

Tehaleh Owners Association



Use Restrictions and Rules



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Use Restrictions and Rules

Introduction

These Use Restrictions and Rules have been developed and adopted by the Tehaleh Owners Association (TOA) Board of Directors in conjunction with Pierce County to promote the preservation of each resident's investment, while creating harmonious and attractive neighborhoods; keeping the safety and well-being of all residents in mind. This document is intended as a companion to the Tehaleh CC&Rs and Amendments, Bylaws, Architectural Modification Guidelines and Standards, and current Washington State [statutes](#) governing homeowner associations. Please familiarize yourself with these documents. In the event of any conflict, Washington State statutes, the CC&Rs, Bylaws, the Use Restrictions and Rules, and the Architectural Modification Guidelines and Standards shall prevail in that order.

All land uses within the Residential Properties shall conform to the requirements of the restrictions set forth in these Rules, as they may be amended, modified, repealed or limited pursuant to the Tehaleh CC&Rs.

The Use Restrictions and Rules apply to the residential properties within TOA as defined in the Tehaleh CC&Rs for single-family, multi-family and other residential housing. This document is binding on all residents within the residential properties, including Owners and their families, guests, tenants under a lease or rental agreement, and anyone otherwise occupying a Unit within TOA, including all Sub-Associations. Capitalized terms not defined in these Use Restrictions and Rules have the same meaning as in the Tehaleh CC&Rs. The following should be kept in mind when reading and using the Use Restrictions and Rules:

- It is the responsibility of each Owner to provide a copy of this document to their tenants along with all other TOA governing documents.
- This document may be amended from time to time as development of TOA progresses and the needs of the community change.

The Residential Properties shall be used only for access to the Residential Properties and other properties designated by Declarant, for the provision of utility services to the Residential Properties and other properties designated by Declarant, and for residential, recreational, and related purposes (which may include, without limitation, an information center or a sales office for any real estate broker retained by Declarant, offices for any property manager retained by the Association, or business offices for Declarant or the Association) consistent with the Tehaleh CC&Rs and the Master Plan. Except as specifically provided in these Rules, Units shall be used for single family residential purposes only (along with those in-home business uses allowed in Section 5 below). In addition to these Rules, all Residential Properties are subject to the Conditions set forth in the Development Agreement with Pierce County, including Exhibit H thereto.

The following activities within the Residential Properties of Tehaleh Owners Association (TOA) are restricted, prohibited, or may be undertaken only as provided in these Rules, unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board of Directors:

1. ENVIRONMENTAL

- a. Critical Area Buffer Encroachment. No encroachment is allowed into any critical area buffer, open space area, or building setback line as described on title or through other TOA documents. No insecticides or herbicides are allowed within the building setback lines, and only fertilizers specified in any TOA-approved homeowners manual shall be allowed within the building setback line.
- b. Storm Detention Ponds. For properties adjacent to a storm detention pond, no big leaf maple, alder or willow trees shall be allowed on the lot.
- c. Water Withdrawal. No sprinkler or irrigation systems or wells of any type are allowed which draw upon water from lakes, creeks, streams, rivers, ponds, wetlands, canals, or other ground or surface waters within the Residential Properties, except that Declarant and the Association shall have the right to draw water from such sources. Further, Declarant and the Association shall have the right to assign to others the right to withdraw water for golf course use, general irrigation or other uses.
- d. Water Conservation; Lawn Irrigation. No use or activity shall contravene any water conservation measures set forth in any TOA-approved homeowners manual or plat conditions such as landscaping standards, irrigation standards, or other water conservation measures. Lawn or landscaping irrigation systems which irrigate more than 2,000 square feet, other than low volume or drip systems, must comply with any governmental water conservation standards.
- e. Noxious Weeds; Invasive Plant Species. No noxious weeds or invasive species shall be introduced in landscaped or other areas of the Residential Properties. This prohibition applies both to Common Areas and individual Units.
- f. Drainage. No obstruction or rechanneling drainage flows is allowed after location and installation of drainage swales, storm sewers, or storm drains, except that Declarant and the Association shall have such right, so long as the exercise of such right shall not materially diminish the value of or unreasonably interfere with the use of any Unit without the Owner's consent.
- g. Fertilizers, Pesticide and Dumping. No dumping is allowed of any grass clippings, leaves or other debris, petroleum products, fertilizers, or other potentially hazardous or toxic substances in any drainage ditch, stream, pond, or lake, or elsewhere within the Residential Properties, except that controlled or slow-release, low phosphorus fertilizers may be applied to landscaping on Units provided that care is taken to minimize runoff. Such fertilization must be done in accordance with any environmental handbook or guidelines prepared pursuant to or in connection with the implementation of the Master Plan or adopted by Declarant.
- h. 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. Any use or discharge that is in violation of any environmental manual or guidelines prepared pursuant to or in connection with the implementation of the Master Plan is forbidden in Tehaleh.

