

Rules and Regulations of the Crystal Ridge Homeowners' Association

These Rules and Regulations of the Crystal Ridge Homeowners' Association (these "**Rules**") apply to all real property described in, and subject to, that certain Declaration of Covenants, Conditions, and Restrictions of the Crystal Ridge Homeowners Association of Puyallup, Washington, dated as of November 16, 1992 and recorded in the Records of Pierce County under Auditor's File No. 9211160194, as modified and amended by that certain First Amendment to Declaration of Covenants, Conditions, and Restrictions dated as of July 6, 1993 and recorded in the Records of Pierce County under Auditor's File No. #9307060139 (collectively, the "**Declaration**"). Capitalized terms used but not specifically defined in these Rules shall have the meaning assigned to them in the Declaration.

These Rules have been adopted as of the 1st day of December 2015 by the Board of Directors of the Crystal Ridge Homeowners Association (the "**Board**") pursuant to its authority under the Declaration (including Article XI, Section 3) and the Bylaws of the Crystal Ridge Homeowners' Association of Puyallup (including Article VII, Section 1) to aid in the enforcement of the use restrictions, architectural design, maintenance standards, and other provisions set forth in the governing documents for Crystal Ridge. All land uses within the Crystal Ridge Properties shall conform to the requirements of and the restrictions set forth in these Rules, as they may be amended, modified, repealed, or limited pursuant to the authority granted to the Board.

All Owners are encouraged to address compliance issues arising under these Rules or the Declaration by first communicating their concerns to the Owner of the subject lot. When such discussions are unsuccessful, Owners should communicate unresolved issues and alleged violations in writing to the Board.

A. General. The Properties shall be used only for residential, recreational, and related accessory purposes consistent with the Declaration and these Rules. Any activity or condition occurring, or allowed to continue, on any lot or in any Common Area that in the Board's discretion violates the express requirements or the spirit of these Rules or the Declaration shall be deemed a violation of these rules for which enforcement action (including fines) may be taken against the individual(s) causing or allowing the activity or condition to occur and/or the Owner of any affected Lot.

B. Restrictions. All Owners and occupants of Crystal ridge shall adhere to the following use restrictions:

- 1) **Architectural:** No construction, erection, or placement of anything, permanently or temporarily, on the outside portions of a building is allowed, whether such portion is improved or unimproved, except in strict compliance with the Architectural Review provisions of the Declaration.

2) Exterior Upkeep & Yards:

- a) Each Lot shall be maintained by the Owner in a neat, clean, and sightly condition at all times. Unsightly outdoor storage of personal property on porches, patios or yards (front or rear) shall not be permitted. The front of a Lot shall be kept free of accumulations of litter, junk, containers, equipment, toys, household goods, tools, building materials, other debris, lawn furniture, grills, excessive lawn ornaments, and other personal property. No play objects such as bicycles, basketball hoops, nets or other yard toys shall remain visible from the street overnight (other than weekends) or for extended periods of nonuse and no such object shall remain in the right-of-way at any time when not in use. The appropriateness of any other stored items is subject to the discretion of the Board.
- b) Owners must obtain approval from the Architectural Control Committee (“ACC”) for any repainting, additions, alterations or other improvements to the outside of their homes (e.g., satellite dishes, porches/decks, fences, etc.) as provided in the Declaration. An Owner can contact the Board for further guidelines and requirements.
- c) All exterior holiday decorations must be removed within 7 days following the observance of the holiday with the exception of Christmas. Christmas decorations must be removed no later than January 5th.
- d) Political yard signs, not more than (8) square feet in area, of a temporary nature, will be allowed on Lots but not in the Common Areas during campaign periods.
- e) No signs, billboards, or other advertising structure or devices shall be displayed to the public view on any Lot except one sign not to exceed four square feet may be placed on a Lot to offer the property for sale or rent.
- f) All Owners must maintain their lawn and the exterior of their home in a neat and orderly condition. Yards shall be mowed, free of weeds, moss, and kept in an attractive condition.

