INVERNESS OWNERS ASSOCIATION RULES

The following Rules have been adopted by the Board of Directors of the Inverness Owners Association. Our goal has been to create as small a body of rules as possible, providing standards and guidelines without imposing too many restrictions on the individual homeowner's prerogatives.

As an association, we are governed by two separate Declarations and Bylaws. Our association and its members are governed first by the Declaration and Bylaws of Highlands at The Vermont National Country Club Community Association, Inc. This is the Association to which all of the developments within Vermont National are a part. Thus, these Declarations and Bylaws are paramount. We are also governed by the Declaration and Bylaws of Inverness at Highlands. Within this context, the Board has sought to set out reasonable rules concerning visual details, physical conditions and standards of care at Inverness.

All of the administrative Rules adopted pursuant to the Declaration and Bylaws are intended to implement the provisions of the Declaration and Bylaws, which provisions shall, in all cases, supersede the Rules in the event of inconsistency or conflict.

1. Alterations and Improvements. Modifications of any kind to the exterior of any unit, or the appearance thereof, may not be made without approval of the Board of Directors. Additionally, pursuant to the Highlands Declaration and Bylaws, any modification must also receive the approval of the Highlands Design Review Committee. By way of example, approval is required for the installation of sunshades, awnings, window boxes, and the like. Any damage resulting from any unauthorized modification or installation shall be the responsibility of the unit owner.

Unit owners shall not erect any outside lighting or other fixtures without the express written approval of the Board of Directors.

Satellite dishes may be installed on each unit subject to approval as to location of installation by the Board of Directors prior to installation, which approval shall not be unreasonably withheld.

Erecting of structures, including but not limited to sandboxes, basketball hoops, hot tubs, pools, swing sets, children's playhouses, trampolines and the like shall be prohibited on any Lot or Common Property except with written approval of a majority of the Board of Directors.

Holiday decorations must be removed no later than February 14.

No window air-conditioners may be used or installed in any unit. Only air-conditioners that are installed in the walls are permissible and approval for installation must be obtained from the Board of Directors.

Unit owners seeking approval for such modifications or installations should provide a written request to the property manager for approval by the Board of Directors, to include plans and specifications for the requested modification or installation. Approval of the plans and specifications shall be evidenced by written endorsement on the plans and specifications, a copy of which shall be delivered to the unit owner prior to the commencement of the modification or installation. Disapproval of plans and specifications by the Board of Directors may be based upon any reasonable ground.

2. <u>Limited Common Property, Lawns & Grounds.</u> The Inverness Bylaws provide that limited common elements are to be maintained by the unit owners. Section 5.7(b) of the amended and restated Bylaws provides that "[e]ach Owner shall keep the Limited Common Property appurtenant to their Lot, including but not limited to the edging, mulching and weeding of any gardens and/or landscaping located behind the Unit, in good order and in a clean and sanitary condition, in order to maintain the appearance and condition of said Limited Common Property in keeping with the small village appearance of the Development."

In addition, each lot owner shall be responsible for all damage to any other lot, dwelling, or garage or to the common property resulting from his or her failure to comply with this section. Each lot owner shall perform his or her responsibility in such manner as shall not unreasonably disturb or interfere with the other lot owners.

The Declaration of Covenants states that in the event the Board determines that any owner has failed or refused to comply with maintaining above said property, the Association will give the owner a written 10-day notice to comply. If any owner does not comply with the request within the 10 days, the Association may perform the repair, replacement or required maintenance at the owner's sole cost and expense. All costs shall be added to and become a part of the assessment to which the owner is subject and shall become a lien against the lot.

However, the Association assumes responsibility for mowing and fertilizing all common property lawns. In addition, the landscape in front and side of lots will be maintained by the Association to keep visibly pleasing condition and uniformity in keeping with the small village appearance of the project. Back lawns are the owner's responsibility to maintain, except for mowing and fertilizing of lawns. Any alterations to the back yard must be reviewed by the Board.

Any additions to or variations from the original landscaping plan for the units will require receiving written permission from the Inverness Board of Directors and the Highlands Design Review Committee. This is to include the planting of new shrubs and bushes, trees, flowerbeds, rock gardens, statuary or the like. The process for obtaining approval will be the same as for obtaining permission for a modification or installation to the exterior of the unit as set forth in section No. 1 above.

All the land within the easement zone (as defined in the survey dated March 14, 2020) is Association property and is the responsibility of the Board to govern. No work shall be taken on by a homeowner in the Easement area without HOA Board approval.