- i. Recycling. The residents of each Unit within the Residential Properties must comply with any state or local laws, rules and/or regulations relating to the disposal and/or recycling of household wastes.
- j. Moss Control. Any use of moss control materials or agents or treated roofing materials must comply with any best management practices for use of such materials set forth in any homeowners manual.
- k. Wildlife. No capturing, trapping or killing wildlife of any kind is allowed within Tehaleh.
- l. Household Animals. In accordance with Pierce County Code, Chapter 18A.37.060, a maximum total number of five (5) dogs, cats, or other common household pets may be permitted in a Unit. No breeding or keeping of animals, livestock, or poultry of any kind is allowed. The Board has authority to establish “pet-free zones”. No pet is allowed to roam free, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Units. Dogs must be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling. Dog runs and animal pens are allowed if screened from view of all public Common Areas, neighboring homes and the street. Pets must be registered, licensed and inoculated as required by law. All residents shall immediately ‘scoop’ and properly dispose of pet waste.

2. SAFETY

- a. Weapons. No discharge of firearms or other weapons, including bows, slingshots, BB guns or any other weapon, except by appropriate government officials, is allowed, but the Board shall have no obligation to take action to prevent or stop such discharge. No hunting is allowed anywhere within Tehaleh.
- b. Fireworks. Tehaleh is located in Unincorporated Pierce County; please review information at <https://www.co.pierce.wa.us/3893/Fireworks-Information> for the current rules regarding the allowable discharging of fireworks and the permissible discharge dates. Only fireworks purchased from state licensed fireworks stands are allowed in the community—illegal fireworks are subject to immediate confiscation and possible criminal charges as determined by local law enforcement. No fireworks are allowed to be discharged in any Tehaleh parks or common area property.
- c. Fuel Storage. No on-site storage of gasoline, heating, or other fuels is allowed, except that a reasonable amount of fuel may be stored on each Unit for emergency purposes and operation of lawn mowers and similar tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators, and similar equipment. This prohibition on fuel storage shall not apply to any underground fuel tank for home heating or propane-operated outdoor grills, nor shall this prohibition apply to any interim use authorized by Declarant of above-ground LNG or propane tanks prior to installation of underground gas lines.

3. VISUAL/AESTHETICS

- a. Home Maintenance and Repair. Each Owner shall maintain its Unit and Improvements in good order, condition, and repair, and in a clean, attractive and sanitary condition at all times. Owners are expected to provide consistent quality care of their home’s exterior appearance and surrounding property. If any Owner fails to maintain its Lot and Unit and Improvements, or fails to repair any significant damage to the Owner’s Lot and/or Improvements, then the Board may perform or cause to be performed any maintenance on that Lot or repair such damage which it reasonably determines is necessary. All costs performed or caused to be performed by the Board will be a Specific Assessment against the Owner.