3) Animals:

- a) No animals, except dogs, cats, caged birds, fish and tanks, and other small household pets, will be permitted on Lots.
- b) Pets shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling. Leashed animals are permitted within streets when accompanied by their Owners. Those pets which roam free, or, in the sole discretion of the Board, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Lots shall be removed at the Board's request. If the pet owner fails to honor such request, the Board may pursue enforcement action until the pet is removed from Crystal Ridge.
- c) Pet owners are responsible for pick up and disposal of pet waste.
- d) All outdoor pens and enclosures placed for the purposes of animal containment must be approved by the Board prior to construction and shall be kept clean and odor free at all times.

- e) Pets shall be registered, licensed and inoculated for disease as required by law in accordance with state and local laws.
 - f) Owners and occupants who place or keep animals of any type in Crystal Ridge shall be responsible for any damage to the Common Areas caused by the animal(s). Pet owners may not permit their pets to create a disturbance of any kind. Dangerous and aggressive animals should not be permitted in Crystal Ridge at any time.
 - g) No structures, equipment or other items are allowed on the exterior portions of a Lot which are rusty, dilapidated or otherwise fallen into disrepair.
- 4) Nuisance and Offensive Activities:
- a) No activity is permitted on the Properties which might cause damage to lawns, landscaping, buildings, pavement or other real or personal property. No activity is allowed which emits foul or obnoxious odors outside the Lot or creates noise or other conditions which disturb the peace (e.g. loud music, vibrations, barking dogs, etc.) or threaten the safety of the occupants of other Lots. Pursuit of hobbies or other activities which cause an unclean, unhealthy or untidy condition to exist outside enclosed structures on the Properties are not allowed. No noxious or offensive plants, animals, devices or activities are allowed which in the Board's reasonable determination may cause embarrassment, discomfort, annoyance, or nuisance to persons using the Common Areas or to the occupants of other Lots.
 - b) Quiet hours set by the City of Puyallup shall be followed by the Owners and their guests.
 - c) If damage is caused to any Common Area or to another Owner's property due to the actions of a homeowner, pet, guest or occupant, the Owner of the Lot will be responsible for repair charges as determined by the Board.
- 5) Automobiles; Outdoor Parking and Parking Area Use:
- a) Parking in unpaved areas, on sidewalks and on the lawn (in whole or in part) by residents, visitors or service personnel is strictly prohibited. No commercial vehicles shall be parked on the Properties. Any vehicle (of an Owner, occupant or visitor) in violation of these Rules or the Declaration will be subject to monetary fines and/or towing at the Owner's expense.
 - b) No storage of goods, vehicles, boats, trailers, trucks, campers, recreational vehicles, or other equipment or device shall be permitted in open view from any Lot or street.
 - c) Outdoor parking of inoperable or unsightly vehicles is prohibited. All parked vehicles must be operable, properly maintained (no broken windows, flat tires, tarp cover, etc.) and display current and valid license plates and license tabs.
 - d) Repairs and maintenance of automobiles, including the changing and disposal of motor oil or other vehicular fluids, may only be carried out in a garage, except washing and cleaning.
 - e) Storage pods may not remain on the Properties for more than 10 days. The pod must be contained within one of the resident's two assigned parking spaces. They may not be placed in the street, on lawns or sidewalks.

