

RULES AND REGULATIONS OF THE COMMUNITY OF CANYON LAKE VILLAS

The Board of Directors of the Canyon Lake Villas Homeowners' Association (the "Association") adopts the following rules and regulations for the Community of Canyon Lake Villas pursuant to the Amended, Merged and Restated Declaration of Covenants, Conditions and Restrictions for the Community of Canyon Lake Villas, as described therein, dated November 18, 2020 (the "Declaration").

Section 1. Scope. The following rules apply to all parcels of real property subject to the Declaration.

Section 2. Use of Roads, Streets, and Sidewalks. All posted speed limits shall be observed. There is to be no parking or vehicle encroachment on any sidewalk. Parking on the roads or streets shall be in the direction of traffic. No parking on any street, or within Canyon Lake Villas shall be allowed by any motor vehicle, trailer, motorhome, or like equipment for a period exceeding seventy-two (72) hours. Vehicles personally owned, leased, rented, or otherwise operated by residents should be parked on/in said resident's driveway or garage. The seventy-two-hour rule does not affix to resident's vehicle(s) parked on driveways unless it can reasonably be determined that said vehicle(s) is/are being openly stored. See Section 9. Storage and Villas Architectural Review Committee (VARC) Organization, Overview and Guidelines (VARCOOG) Section 4.2.19 Parking.

The Association may take appropriate action to remove any vehicle or equipment in violation of this section within seventy-two (72) hours of posting written notice on the vehicle or equipment in violation of this section. The Association shall charge the cost of the removal of a vehicle to the registered owner of such vehicle or equipment, which shall include costs for towing a vehicle or transporting equipment, impounding and storage fees, court costs and attorney fees. If the registered owner of a vehicle or equipment in violation of this section is a Resident or agent or guest of a Resident, then the cost of removal shall be charged to the Unit Owner of the Unit in which the Resident in violation resides. If the Unit Owner fails to pay the cost of the removal after demand for payment has been made, such costs shall become a lien upon the Unit in the same manner as overdue assessment pursuant to the applicable provisions of the Declaration. See Section 9. Storage.

Nothing herein shall preclude a court action to enjoin a violation. In such event no bond shall be required. Residents shall also be subject to a fine in accordance with the current schedule as adopted by the Board.

Section 3. Use of Common Areas. Common Areas shall not be used in any manner which constitutes a nuisance, interferes with the use of other persons entitled to use such Common Areas or otherwise disturbs, harasses, or annoys Residents of Canyon Lake Villas. No litter or open burning shall be permitted within the Common Areas. No changes in landscaping within the Common Areas will be permitted without written authorization of the Board.

Rules and Regulations for use of the Pool, Clubhouse and Spa are promulgated by the CLVHOA Board of Directors and appear as Exhibit A hereto and incorporated herein by this reference. Failure to observe Pool, Clubhouse and Spa Rules may include temporary suspension of household use of the facilities including fines as identified in Section 19.

Section 4. Signs and Flags. Signs are generally prohibited (including commercial or business), and are regulated by this section and the Kennewick Municipal Code, Chapter 18.24, except that the following signs are permitted. See Exhibit B.

The outdoor display of the Flag of the United States by an owner on the owner's property, as permitted by RCW 64.38.033, shall be maintained, and displayed in a manner consistent with the federal flag display law, 4 U.S.C. Sec. 1 et seq and Public Law 94-344.

Section 5. Animals. No animals shall be raised, commercially bred or kept within Canyon Lake Villas, except for dogs, cats, or other tame, domestic household pets of similar size that do not create a nuisance or interfere with the quiet enjoyment of Villas residents. Domestic Fowl (ie. Chickens, ducks, turkeys and geese), and rabbits are prohibited. The primary housing for pets shall be indoors. The maintenance or support of feral cats is prohibited. Pets shall be kept on a leash when not in a residence or fenced yard. Pet control and waste removal are the responsibility of the pet owner.

Section 6. Trash Control. No part of any Unit or other real property shall be used as a dumping ground for lawn clippings, rubbish, trash, garbage, or any other waste. Garbage, trash or other waste shall be kept in a sanitary container and stored in garages, fenced side yards or places that cannot be seen from the street. Littering is strictly forbidden.