- b. View Obstruction; Vegetation Management. Declarant or other land owners may record from time to time view covenants that provide for tree topping, limbing or other vegetation management. The Association may agree as part of such covenants to enforce the covenant provisions. Notwithstanding the foregoing, no street trees shall be topped or limbed or otherwise disturbed unless (i) approved by the Board, the ARC, or a Board-appointed landscape committee, and (ii) in compliance with any applicable Pierce County regulations.
- c. Landscaping. Each resident shall ensure that the landscaping for his/her Unit continues to conform to the requirements of the Pierce County Code (§ 18A.35.030) as modified by the Design Manual for Tehaleh, as these requirements may be amended from time to time. Each resident shall also ensure that the landscaping for his/her Unit conforms to any other applicable rules or use restrictions adopted by the Board and/or the Association, including the rules outlined below:
- i. The planting strip along the street right-of-way adjacent to a Unit must be maintained by the resident, including groundcover and/or sod and the street right-of-way trees. If street right-of-way trees are damaged or diseased, they must be replaced with the same species, must include a root barrier, and must be a minimum 2" caliper if a canopy tree; 1 ½" caliper if an ornamental tree. No changes to the planting strip landscape, including alternate tree species and ground cover, are allowed unless such changes are neighborhood-wide and are approved by the ARC. Replacement of damaged or diseased trees and/or groundcover with trees and/or groundcover of the same species do not require ARC approval.
 - ii. Mow and edge lawns on a regular basis to maintain a neat and tidy appearance.
 - iii. Water to maintain optimum soil moisture and green grass, while utilizing methods which minimize the amount of water required. During local watering restrictions, lawns may be allowed to go dormant as long as restrictions are in place.
 - iv. Fertilize lawn, trees, and plants as necessary using slow-release, low phosphorus fertilizers while minimizing runoff.
 - v. Use of indigenous plant species, especially drought-tolerant varieties, is encouraged.
 - vi. Flowerbeds must be edged and kept weed-free. Plants and shrubs need to be pruned to maintain an attractive appearance. Dead vegetation should be removed promptly.
 - vii. All trees and shrubs must be trimmed to prevent overgrowth and obstruction.
- d. Antennas and Dishes. No exterior antennas, aerials, satellite dishes, or other apparatus are allowed for the transmission of television, radio, satellite, or other signals of any kind that measure more than one (1) meter (approximately 39.37") in diameter (or any other size as is allowed from time to time by preemptive federal or state laws). Such over-the-air reception devices shall comply with all rules and regulations adopted by the Board, the ARC or the TOA, pertaining to the means, method, and location of TV antenna and satellite dish installation. Unless modified by this document, each Unit is allowed to have two (2) antennas or satellite dishes, and all antenna and dishes will be placed or screened so that they are not visible from the street, to the maximum extent reasonably possible while allowing adequate signal reception. If an antenna or dish is visible from the street, then the ARC may request a statement from the installer as to the alternate location(s) that allow adequate reception. Declarant or the Association shall have the right, but without any obligation, to erect an aerial, satellite dish, or other apparatus for a master antenna, cable, or other communication system for the benefit of all or a portion of Tehaleh, should any master system or systems be utilized by the Association and require such exterior apparatus. [As provided in the Declaration, "Design Guidelines" may include separate components and different standards for (a) initial home construction and other Improvements initially installed on a Lot, as well as major remodels or

additions to existing homes and Improvements, and (b) minor additions or changes to existing Improvements.]

e. Outside Items.

- i. Temporary holiday lighting may be displayed on Units no more than 60 days before a holiday, however they may not be illuminated until 30 days before a holiday. Seasonal decorations may be displayed on Units and/or Lots no sooner than thirty (30) days prior to the holiday. All exterior holiday lighting or powered holiday decorations shall be off between the hours of Midnight and 5:00 AM. All holiday lighting and decorations must be removed no later than thirty (30) days after the holiday.
- ii. See Addendum B to the Architectural Modification Design Manual for usage directives for permanently installed exterior holiday lighting.
- iii. Seasonal and/or ornamental flags are limited to one per Unit.
- iv. Patio furniture is allowed to be visible from the street and Common Areas; no household furniture is allowed to be visible in the front of a Unit.
- v. No postings are allowed on mailboxes, including flyers, signs about missing items or animals, and all advertisements.
- vi. Clear panels or bubbles in fences for pet use are not allowed within view of the street.

f. Yard and Garage Sales. No individual sales are permitted. Community-wide sales may be scheduled up to twice each year at the discretion of the Board.

g. Signage. Only signs that may be required by law, are addressed in the Development Agreement with Pierce County, or are approved by the ARC are allowed, with the following exceptions:

- i. One standard-size "For Sale" or "For Rent" sign may be used in the front yard of a Unit. No realtor "Open House" signs or directional signage is allowed in the Association.
- ii. No signs may be placed in Common Areas or public rights-of-way.
- iii. Political signs may be placed on private property prior to primary and general elections, and must be removed no later than fourteen (14) days after said elections.
- iv. One non-freestanding business identification sign not exceeding two square feet in size is permitted, subject to ARC approval.
- v. Signs required by legal proceedings.