- 6) Window Air Conditioning Units: Window air conditioning units are not permitted in the front elevation of the home. Any temporary window replacement material must be glass or painted to match the home and installed in a neat and professional manner.
- 7) Damage to Common Areas: Any damage to Common Areas or Common Maintenance Areas or improvements thereon, including landscaping plantings, fences, berms, etc., by the Owners or their invitees (including children) shall be repaired within one week. Any Owner in violation of Article VII, Section 3 of the Declaration (Maintenance of the Common Area/Common Maintenance Areas) shall be subject to the fines described in the Enforcement Policy attached hereto as Exhibit A.
- 8) Hazardous Chemicals; Environmental Compliance: Hazardous chemicals or substances must be stored, used, and disposed of in a manner which prevents them from getting into the environment, including soil, creeks, wetlands, streets, storm drains, storm detention ponds and sewer systems.
- 9) View Obstruction: Any Owner in violation of the maximum structure height limitations, view preservations, and tree and plant height restrictions under Article XII, Sections 15 and 16 of the Declaration shall be subject to the fines described in those sections.
- 10) Antennae or Dishes: No radio or television antennae, transmitters or parabolic reflectors (satellite dish antennae) shall be permitted in the front yard of any Lot if installed with a ground mounted mast or pole.
- 11) Driveways: All driveways shall be paved with exposed aggregate concrete, unless otherwise approved by the ACC.
- 12) Violation of Laws: No activity is allowed which violates local, state or federal laws or regulations; however, the Board shall have no obligation to take enforcement action in the event of a violation.
- 13) Violation of Other Governing Document: Any violation of the Declaration, the Bylaws, or any other rule or policy duly adopted by the Board shall be deemed a violation of these Rules.

C. Enforcement of Rules. Each Owner, by virtue of being ultimately responsible for ensuring compliance with these Rules will be liable for any violations of the Rules by the Owner or its guests, tenants, visitors, agents, employees, or family members and any fines assessed therefore. Any occupant that violates these Rules also shall be liable for any fines assessed against the Lot (in addition to the Owner being liable). Any reported violations of rules will be investigated, where possible, via phone call, email communication or physical inspection prior to a written notice of violation. Failure to comply with the Rules and Regulations set forth herein may result in enforcement actions outlined the Enforcement Policy attached hereto as Exhibit A.

D. Collection Fee. These Rules authorize the Board to impose fines per Exhibit B. The Board may exercise its rights to lien any property as authorized in the Declaration for failure to pay any fines assessed and may charge an Administrative Fee (as defined in Exhibit B) for any past due

and unpaid account whether for dues, fines or other fees if the account is assigned to a collection agency.

R&R (Orig) - Expires 12/31/16
See R&R (Rev A) - Eff 1/1/17 - 12/31/17

EXHIBIT A

Enforcement Policy

Notice of Violation: If the Board, in its discretion, determines that an Owner or occupant of any Lot is violating the Declaration, use rules or other governing documents, then the Board or its designee may deliver written notification to a Lot Owner or occupant setting forth the following: (a) the specific violation and date of the violation; (b) the required compliance and corrective action (“**Compliance**”); (c) the sanction to be imposed if Compliance does not occur; and (d) the Owner’s right within 10 days after receipt of the notice either to file an appeal or make arrangements with the Board or its designee in writing to accomplish Compliance. Any appeal must be submitted in writing to the Board, outlining the reasons for the appeal.

The “**Due Date**” for Compliance means one of the following, as applicable:

- 1) completion of Compliance within (15) days after the notice of violation if the Owner does not file an appeal within the 10-day period;
- 2) if the Owner made arrangements with the Board or its designee, then expiration of the date for Compliance set by the Board or its designee; or
- 3) if the Owner filed a timely appeal, then expiration of the time allowed for Compliance as set forth in the final appeal decision (or within 10 days after the appeal decision if no time for Compliance is set forth in the appeal decision).

If the Owner fails to remedy the cited violation by the Due Date, a Notice of Enforcement Fines will be sent to the Owner.

Notice of Enforcement Fines: A Notice of Enforcement Fines will inform the Owner of:

- 1) The nature and description of the violation and the failure of the Owner to correct the violation.
- 2) The fine to be assessed and billed to the Owner, and recorded to the Owner’s account, with such fine being subject to all available collection efforts including administrative and collection fees as set forth in Exhibit B to the Rules.
 - a) 1st Fine: The amount set forth on Exhibit B if Compliance is not completed by the Due Date.
 - b) 2nd Fine: Double the amount of the first fine above if Compliance is not completed within 30 days after the Due Date.
 - c) 3rd Fine: Triple the amount of the first fine if Compliance is not completed within 45 days after the Due Date.
 - d) 4th and Subsequent Fines and Additional Sanctions: If the Owner has not completed Compliance within 60 days after the Due Date, then the Owner will be subject to ongoing per occurrence or per diem fines in the amount of the third fine above. Further, the following privileges shall be suspended: use of any Common Area or recreational facilities; any services provided by the Residential Association to the Owner; and the temporary suspension of the Owner’s right to vote. A lien may be recorded against the

Owner's Lot and a demand of payment letter delivered by an attorney for the Crystal Ridge Homeowners Association for any and all unpaid fines. The Owner in violation shall be liable for all expenses incurred by the Crystal Ridge Homeowners Association including all legal and collection costs associated with the above actions.