If any homeowner in the Inverness HOA requests work to be done in easement area managed by the HOA, the following process will be followed:

- 1. The owner will make a formal request in writing to the Inverness HOA Board through our property management partner. The request should include specific details and identification of the modification to any common area regarding shrubs, plants and trees.
- 2. Any request by an east facing owner for landscaping in the easement area (as defined in the survey dated March 14, 2020) can only be considered for an area of the easement bounded by the extended side yard line of the owners' property and the party wall line between units to the border of the Gleneagles subdivision, per Inverness Declarations of Covenants Article X, Section B, (5 and 6).

- 3. Our property management partner will forward the request to the Inverness HOA board members.
- 4. The HOA Board will review the request and evaluate the details of the request to determine any impact to by-laws and covenants governing the Inverness HOA.
- 5. The HOA board will allow for public discussion of the request at the monthly HOA Meeting, per published agenda.
- 6. At a public HOA meeting, the board will make a final decision, per Inverness HOA by-laws and covenants, of the request, taking the input of all homeowners into consideration.
- 7. If a request for work is approved, the HOA Board will coordinate with the property management partner the bidding out of the request to an approved contractor.
- 8. Once the scope, bid and cost have been selected and approved by the HOA Board, the Inverness HOA board, will communicate to the owner the cost of the request.
- 9. Once the owner making the request acknowledges the assigned cost, the Inverness HOA will approve the work with the contactor, notify Gleneagles HOA and process the payment to selected vendor.
- 10. The HOA Board will communicate, through our property management partner, the charges to the impacted owners and request payment within 30 days.

All mulch used at Inverness shall be uniform in color and quality as set forth in the standards set by the Board of Directors.

It is the responsibility of all unit owners who plant annuals and bulbs to care for them, to keep them weed free, and to trim or remove them at the end of the season. Failure to comply will result in the unit owner being charged for cleanup and/or restoration. In addition, all planters and decorations must be removed from driveways for winter plowing.

To ensure that all planting dividers between units are similar and that the original views and lines of sight are maintained, the Board of Directors has adopted the following rule: As plantings mature and new plantings are added, the original views should be maintained and the arborvitae privacy-dividers hedges between units (the extension of the unit's common wall) will be maintained to a maximum of approximately eight (8) feet. The Board of Directors may approve, at its own discretion, modification to the aforementioned standard. Specific application for such modification must be made in writing to the Board detailing the request. In considering the request for new plantings, the Board shall consider the line of sight and views from the unit's neighbors; future heights of the plantings; specific location and the overall aesthetics of the planting request.

It is the responsibility of the unit owner to maintain the deck and/or patio attendant to his/her unit. If the repair is required because of the failure of the unit owner to maintain his/her deck or patio, the Board may authorize the repair and the cost of repair shall be assessed to the unit owner.

Based on the above information regarding ground maintenance, below is a summary matrix ("yes" indicating Association maintained and "no" indicating unit owner maintained):

	Front/Side Lawn	Back Lawn	Front/Side Shrubs/Trees	Back Shrubs/Trees	Cedar Hedges and Privet Bushes Between Units
Mow	yes	yes			
Fertilize	yes	yes	yes	no	yes
Mulch			yes	no	yes
Prune			yes	no	yes
Weed			yes*	no	yes
Replace	**	**	***	no	yes

^{*} This will be done on an as needed basis.

3. <u>Animals.</u> If pets create noise, or are allowed to run loose without supervision, or in any way to create a disturbance or unpleasantness or safety concern, the Board of Directors, in its sole discretion, will be authorized to order the owner to remove the pet.

Except at the discretion of the Board of Directors, Unit owners shall be allowed only one (1) domestic pet as of August 16, 2005, provided that:

- a. The property manager is first notified, in writing, and gives written approval;
- b. The pet does not, in the opinion of the Board of Directors, create undue noise, constitute a nuisance, or constitute a safety hazard for other owners;
- c. No pets will be allowed left outdoors or unattended at any time; Invisible/electric pet fences are prohibited.
- d. Pet owners shall clean up after their pets;
- e. Pet owners will comply with all laws and ordinances pertaining to animals as adopted by the State of Vermont or the City of South Burlington.
- f. The pet owner shall hold all persons harmless against loss or liability for any actions of his/her pet within the Development.

Pets are not permitted in rental units.

The feeding of wild animals is strictly prohibited. The feeding of birds is permitted; however, all bird feeders shall be elevated above the ground to limit their attraction to wild animals.

^{**} Negligence of homeowner resulting in damage will be homeowner expense.

^{***} Decisions about whether a replacement will be made and, if so, what will be planted will be made by the Association.