h. Disrepair and Clutter. No structures, equipment or other items are allowed on the exterior portions of a Unit which are rusty, dilapidated or otherwise fallen into disrepair. All cracked or broken window glass must be replaced immediately, and no window may, at any time, be covered with aluminum foil, bed sheets, newspapers, cardboard, or any other similar materials. Bikes, children's toys and games, yard maintenance equipment, and belongings other than outdoor furniture, should be removed from view of the street each evening to prevent theft, injury and vandalism, and to maintain a neat appearance throughout Tehaleh.

i. Vehicles – Prohibited. No dirt bike, motorbike, motor scooter, or other loud, mechanized vehicles (excluding street-legal motorcycles) and no all-terrain vehicles, off-road vehicles, golf carts, or any other similar vehicles, shall be parked, maintained or operated in any portion of Tehaleh, except such vehicles may be stored in garages for off-site use.

j. Vehicles – Repairs and Storage. Except for vehicle repairs made in emergency situations, no vehicles may be repaired upon a Lot, and no such vehicle in need of repair will be stored on any Lot unless it is screened from view of all Common Areas and neighboring properties.

- k. Vehicles – Parking and Equipment. No parking or storage of large commercial vehicles or equipment (defined as dual-axle or over 10,000 gross vehicle weight), motor homes, mobile homes, recreational vehicles, golf carts, boats and other watercraft, utility trailers, vehicle capsules or other equivalent (car cover) enclosures, or inoperable vehicles are allowed in places other than enclosed garages, except as may be allowed by the Board. The above notwithstanding, campers, motor homes and boats may be temporarily parked for up to 48-successive hours on a frequency of no more than four (4) times per month for the purpose of cleaning or packing for use of the vehicle. Any vehicle parked in a driveway must be in good condition and repair at all times. No parking at any time is allowed on the main arterial streets, private alleys, or private shared access driveways in Tehaleh. Construction, service, and delivery vehicles are exempt from this provision for such period of time as is reasonably necessary to provide services or to make a delivery. Parking on sidewalks, rolled curbs, or within 10 feet of mailboxes is prohibited in TOA. Residential street parking is discouraged to provide access for emergency vehicles, school buses and guest parking.

4. USE LIMITATIONS/NUISANCES

- a. Burning and Outdoor Fireplaces. No outside burning of trash, leaves, debris or other materials is allowed. This prohibition also specifically applies to builders during the construction of Units. Commercially sold outdoor fire pits are allowed in rear yards for recreational use only, subject to ARC approval.
- b. Bodies of Water. No swimming, boating, fishing, use of personal flotation devices, or other active use of ponds, streams or other bodies of water is allowed within the Residential Properties or other portions of Tehaleh. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of any use of any ponds, streams or other bodies of water. This Rule is not intended to prohibit the construction or use of swimming pools that would otherwise be allowed within the Residential Properties.
- c. Noise. No use or discharge of any radio, loudspeaker, whistle, bell, or other sound device is allowed which is audible to occupants of other Units, except alarm devices used exclusively for security purposes. This prohibition shall not apply to broadcasts of music or other information within any portion of the Residential Properties to the extent allowed by the Board or Declarant for approved Community-Wide events.
- d. Trash (Debris, Recycling and Solid Waste). No accumulation of rubbish, trash, or garbage is allowed except between regular garbage pick ups. Trash receptacles shall be put out the day of or day before pick up and trash receptacles shall be stored the same day after pick up. Trash receptacles shall be stored or screened so as not to be visible from the street. Dumping of garbage, yard waste, or any form of solid waste onto any Lot, Common Area, greenbelt or open space is prohibited.
- e. Subdivision. No subdivision of a Unit into two or more Units is allowed, nor may any person change the boundary lines of any Unit after a subdivision plat including such Unit has been approved and filed in the public records. However, Declarant shall be permitted to subdivide, combine, replat, or adjust boundaries for Units which it owns. Further, with the consent of the Declarant, the appropriate jurisdiction, and any owner of other affected property, which each of the foregoing may withhold in its sole discretion, an Owner may change a boundary line to correct an error in the setting of such boundary line or to revise the boundary line in accordance with improvements constructed in inappropriate locations.
- f. Timesharing. No use is allowed of any Unit for operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Unit rotates among participants in the

program on a fixed or floating time schedule over a period of years, except that Declarant and its assigns may operate such a program with respect to Units which it owns to the extent permitted by the Tehaleh CC&Rs.