Section 7. Nuisances. No noxious or offensive conditions shall be permitted upon any Unit or residential lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to other residents in Canyon Lake Villas.

Section 8. Residential Restrictions. No trailer, camper, truck, motor home, tent, garage, barn, shack, or outbuilding shall at any time be used as a residence, temporarily or permanently, within Canyon Lake Villas.

Section 9. Storage. Except for time reasonably required to load, unload or clean, the parking of boats, trailers, motor homes, commercial vehicles, box trucks, campers, inoperative vehicles or like equipment shall not be allowed on any Private Area within Canyon Lake Villas for more than seventy-two (72) consecutive hours in a single seven-day period, except within the confines of an enclosed garage, a fenced side yard or a place that cannot be seen from the street or neighboring lots. The seventy-two-hour clock starts when the above described first arrives and runs continuously for seventy-two hours. Temporarily moving and/or repositioning within the Private Area of Canyon Lake Villas does not constitute the commencement of a new seventy-two-hour period. See Villas Architectural Review Committee (VARC) Organization, Overview and Guidelines Section 4.2.19 Parking.

Violations of this section shall be subjected to the same remedies provided in Section 2 (Use of Roads, Streets and Sidewalks).

Firewood shall not be stored in view of other units.

Section 10. Completion of Improvements. It shall be the obligation for each Unit Owner to comply with the provisions of the VARCOOG and specifically Section 3.7. The construction, modification or alteration of any residence, structure, landscaping, or other form of improvement shall comply with all rules, regulations and guidelines promulgated by either the Board or the Canyon Lake Villas Architectural Review Committee. All lawns and landscaping systems created pursuant to this Section shall be maintained in a condition satisfactory to the Canyon Lake Villas Architectural Review Committee.

Section 11. Upkeep of Lots. All Unit Owners and Residents shall keep all Units and the improvements thereon in a clean, attractive, safe, and sanitary condition. Trees and shrubbery abutting any sidewalk shall be maintained as to not encroach on the free and unencumbered access and use of the sidewalk. If any Unit within Canyon Lake Villas shall become overgrown or unkempt to create a visual nuisance or safety hazard, or if any residential lot shall become unsanitary, the Association may, following ten (10) days written or electronic notice to the Unit Owner, take appropriate clean-up action and charge the cost thereof to the owner. If the Unit Owner refuses to pay the cost of the action, the cost shall become a lien upon the lot in the same manner as an overdue assessment pursuant to the provisions of the Declaration.

Section 12. Burning. Open fires shall not be permitted within Canyon Lake Villas. Outdoor barbecues, fireplaces, or fire pits may be used for cooking or other purposes on the Lots when permitted by the City of Kennewick and/or Benton County. Reasonable and adequate precautions against the spread of fire must be taken. Excessive smoke and soot accumulation shall not be allowed.

Section 13. Mailboxes and Newspaper Receptacles. All Units within Canyon Lake Villas shall use mailboxes and newspaper receptacles approved by the Canyon Lake Villas Architectural Review Committee.

Section 14. Use of Residential Lots. All Units within Canyon Lake Villas and any improvements located thereon shall be used for owner occupied single family or multigenerational residential purposes only. Units shall not be used for halfway houses, transition houses, or other groups that cannot be defined as single family or multigenerational. Units shall not be used for any business, commercial, manufacturing, rental, or retail activity or purpose.

Units shall not be used for garage/yard sales without the approval of the Board and are generally restricted to one board approved community garage sale per year.

Section 15. Exterior Lighting. Holiday lighting and decorations shall be installed and operated not more than six weeks before or three weeks after given holiday.

Section 16. Excess Water. Irrigation systems shall be designed, installed, maintained and operated in a manner that excess irrigation water does not negatively affect neighboring properties. Homeowners shall comply with drought control restrictions.

Section 17. Costs and Legal Fees. If the Association takes any enforcement action arising from a violation of these rules and regulations, the person, or persons in violation of these rules and regulations shall be liable to the Association for all costs, fees and expenses incurred by the Association as a result of the violation and any enforcement action.

