or other annoyances to residents may be cause for an order by the Association to remove the pet from the property.
- Utilization of the LOL Dog Park is encouraged.
- PET OWNERS ARE WHOLLY RESPONSIBLE FOR CLEANING UP AFTER THEIR PETS, WHETHER IN THEIR YARD, THE DOG PARK, OR ANOTHER COMMON AREA.

- Sec 26 –No stripped, wrecked or junk vehicles and parts, etc. allowed.
- Sec 27 No ash, trash and garbage allowed to accumulate more than 15 days.
- Sec 28 Perimeter drainage ditches shall be maintained by the property owner.
- Sec 29 All fences require ARB approval, and none are allowed on Lake Lots.
- Sec 30 All Owner's drives must be paved.
- Sec 31 Gardens only in back yards and must be kept unsightly.
- Sec 32 All Lots must be landscaped, irrigated, and sodded in the front where possible.
- Sec 33 Access to perimeter Lots only allowed by LOL community roads.
- Sec 34 Paved drive must be in place prior to occupancy.
- Sec 35 Rules for the use of amenities are established by the Association. Everyone in "Good Standing" in entitled to enjoy our amenities.
- Sec 36 Owner accepts all risks and hazards of ownership including its proximity to amenities and common areas.
- Sec 37 Tree removal must be approved by the ARB before removing.
- Sec 38 Seek guidance and support from the ARB for acceptable exterior materials.
- Sec 39 Owners' temporary "For Sale" or "For Rent" signs of durable construction and appearance not in excess of 2' x 3'. Owners shall be restricted to one such sign per lot and such sign shall be positioned at least 10 feet from the street. Information boxes are to be adjacent.
- Display of Political signs of durable construction and appearance not in excess of 24" x 24" are prohibited earlier than 45 days before the day of elections and later than 7 days after an election.
- Sec 40 No alterations of common areas may happen without written approval from the Board.
- Sec 41 Pools require ARB approval prior to installation; and no above-ground pools.

Sec 42 - **DELETED IN ITS ENTIRETY** 9/27/2004

Sec 43 – Non-street-legal vehicles are not allowed.

Sec 44 – Only Small collapsible trailer, or one boat (23' maximum length and 8' maximum height) and must be on an ARB approved concrete pad. Trailers are not permitted on Lake Lots.

Sec 45 – No commercial vehicles or heavy-duty equipment shall be parked on any lot or any common area. (This shall not exclude commercial vehicles in the course of business from parking in the development)

Sec 46 – Follow the posted rules when using amenities.

4. COMMUNITY ADOPTED RULES

Considerations for approval to install a storage shed, pergola (or similar structure) on your lot Include the following:

- A. You must obtain ARB approval prior to beginning installation
- B. The structure may not exceed 10' by 10'
- C. Allowable BUA for your individual Lot may not be exceeded
- D. Not allowed on lake lots

RENTING

Owners are responsible for compliance with the Rules and Regulations of the Association by their tenants and other guests and occupants, rental agents and/or property managers.

- A. Rental of your home is limited to annual rentals only. An owner who rents his or her home shall notify the Association accordingly. Such notification shall include the name, business address and telephone number of the rental agent or property manager if rental of this unit is controlled by other than the owner.
- B. All rental and lease agreements shall include reference to the Lakes of Lockwood CCRs in addition to other Rules and Restrictions that may be in effect at the time the lease is signed.
- C. Rental agents and property managers who serve as the representative of an owner shall be fully subject to and comply with our Covenants, Constraints, Restrictions and Easements, and all other Rules and Regulations and provisions of our Governing Documents. In addition, each rental agent or property manager shall provide the Association with the name and telephone number of a responsible "on call" representative of the rental agent or property manager who will act on behalf of the owner in the event of any violations to these Rules and Regulations by a renter or tenant.

SECURITY

Security is the responsibility of each and every one of us. Depending upon the nature of the situation, owners and/or tenants are requested to notify an LOL/POA Board Member or the Police (911) of any suspicious people, trespassing, and/or unusual activities in the area.

CONDUCT OF CHILDREN

Parents are responsible for the general conduct of their children at all times. Damage to the common areas, limited common areas, or personal property of other residents by children will be the responsibility of the parent.

GUESTS

Guests should be advised of the Rules and Regulations of the Association. Owners or tenants shall be responsible for their guests' compliance with the Rules and Regulations.

COMMON AREAS

- A. Membership shall entitle members and their guests to the ordinary use of all Association facilities, subject to the rules established by the Board of Directors.
- B. Guests using the Association facilities must be accompanied by a member
- C. All persons who use Association facilities do so at their own risk.
- D. Any member of the Association who wishes to make extraordinary use of the clubhouse, pool or any other common property owned by the Association, shall obtain special approval for such use from the Board of Directors.
- E. Any Member considered "Not in Good Standing" shall be prohibited from utilizing Amenities

POSTED SPEED LIMIT

Motorists shall at all times drive carefully in conformity with conditions and circumstances, but in no event exceed the posted 20 MPH speed limit. Driving on grass is strictly prohibited.

HOLIDAY DECORATIONS

Holiday decorations, lights, etc., may be installed prior to the holiday, but must be removed within thirty (30) days following the holiday.

HAZARDS

No fire hazard shall be allowed to exist and no use or condition shall be permitted which will increase any rate of insurance related to Lakes of Lockwood.

The discharge of fireworks and/or any other type of noise-making or explosive device are expressly prohibited on any part of the Association property.

RULES CHANGES

The Board of Directors of the Association reserve the right to change or revoke existing General Rules and make such additional Rules from time to time as, in their opinion, shall be necessary or desirable for the safety and protection of our Members, and to promote cleanliness and good order of the property and to assure the comfort and convenience of members.

REMEDY VIOLATIONS

The foregoing General Rules are designed to make living for you and your neighbors pleasant and comfortable. The restrictions that we impose upon ourselves are for the mutual benefit of all. Violations will be brought to the attention of the violating Owner, lessee, or guest for corrective action.

CONCLUSION

Residents of Lakes of Lockwood are requested to cooperate by adhering to these General Rules. They were not set up in an arbitrary fashion, nor were they created to work a hardship on anyone. Their purpose is to ensure the safety and comfort for everyone in our community.

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