- g. Commune and Rooming House. No use is allowed of a Unit as a dwelling where the occupants occupy the Unit in a manner other than as a single housekeeping unit (as opposed to occupying separate rooms or apartments within the Unit or to occupying the Unit in a communal-type arrangement). A single housekeeping unit means a Unit with a kitchen used by all members and without separate entrances to separate parts of the Unit and without bathrooms that are physically accessible from only a portion of a Unit. This Section shall not apply to “adult family homes” as defined in RCW Chapter 70.128.
- h. Trails. No motorized vehicles are allowed to operate on pathways or trails maintained by the Association, except that personal transportation devices such as Segway’s and motorized wheelchairs may be allowed on trails so long as they do not pose a danger to pedestrian or non-motorized users, as determined by the Board.
- i. Physical Disturbance. No activities are allowed which materially disturb or destroy vegetation (except for safety or as otherwise allowed under these Rules), wildlife, wetlands, or air quality within the Residential Properties or which use excessive amounts of water or which result in unreasonable levels of sound or light pollution.
- j. Quiet Hours. It is unlawful for any person knowingly to cause or make, or for any person in possession of property knowingly to allow or permit to originate from the property, a public disturbance noise which unreasonably disturbs another, particularly between the hours of 10:00pm and 7:00am., or which violates RCW chapter 70.107 (the Noise Control Act), the rules promulgated thereunder, or Pierce County Code chapter 8.76 (Noise Pollution Control).
- k. Nuisances. No activity is allowed which emits foul or obnoxious odors outside the Unit or creates noise or other conditions which disturb the peace or threaten the safety of the occupants of other Units. No hobbies or other activities may be pursued which cause an unclean, unhealthy or untidy condition to exist outside enclosed structures on the Unit. No noxious or offensive plant, animal, device or activity is allowed which in the Board’s reasonable determination may cause embarrassment, discomfort, annoyance, or nuisance to persons using the Residential Common Area or to the occupants of other Units. Recreational drones may be used with the following restrictions:
 - i. No Owner, or Owner’s tenant, guest or invitee may allow a Drone to enter into the airspace above another Owner’s Lot or the Common Area. Use of any drone will be strictly limited to the Owner’s Lot and airspace above the Owner’s Lot.
 - ii. No Owner, or Owner’s tenant, guest or invitee may allow a Drone operating or carrying a camera to photograph, record, transmit, or otherwise observe any image or activity inside another person’s house or yard.
 - iii. Drones shall be used in a manner consistent with all applicable federal, state and local laws regulating the use, ownership and operation thereof.
 - iv. Drones shall not be used in such a manner as to create or become a continuing annoyance or hazard or nuisance to any Owner or resident of the Association, as reasonably determined by the Board.
- l. 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.

5. IN-HOME BUSINESSES

"In-home" businesses are permitted as an accessory use in conjunction with each residence to the extent allowed in the Cascadia Employment Based Planned Community Development Agreement between Cascadia Development Corporation and Pierce County dated September 8, 1999 ("Development Agreement"). For convenience, the performance standards, permitted activities and other requirements and conditions in Section 3.7 of the Development Agreement are set forth in Attachment A to these Rules. The Association may enforce all performance standards, permitted activities and other requirements and conditions set forth in Sec 3.7 of the Development Agreement (as it may be amended), in addition to any enforcement by Pierce County of that Agreement. Only signage approved by the ARC shall be allowed in connection with any in-home business. No in-home business shall be allowed to create monetary costs to the Association or other Owners, create a danger to the health or safety of occupants of other Units, generate excessive noise or traffic, create unsightly conditions visible outside the Unit, or otherwise create an unreasonable source of annoyance.