4. Vehicles and Parking.

- 1. Owners should park their vehicles in their driveways whenever possible.
- 2. No recreational vehicles shall be kept in driveways. This includes but is not limited to boats, RVs, trailers, snowmobiles, and wave runners.
- 3. Vehicles must be registered and in operable condition unless stored in garage.
- 4. Owners with shared driveways have a responsibility to not interfere with your neighbor's access to driveway or garage.
- 5. Please be mindful of your neighbors. Park your vehicle as close to your own property whenever possible.
- 6. Adhere to all Motor Vehicle and Traffic Regulations Ordinances of the City of South Burlington, Vermont, including winter regulations.
 - a. Vehicles parked on the street must be parked:
 - i. 6' from either end of mailboxes. Cars cannot block any mailbox.
 - ii. 6' from any fire hydrant.
- 7. Winter parking/plowing:
 - a. The plowing contractor is <u>not</u> required to plow your driveway if your car is parked in it.
 - b. The Winter Parking Ban from the <u>City of South Burlington</u> is from December 1st to April 1st each year. The City prohibits **parking** in the streets from midnight to 8 am.
- **5.** <u>Signs.</u> No sign of any kind shall be erected, posted or displayed upon, in, from or about any Lot or Common Property by an Owner without the prior written approval of the Board of Directors, except for one (1) "For Rent" or "For Sale" sign, which may only be allowed to be displayed inside a window of the Dwelling and shall not be erected, posted or displayed on the exterior of any Lot or Common Property.
- 6. <u>Insurance.</u> By virtue of taking title to a Lot, subject to the terms of the Declaration, each Owner covenants and agrees with all the other Owners and with the Association that each individual Owner shall carry blanket all-risk casualty insurance on non-Common Property of the Owner excluding the Dwelling, including but not limited to the Owner's fixtures, equipment, personal property and contents within their Lot and Dwelling to the extent not covered by any insurance policy of the Association pursuant to Article XIII(A) of the Declaration and a liability policy covering damage or injury occurring on the Lot and Dwelling as a result of actions caused by the Owner or the Owner's guests or invitees. The casualty insurance shall cover loss or damage by fire or other hazard, including extended coverage, vandalism, and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost, if applicable, of any repair or reconstruction in the event of damage or destruction from any such hazard. The Owners shall name the Association and their respective Mortgagees and their successors and assigns as additional insureds, if required, and at the request of the Board of Directors, shall deliver to the Association a duplicate original of all policies covering any part of the Lot. A policy shall be in effect at all times.
- 7. Leases. Units may be leased for residential purposes to no more than two (2) unrelated persons and the Association shall be provided a copy of the signed lease. All leases shall be written leases and have a minimum term of six (6) months. All leases shall require, without limitation, that the tenant acknowledge receipt of a copy of the Declaration, Bylaws, use restrictions, and Rules of the Association and provide that any violation thereof shall be deemed a default under the terms of the lease and that the lessor shall have the right to eject the tenant for such default. All leases shall specifically forbade the keeping of any pets in the Unit so long as the Unit is rented. All leases shall require, without limitation, that the tenant maintain a renter's insurance policy for casualty and liability and provide that any violation to obtain and maintain such insurance coverage shall be deemed a default under the terms

of the lease and that the lessor shall have the right to eject the tenant for such default. The lease shall also obligate the tenant to comply with the foregoing and shall provide that in the event of noncompliance, the Board of Directors, in addition to any other remedies available to it, may, in the event the Owner shall fail to initiate and reasonably maintain an action to evict the tenant after written request to do so by the Association, evict the tenant on behalf of the Owner and specifically assess all costs associated therewith against the Owner and the Owner's property.

8. Sale of Unit. When a unit is sold it is the responsibility of the seller to provide the buyer with a copy of the Inverness Declaration, Bylaws and these Rules. A copy of these may be obtained from the management company for any nominal reproduction fee. The owners shall provide the management company with the name, address, and telephone number of the new owner. See also Section 13 hereinbelow regarding Resale Certificates.