If the person or persons in violation of these rules and regulations is a Resident or the agent or employee of a Resident, and any costs, fees and expenses incurred by the Association remains unpaid after demand for payment has been made, such costs, fees and expenses shall become a lien upon the lot in the same manner as an assessment pursuant to the applicable provisions of the Declaration.

Section 18. Remedies. No remedy or fine provided for herein shall be deemed an exclusive remedy for violation of the rules. Enforcement may in all instances be by injunction or other equitable remedy. The Association and each individual unit owner shall have standing to enforce these Rules, and, in any such proceeding, the prevailing party shall be entitled to recover its reasonable attorney fees and costs.

Section 19. Fines: Fines and Fine procedures shall be approved by the Board and enforced as provided in Exhibit D attached hereto by this reference made a part hereof as if fully set forth.

Any member of the CLVHOA may contact any Officer and/or Designated Representative of the Board to report a known or perceived infraction of the Rules. Such reporting will be held in complete confidence by the Board/Designated Representative and no action will be taken which may in anyway disclose either directly or inadvertently the identity of the reporting member. The Board/Designated Representative will review the reporting and determine what, if any, action is required. All action by the Board will be conducted in accordance with the CCRs, Bylaws, R&Rs, and VARC documents.

I, John B. Dorman, Secretary of the Canyon Lake Villas Homeowners' Association, hereby certify that the foregoing Rules and Regulations of the Community of Canyon Lake Villas were duly adopted by the Board of Directors of the Canyon Lake Villas Homeowners' Association on the 12th day of November, 2021, pursuant to the Declaration and the Bylaws of the Canyon Lake Villas Homeowners' Association, as amended.

John B. Dorman - Secretary

CANYON LAKE VILLAS RULES AND REGULATIONS

EXHIBIT A.

Section 3: USE OF COMMON AREAS

The Villas Clubhouse, Pool and Spa offer unique neighborhood opportunities to Canyon Lake Villas Homeowners in good standing for social gatherings, club meetings, and pool enjoyment. Good standing is defined as having all dues and assessments paid and no outstanding fines assessed per Section 19 Exhibit D. The pool is operated as a limited use swimming pool by the CLVHOA Board of Directors in compliance with Revised Code of Washington (RCW), Chapters 70.90 and 43.20 and Washington Administrative Code (WAC) 246-260, both incorporated herein by reference and not restated.

To ensure we all work together to respect these amenities, the Board requires your understanding and cooperation in following the rules set forth below. The Board of Directors reserves the right to change these rules at any time and may deny service or access to those who fail to follow them.

1. **Homeowner Pool Keys and Clubhouse Access:** Each homeowner member of the CLVHOA will be issued one (1) key for the use of the Pool facility and access to the restroom facilities in the Clubhouse. Access to the Clubhouse for social gatherings and club meetings is reserved thru the Clubhouse Coordinator whose contact information can be provided by any Board member and posted on the clubhouse. An access code will be given upon completion of any paperwork required and a check deposit. The Pool does NOT accept private reservations.
2. **Clubhouse and Pool Property and Conduct:** Each homeowner must be present and is responsible for the conduct of his or her household and any guests while using the clubhouse or pool and is liable for any damages caused by them or their guests. All Homeowners and their Guests using the Clubhouse or Pool do so at their own risk and shall hold the other Homeowners and the CLVHOA harmless from any and all causes of action including costs and attorney fees.

Checklist cleaning procedures may be posted at the Pool, restrooms and Clubhouse and each homeowner is expected to perform those tasks upon exiting the respective facilities. Clubhouse and Pool furniture and associated property are the property of the CLVHOA so please use care in using the property and leave it in a clean, functioning, and orderly condition. Personal belongings brought to the facilities are the responsibility of the Homeowner and his or her guests. The CLVHOA does not assume or has any responsibility for any lost, damaged, or stolen personal property.