6. LEASING OF UNITS (REVISED TO REMOVE ONE-YEAR OWNER-OCCUPANCY REQ'T)

"Renting" or "Leasing" a Unit means the granting of a right to use or occupy a Unit, for a specified term or indefinite term (with rent received on a periodic basis), in exchange for the payment of rent (that is, money, property, or other goods or services of value). The renting or leasing of a Unit is governed by Section 3.8.6 of the Declaration:

- a. Lease Requirements. No rental of a Unit shall be valid or enforceable unless it is made by means of a written instrument or agreement between the Owner(s) and the Tenant(s). No lease shall be valid unless it bears the written approval by the Association granted prior to the occupancy of the Tenant. The occupancy of a Unit by a Tenant and every lease shall be subject to the governing documents of the Association. By entering into occupancy of a Unit, a Tenant agrees to be bound by all of the governing documents of TOA. The Association shall have and may exercise the same rights of enforcement and remedies for breach of the governing documents against a Tenant as it has against an Owner, and such exercise shall not be considered an election of remedies. Each lease shall contain language acknowledging the Association's rights and the Tenant's obligations under the governing documents, but the absence of such language shall not reduce or impair the Association's rights. Tenants cannot assign or transfer their lease, nor sublet the whole or any part of a Unit, and any such assignment, transfer, or sublease shall be null and void.
- b. Minimum Lease Term Required. No Unit Owner shall be permitted to rent or lease less than the entire Unit or to rent or otherwise permit his or her Unit to be used for hotel or transient purposes, which shall be defined as rental, occupancy or use by a Tenant or other non-Owner Occupant for an initial occupancy period of less than one (1) year. No Owner or Tenant who does not occupy a Unit as a primary residence shall cause or allow the overnight accommodation of employees or business invitees in a Unit on a temporary or transient basis. Every lease shall be for a fixed initial term of not less than one (1) year, but may be renewed on a month-to-month basis thereafter.
- c. Rental Ceiling. The maximum number of non-Owner-occupied Units in the Association at any one time shall not exceed fifteen percent (15%) of the Units. If an Owner wishes to rent a Unit but is prohibited from doing so because of the Rental Ceiling, the Association shall place the Owner's name on a rental waiting list. The rental waiting list shall be maintained by the Board of Directors or its designee.

- d. Lease Approval. Prior to the Rental of a Unit to a Tenant, and prior to the renewal of any previously approved lease, a Unit Owner shall submit to the Association a valid and binding lease, executed by both the Owner and the proposed Tenant, and contingent only on the approval of the Association, together with a request for the written consent of the Association. The Association shall, as expeditiously as practical, grant its consent to the Owner if the requested Rental would not cause the aggregate number of all non-Owner occupied Units in the Association to exceed the Rental Ceiling, the Owner is in compliance with the Governing Documents and has paid all assessments and charges due and owing to TOA, and the requested Rental is otherwise in accordance with these rules and the Declaration.
- e. Hardship Exception. Where, on written application from an Owner, the Board determines that a hardship exists whereby that Owner would suffer serious harm by virtue of the Rental Ceiling and where the Board further determines that a variance from the policies contained in the Declaration and these Rules would not detrimentally affect the other Owners, the Board may, in its discretion, grant an Owner a waiver of the Rental Ceiling for a temporary period not to exceed one (1) year. In the discretion of the Board, and on written application, this hardship exception may be extended for an additional period not to exceed one (1) year for good cause shown.
- f. Governing Documents to Be Provided to Tenants. Each Unit Owner who Rents or Leases a Unit shall provide that Tenant with a copy of the Declaration, Bylaws, and Use Restrictions and Rules. A failure to provide the documents to the Tenant shall not excuse the Owner or the Tenant from their duties under the governing documents.
- g. Signage. A Unit Owner may maintain one (1) sign advertising a Unit for rent.
- h. Section 3.8.6 of the Declaration should be consulted for additional information on the requirements for the leasing or renting of a Unit.

7. ENFORCEMENT OF RULES (with Fine Schedule)

Each Owner, by virtue of being ultimately responsible for ensuring compliance with the Governing Documents, will be liable for any violations of the Governing Documents by the Owner or its guests, tenants, visitors, agents, employees, or family members and any fines assessed therefore or other sanctions. Governing Documents includes the Declaration, recorded amendments to the Declaration, Supplemental Declarations, Bylaws, Use Restrictions and Rules, Design Guidelines, Architectural Modifications Guidelines and Standards, and any other recorded covenants or Master Plan conditions affecting the Residential Properties. Enforcement of the Governing Documents is governed by Section 4.7.8 of the Bylaws, as may be amended from time to time. Any reported violations will be investigated, where possible, via phone call, email communication or physical inspection prior to written notice of violation.