Any administrative, legal, or other costs incurred by the Board to remedy the violation shall be assessed against the Owner along with the above-described fines.

Fines assessed against an Owner must be paid to the Crystal Ridge Homeowners Association within ten days of the date of written notice of the violation (but deferred until completion of any hearing, if applicable) and the fine assessed therefore. The Board will consider any request for an appeal in a hearing.

Hearing Requirements: If an Owner appeals a Notice of Violation, Board members should review the governing documents and the details of an alleged violation before the hearing takes place. At the hearing, the alleged offender, along with other interested parties, should be given an opportunity to present information and/or evidence. Minutes should be taken at the meeting that record (1) the hearing's purpose, (2) people who appeared at the meeting and evidence presented, and (3) the final decision of the Board. Within ten (10) days of the hearing the Board shall (a) inform the Owner that the Notice is voided, or (b) confirm the Notice and terms of remediation.

The Board shall provide written notice to the offending party of (1) the Board's final decision, (2) the time frame in which the owner has to remedy the violation, and (3) the possibility that additional fines may be imposed if the violation continues.

Failure to Respond to Notice/Request a Hearing: Failure by the Owner to contact the Board within ten (10) days following a Notice of Violation shall be (i) a waiver of the opportunity for a hearing; and (ii) considered implied consent for the Board to perform any maintenance or other remedial action available to it under the Declaration or by law. This shall include access to the Lot by the Board or its designee and the Owner shall assist with such access and not impede access.

Exception to the Notification Requirements of this Policy: Violations identified by at least one member of the Board per Article IX Section 1 of the Declaration pertaining to refuse containers stored in violation of the Declaration on non-collection days (excepting the placement of such on the street the night before collection day) are exempt from the notification procedures of this policy. Instead, the Owner will be notified of the violation and the applicable fine will be automatically assessed to the Owner as set forth in the Schedule of Fines attached to the Rules as Exhibit B.

Abatement: Notwithstanding the above, the Board may at any time during the enforcement process determine it to be in the best interest of the Association to end the above-described enforcement process and refer the matter to legal counsel to pursue the Crystal Ridge Homeowner Association's remedies, which may include injunctive relief, to correct or otherwise abate the violation. An Owner may correct or eliminate a violation any time during the enforcement process as set forth herein, and the enforcement process will be cancelled upon verification by the Board that the violation has been corrected; provided, however, all fines assessed prior to the date that the Owner or occupant came into compliance with these rules shall stay in place.

R&R (Orig) - Expires 12/31/16
See R&R (Rev A) - Eff 1/1/17 - 12/31/17

EXHIBIT B

Schedule of Fines

(Updated December 1, 2015)

Building & Improvement Maintenance	\$100 per occurrence
Building Restrictions	\$100 per occurrence
Landscaping Maintenance	\$100 per occurrence
View Violation	\$100 per day
Window AC Units	\$25 per day
Garbage Cans/Receptacles	\$25 per occurrence
Vehicle Storage	\$50 per day
Damage to Common Area	\$50 per day
Other	\$50 per occurrence or day (whichever is greater)

* The amounts set forth herein are the enforcement fines for non-compliance only.

The Board reserves the right to take specific remedial actions to remove violating conditions or otherwise improve non-conforming building projects or improvements, including the initiation of a lawsuit for damages or injunctive relief.

In the event that the Board takes remedial actions on behalf of the Lot owner, all associated costs incurred by the Board will also be assessed against the Lot owner.