9. <u>Late Fees – Delinquency Policy.</u>

- a. Regular assessments are due and payable on or before the first day of the month due.
- b. Capital assessments are due and payable on or before the date specified in the notice of such assessment.
- c. Any assessment or portion thereof not paid on time shall accrue interest calculated at the rate of one and one-half percent (1 ½%) per month as an additional assessment which shall become due and payable immediately. The Board may waive the first fifteen (15) days of interest if the account is paid in full within fifteen (15) days of the due date.
- d. Payments made on any delinquent account shall be applied in the following order: (a) unpaid assessments; (b) late charges; (c) reasonable attorney's fees and costs and other reasonable collection charges; and (4) all other unpaid fees, charges, fines, penalties, interest and late charges.
- e. For any delinquent account, the Association is permitted but not obligated to pursue any method of collection deemed advisable.
- The Property Manager shall follow the Procedures defined by the Board in collecting Delinquent Accounts. In the event that a lien or a suit is filed, the unit owner will be responsible for all costs of collection, including recording fees, attorney's fees and court costs.

Note: This Policy went into effect on May 1, 2004 and was revised_______, 2011.

- 10. Noise Control. To ensure every resident's peace and tranquility, it is hoped inordinate noise issues (music, television, appliances, animals, etc.) from a unit can be resolved through informal neighborto-neighbor dialogue. If the offensive noise continues, the matter may be referred to the City of South Burlington for resolution. Residents are to adhere to the City of South Burlington Noise Ordinance (attached).
- 11. Grievance Procedure. All unit owners are encouraged to make a good-faith effort to resolve any issues or concerns they may have with any other unit owner(s) prior to initiating a complaint and pursuing the grievance procedure set forth below.

If an owner has a complaint concerning another property owner or the owner's compliance or non-compliance with these rules, the Bylaws or the Declaration, he or she shall submit a written description of the problem to the management company. The management company shall bring the matter to the attention of the Board which will determine what further action is necessary.

If an owner is in violation of any of these rules or regulations, or is in violation of the provisions of the Inverness Declaration or Bylaws, the Board of Directors is authorized to impose a fine of \$25 per day that the violation continues once the unit owner is notified of the offense and given a week to correct the violation. The Board may place a lien on the property and file suit for payment and enforcement of the rules in whatever court is deemed appropriate by counsel. If a lien or suit is filed, the unit owner is responsible for all costs of collection and enforcement disbursed by the association including fines, recording fees, attorney's fees and court costs.

- 12. <u>Building Maintenance Policy.</u> This Policy is adopted by the Inverness Board of Directors to supplement, clarify and further define the Inverness Declarations and Bylaws relating to Building Maintenance issues.
 - a. The Inverness Documents place the responsibility of building unit exterior maintenance on the individual homeowner. The Association has for cost efficiency and to insure a high quality of upkeep decided to take over this responsibility as part of the Associations responsibility. Items included in this category of Association Maintenance work are: roofs, siding, trim, outside window sills, staining of outside doors, driveways, sidewalks, exterior doorsteps and the divider hedges.
 - b. The cost of the required maintenance is put into the Annual Budget and the work is approved by the Board as part of the Association's annual maintenance program.
 - c. The cleaning and repair of clothes dryer ducts, gutter cleaning and duct vents is the responsibility of the Association and will be handled in the same manner as the exterior maintenance (see "a." and "b." above). The ducts are cleaned every other year beginning in 2004. Gutters are cleaned every other year beginning in 2009, with the exception of the gutters at Units 497 and 499 which are cleaned annually.
 - d. The cost of building structural repairs, deck staining, and patio maintenance have <u>not</u> been assumed by the Association and are <u>not</u> part of the Association's maintenance program. Decks and patios are to be maintained as needed by the individual homeowners. They are to be kept in an orderly and responsible fashion. The Board can require a homeowner to make the required repairs.
 - e. The Lot Owner shall bear responsibility for maintenance, repair and replacement of the following, including but not limited to, garage doors, windows, sliding glass doors and patios or decks, which shall be maintained, repaired and replaced as needed in an orderly and responsible fashion, reserving unto the Board of Directors the right to require Lot Owners to make necessary repairs. The maintenance and repair of these items have not been assumed by the Association and are not part of the Association's maintenance program.

Note: This policy went into effect October 1, 2004.

- 13. Resale Certificates. A unit owner desiring to sell his/her unit shall obtain the State Law required Resale Certificate from the property management company. The property management company will charge the owner directly for the required documents. Hard wired carbon monoxide detectors are required for resale.
- 14. <u>Amendment.</u> The Board of Directors may amend, modify, and or delete any provision of these Rules at any time.

Agreement to Comply with Inverness Homeowners Rules

Tenant and Landlord acknowledge that Tenant has read these Rules, as well as the Declaration and Bylaws, and agrees to comply with them. Unit Number: _____ Tenant: Date: _____ Tenant:_____ Date: _____ Date: _____ Landlord:_____ Date: _____ Please return this signed form to the property management company. An updated Information Form should also be filled out.