Enforcement actions by the Association may include one or more of the following sanctions: fines, suspension of voting rights, suspension of Association privileges, and/or suspension of services to a Unit. *[Note: enforcement and collection of assessments is covered in Section 8 of these Rules below]*. Article 4.7.8 of the Bylaws sets forth the notice and opportunity for a hearing on any proposed sanctions. The notice may list any one or more of the sanctions. Any sanction set forth in the notice (e.g. fines, suspension of voting rights, suspension of Association privileges, and/or suspension of services to a Unit) will become effective automatically and immediately without any further notice required (a) if the Owner does not in writing request a hearing within the 10 day period set out in the Bylaws, or (b) 10 days after the conclusion

of hearing/appeal process if the Owner has requested a hearing under the Bylaws and the sanction is upheld at or following the hearing.

The current fine schedule for violations adopted by the Board of Directors is as follows (and may be amended by the Board from time to time):

\$ 500.00	Any unauthorized activity in and/or on Tehaleh Owners Association common area property, Native Growth Protection Areas (NPGA) or Steep Slope areas, including but not limited to cutting, trimming, removal of vegetation, damage to structures and/or acts of vandalism, plus any and all related costs to the Association, such as, but not limited to, arborists fees, replacement costs, labor costs, etc.
\$ 250.00	ARC violation (of Architectural Modification Guidelines or approval conditions or requirements of the ARC)
\$ 30.00	Declaration, Supplemental Declaration, Bylaw or Rules violation
\$ 30.00/day	Charged per day if a violation continues after a second notice of Violation is delivered
\$ 25.00	Late Fee assessed on delinquent accounts 30 days or more past due
\$ 20 - \$90	Administrative charge on each delinquency notice
\$ 35.00	Returned Check Fee

If an Owner fails to pay a fine when due, then a late fee of \$25 shall be due immediately in addition to the amount of the fine, and an additional late fee of \$25/month shall be due for each month thereafter that the fine remains unpaid. Additionally, interest may be due the Association at the rate of 12% per annum from the due date of the fine on all balances over 90 days past due. Further, the Owner will be obligated to pay all legal fees and other costs of collection, including fees and costs of lien recording and foreclosure, whether or not litigation is initiated. If any fine or late payment remains unpaid for 90 days, then at any time thereafter the Board may notify the Owner that a lien will be recorded against the Owner's property for all unpaid fines, late fees, interest, legal fees and other collection fees. The Board may thereafter direct the commencement of foreclosure of the lien.

8. COMMUNITY ASSOCIATION ASSESSMENT POLICY

The successful operation of the Association is to the benefit of all Owners. This success relies, in part, on the timely collection of assessments under Article 6 of the Declaration, as set forth in the following policy.

I. Annual Base Assessments:

- a) *AMOUNT:* The amount of Base Assessments to be paid annually by each Owner will be computed as stipulated in Section 6.1 of the Declaration.
- b) *PAYMENT:* On or before the first day of each calendar month, each Owner shall pay or cause to be paid to the Association's designated agent, all assessments against the Owner's Unit for that month.
- c) *PRE-PAYMENT:* Assessments may be pre-paid. However, should the amount of the assessment be increased effective during the period for which pre-payments have

been made, the Owner will be responsible for paying the additional amount when assessed and due. No interest shall be payable by the Association on pre-paid assessments, nor shall any discount be given for pre-paid assessments

d) *COMMENCEMENT*: Base Assessments will begin on the first day of the calendar month following initial conveyance of title to the Unit.

e) *PRORATION*: When a Unit is sold, Base Assessments already paid to the Association must be prorated between the buyer and seller at closing of escrow on the Unit via escrow settlement. The Association shall have no obligation to prorate Base Assessments in connection with the sale of a Unit.

f) *TRANSFER OF ACCOUNT*: When a Unit is sold the seller and/or seller representative must notify the Association in writing of the date of closing and the name(s) of the buyer(s) within 7 calendar days of the closing.

II. Special Assessments:

Upon levying any Special Assessments in accordance with the Declaration, the Board may establish installment amounts and payment due dates. Prorating of pre-payments and transfers of accounts will be handled as stated in the preceding items 8(l)(e) and l(f). Any Special Assessments, along with terms of assessment, shall be reflected within the written notification to Owner.