3. **Pool Access Privileges.** Homeowners and their invited guests may use the pool. **The Homeowner MUST be present to supervise their guests.** Homeowner adult children over 18 residing in the Villas may use the pool, but cannot invite guests.
4. **Pool Specific Rules.**
 - A. THERE IS NO LIFEGUARD OR POOL ATTENDANT.
 - B. All Homeowners and their Guests using the Pool do so at their own risk and shall hold the other Homeowners and the CLVHOA harmless from any and all causes of action including costs and attorney fees.
 - C. No persons who are sick or have an infection shall use the Pool. No cuts, colds, fever, ear, nose or throat discharge or coughing. Anyone with a communicable disease or anyone who has been ill with vomiting or diarrhea within the last two weeks is prohibited from using the Pool or Spa.
 - D. No one, Homeowner or Guest, who appears to be under the influence of drugs or an intoxicating beverage shall be permitted to use or remain at the Pool or Clubhouse.

- E. Anyone in diapers is to wear a protective covering to prevent contamination. Diaper changes may be done by using the Clubhouse restrooms.
 - F. All toys, floatation devices or diving gear must be designated for pool use, sanitized prior to entering the Pool and removed and taken home when leaving the Pool.
 - G. Noise must be kept at a reasonable level. Please be considerate of other Homeowners living in the area.
 - H. The Pool gate must be kept locked. Do not prop open. Be sure gate is locked after entering or leaving the Pool.
 - I. No swimming is allowed if the Pool is posted as closed.
 - J. No smoking, gum or seed used is permitted in the pool area or clubhouse.
 - K. No diving, pushing, running or horseplay is permitted.
 - L. Goggles or swim masks with glass lenses are not permitted in the Pool area and no glass containers are permitted in the Pool area.
 - M. The underwater lights and outside lights must be on when swimming after sunset.
 - N. No pets are allowed in the Pool area.
 - O. Anyone not complying with the above rules is subject to removal from the Pool, Spa, and/or Clubhouse.
 - P. A First Aid kit is located to the left of the entrance to the pump house. The emergency telephone is in the pump house. The pump house door will be unlocked during pool hours. Signs marking the location of the First Aid kit and emergency telephone are clearly posted.
5. **Spa Specific Rules.** The Benton-Franklin County Health Department CAUTIONS the following A through D.
- A. Children under the age of six (6) should not use the Spa pool.
 - B. Persons suffering from heart disease, diabetes, high blood pressure, or other underlying conditions should consult a physician before using the Spa pool.
 - C. Women who are or may be pregnant should obtain a physician's advice regarding using the Spa pool.
 - D. Spa users should limit their stay in the Spa pool to fifteen (15) minutes at any one session.
 - E. Maximum bather capacity of the Spa pool is six (6).
6. **Other.**
- A. The phone is for EMERGENCY USE ONLY. In the event of an emergency call 911 immediately.
 - B. The Pool and Spa hours are posted as determined by the Board of Directors.

CANYON LAKE VILLAS RULES AND REGULATIONS

EXHIBIT B.

Section 4: SIGNS

Permitted:

1. One sign advertising a home for sale. If the home borders on the golf course, one additional sign on the golf course side is permitted.
2. Monument signs owned by the Canyon Lakes Property Owners Association used to designate Canyon Lake Villas.
3. "Please Slow Down" signs.
4. Temporary signs intended to advertise community events.
5. Temporary directional signs. (i.e., Open House, Yard Sales)
6. One political sign promoting candidates or issues for a primary, general, or special election, with the permission of the homeowner.
7. Warning signs. (i.e., No Trespassing, Private, etc.)
8. Other signs specifically approved by the Villas Architectural Review Committee and the association board.
9. One sign identifying a contractor during construction.

Additional Requirements:

1. No sign may be located to obstruct traffic views. See Kennewick Municipal Code Section 13.12 and 18.27.060.
2. For Sale signs shall not exceed 8 square feet in sign area and shall not exceed 8 feet in total height.
3. All other signs must be freestanding, mounted on steel or wooden posts or heavy wire frames, such that the top of the sign and post(s) is no higher than 6 feet above the adjacent ground. The placement of signs on trees, light poles, or other public property is prohibited.
4. Political or temporary event signs shall be no larger than 2 foot by 2 foot or 576 square inches in area but may be single or double sided.
5. Signs shall not be placed in or on any common area or private way without the approval of the Canyon Lake Villas Homeowners' Association Board
6. Signs shall be placed no closer than 5 feet to the nearest sidewalk.
7. No sign, except monument signs, may be lighted or illuminated in any way.
8. Political signs may be posted no earlier than 90 days before any election and must be removed within 7 days following the election.
9. Temporary event signs may be posted no earlier than 14 days prior to an event and removed no later than 3 days following the event.

CANYON LAKE VILLAS RULES AND REGULATIONS

EXHIBIT C.

Section 14: LEASES

No unit, or any portion thereof, shall be rented or leased for any purpose, commercial or otherwise, even temporarily. This does not apply to the club house located on Parcel D described in section 4.5 of the Declaration.

Use of the clubhouse (above) by an authorized resident as defined by the Declaration, Sections 1.10 and 1.11 shall not be considered a lease. The resident, however, shall remain totally and unilaterally responsible and liable for such use.

Residence by an adult trust beneficiary of a unit owned by a Family Trust administered by a qualified Trustee, shall not be deemed a lease. However, at such time that there is no residence by a qualifying adult trust beneficiary, or the trust terminates and/or distribution is to an adult individual, said use terminates and may not be transferred or assigned to another Family trust, other than by an individual unit owner or their authorized agent by valid power of attorney.

The owner of a unit leased in violation of this rule will be fined. The initial fine amount shall be \$250, with an additional fine of \$150 per week for non-compliance. The aggregate fines shall be considered a lien on said property and subject to foreclosure or other remedies as is provided in Exhibit D of these Rules and Regulations.

CANYON LAKE VILLAS RULES AND REGULATIONS

EXHIBIT D.

Section 19: FINES AND PROCEDURES

The Association will use the following fining system to address violations of the Rules and Regulations of the Canyon Lake Villas Community or the Architectural Review Committee Rules. The Board of Directors of the Association may by majority vote, delegate the function of determining violations of Rules and imposing fines to any officer, director, or agent of the Association, or to the Canyon Lakes Property Owners Association. Any Notice of Violation of rules or notice of imposition of fines shall be in writing delivered by either First Class Mail or electronic transmission. If by first class mail, to the address on file with the Association of such Unit Owner, it shall be deemed to have been "provided" to a Unit Owner three (3) business days after posting. If given by electronic transmission, then to the consented last e-mail address on file with the Association, it shall be deemed delivered upon transmission. The Association Secretary shall maintain records of all notice transmissions and violations.

1. **Rules and Regulations of the Community of Canyon Lake Villas.** Fines may be charged to a Unit Owner in violation of the Rules and Regulations of the Community and/or a violation of the Villas Architectural Review Committee (VARC) Rules. A Unit Owner in violation will be provided at least two (2) written notices describing the same and the corrective action required to be taken before any fine will be imposed. If a violation continues or is repeated after the second notice to a Unit Owner, the Association may impose, by written or electronic transmission, an initial fine in accordance with a current Fine Schedule (d) below.
2. **Appeal of a Notice of Violation or Imposition of a Fine.** A Unit Owner provided a written or electronic notice of a violation or imposition of a fine, may appeal the notice of violation or imposition of fine within **Five (5) days after** having been provided the written notice or electronic notice of the violation or imposition of a fine. The Unit Owner shall thereafter be deemed in Non-Compliance.
 - A. All appeals shall be in writing or electronic transmission, shall state the basis for the appeal, and shall be delivered to the Canyon Lake Villas Homeowners' Association. The Board of Directors of the Association shall hear the appeal at the next regularly scheduled meeting of the Board of Directors and shall render a decision by majority vote. The imposition of a fine shall be stayed while the appeal is pending.
 - 1) Any Unit Owner who fails to appeal within five (5) days as provided above SHALL BE DEEMED TO HAVE WAIVED THE RIGHT TO APPEAL.
 - 2) A Unit Owner is permitted only one appeal for each violation and may not appeal the imposition of a fine for a repeated violation of the same violation.
 - B. **Collection of Fines.** If a Unit Owner does not appeal, or unsuccessfully appeals the imposition of a fine, and the fine is not paid within ten (10) days of imposition or unsuccessful appeal, the Board may collect the amount of the fine in the same manner as an unpaid assessment pursuant to Section 7.9 of the Declaration. The unpaid fine(s) shall be a personal obligation of all said Unit Owners and shall also constitute a lien against the Unit Owners unit, which may be foreclosed as provided in Section 7.9 of the Declaration.

The Association's power to impose and collect fines shall be in addition to any other rights or remedies the Association may have, including the right to obtain injunctive or other relief as allowed by law or the Declaration.

- C. **Dispute Resolution.** In the event there is any continuing dispute regarding the enforceability of these rules and regulations or of fines imposed hereunder, the matter will be submitted first to mediation (RCW 7.07) before a mediator or panel or organization acceptable to all parties. Should mediation fail, then the matter shall be submitted to binding arbitration pursuant to RCW 7.07A and 7.06, as supplemented herein, at a location to be mutually agreed upon in Benton County, Washington. In the event the parties fail to promptly agree upon an

Arbitrator, at the request by either party and upon 7 days' notice to other effected parties, the same shall be selected by the presiding Judge of the Superior Court for Benton County. The Mandatory Arbitration Rules (MAR) as implemented in Benton County Superior Court, shall be binding as to procedures. Costs of arbitration including reasonable attorney fees and costs are awardable by the Arbitrator to the prevailing party or parties.

D. Fine Schedule.

- 1) **Use of Roads, Streets and Sidewalks** – (Section 2 of Rules and Regulations) **(R&R)** Initial fine of \$25 with an additional \$10 per day for each day of non-compliance.
- 2) **Use of Common Areas/Pool/Spa/Clubhouse** – (Section 3 of R& R) Initial fine of \$25 with an additional \$10 per day for each day of non-compliance. Fine may include temporary suspension of household use of Pool, Spa or Clubhouse.
- 3) **Signs** – (Section 4 of R&R) Initial fine of \$25 with an additional \$10 per day for each day of non-compliance.
- 4) **Animals** – (Section 5 of R&R) Initial fine of \$25 with an additional \$10 per day for each day of non-compliance.
- 5) **Trash Control/Littering** – (Section 6 of R&R) Initial fine of \$25 with an additional \$10 per day for each day of non-compliance.
- 6) **Nuisances** - (Section 7 of R&R) Initial fine of \$25 with an additional \$10 per day for each day of non-compliance.
- 7) **Residential Restrictions** - (Section 8 of R&R) Initial fine of \$50 with an additional \$25 per day for each day of non-compliance.
- 8) **Storage** - (Section 9 of R&R) Initial fine of \$25 with an additional \$10 per day for each day of non-compliance.
- 9) **Completion of Improvements** - (Section 10 of R&R) Initial fine of \$250 with additional fine of \$25 to \$100 per week as determined by the Board until such time as the violation is remedied.
- 10) **Lot Upkeep** - (Section 11 of R&R) Initial fine of \$25 with an additional \$10 per day for each day of non-compliance.
- 11) **Burning** - (Section 12 of R&R) Initial fine of \$150 for the first occurrence and for any subsequent incidents by the Unit Owner the fine shall be increased to \$300.
- 12) **Mailboxes, etc.** - (Section 13 of R&R) Initial fine of \$25 with an additional \$10 per day for each day of non-compliance.
- 13) **Use of Lots** - (Section 14 of R&R) Initial fine of \$250 with an additional fine of \$150 per week of non-compliance.
- 14) **Exterior Lighting** – (Section 15 of R&R) Initial fine of \$25 with an additional \$10 per day for each day of non-compliance
- 15) **Excess Water** – (Section 16 of R&R) Initial fine of \$25 with an additional \$10 per day for each day of non-compliance.
- 16) **Violation of ARC Rules and CC&R's** – Initial fine of \$250 with an additional fine of \$25 per day for each day of non-compliance.

Note: Non-compliance is presumed if the violation is not in the process of being remedied within five (5) business days from the notification date of the fine imposition and shall continue until the Board is satisfied a resolution has been agreed upon and/or the infraction has been resolved.

The foregoing Rules and Regulations were adopted by action of the Board of Directors of the Canyon Lake Villas Homeowner Association on the 12th day of November, 2021, pursuant to the Declaration and Bylaws of the Community of Canyon Lake Villas.