III. Fines Included in Statement to Owners:

When a fine has been assessed against an Owner as provided in Section 7 of these Rules, then the fines as well as terms of such fines may be reflected in the written notification to Owner if not previously paid when due. There shall be no prorating and/or transfers of fines upon the sale of a home. The fines continue to be due, along with late payments and fees, as provided in Section 7 above, whether or not the fines are set forth in the statement of assessments due.

IV. Specific Assessments:

Should the Board find it appropriate to make Specific Assessments in accordance with Section 6.5 of the Declaration, the Specific Assessment will be billed to the Owner as with other types of assessments. This type of assessment shall be due and payable as determined by the Board. There will be no prorating and/or transferring of Specific Assessments.

V. Implementation/Collection Responsibility:

It shall be the responsibility of the Board (or manager or other person selected by the Board) to implement and collect assessments as directed by the Board.

VI. Non-Payment/Late Payment Ramifications:

a) *LATE FEE/INTEREST*: A late fee equal to \$25.00 shall be charged on any unpaid assessment on the 15th day after the payment was due and each month thereafter until the assessment is paid in full in accordance with the Governing Documents and/or subsequently implemented actions by the Board. Additionally, interest may be due the Association at the rate of

12% per annum from the due date of the assessment on all balances over 90 days past due. All late fees and interest become a lien on the property and a personal debt liability in the same manner as assessments, as set forth in the Declaration.

b) *RETURNED CHECKS:* Should a check be returned for any reason, the check will be re-deposited as allowed by bank policies and procedures with a \$35.00 administrative fee charged to the account for each return. Returned check fees become a lien on the property and a personal debt liability in the same manner as assessments, as set forth in the Declaration. Late fees shall apply and interest charges may also apply to all accounts delinquent due to a returned check.

c) *VOTING RIGHTS:* Following the notice and hearing process under Section 4.7.8 of the Bylaws, the voting right shall be suspended for any Owner whose assessments are 30 days or more past due, until such a time as all assessments and outstanding fees and interest have been paid in full.

d) *PRIVILEGES:* Unless an alternate payment schedule has been established and implemented with the consent of the Board, all owner rights to utilize athletic courts, parks, and other amenities belonging to and/or funded by the Association shall be suspended, following the notice and hearing process under Section 4.7.8 of the Bylaws, effective on the date payments become 60 days past due. Privileges will remain suspended until payment is made in full.

e) *PAYMENT PLANS:* When the financial situation of an Owner necessitates an alternate payment plan, a temporary monthly payment schedule may be approved. In such event, the amount of monthly payments will be established to accommodate the Owner and which will bring the account current as soon as possible. Prior to acceptance of an alternative payment plan by the Board, the Owner will be required to sign an agreement outlining the temporary payment schedule. All applicable late fees and/or interest will continue to accrue and become a part of the payment plan until such a time that all balances are paid in full.

f) *LEGAL ACTION:* Assessments constitute a personal debt, and the Association may, on accounts 90 days past due or more, turn the account over to a collection agency and/or legal counsel to obtain a judgment against the Owner and/or the property. All fees associated with the actions of such agency or counsel shall be added to the outstanding balance and become a lien on the property and a personal debt liability in the same manner as assessments, as set forth in the Declaration.

g) *PROPERTY LIEN:* Should assessments remain unpaid for 120 days or more, the Association will commence with the filing of a lien against the property in accordance with the Declaration.

h) *FORECLOSURE:* At any time after the filing of a lien, the Board may order foreclosure of the lien for continued non-payment of assessments, which include, but are not limited to dues, late fees, interest, legal fees and other costs of collection.

9. **HOMESTEAD PROTECTION:** As required by the State of Washington [RCW 6.13.080(6)], Owners are hereby notified that the Homestead Protection provided by Chapter 6.13, Revised Code of Washington, shall not apply in the event of an execution or forced sale in satisfaction of judgments obtained on debts secured by the Association lien, upon the Association's delivery of a 30-day notice by first class mail to an Owner for any unpaid assessments or other amounts due from and after the mailed notice.

10. COLLECTION PROCEDURE EXCEPTION: As required by law, upon receipt of Notice of Bankruptcy proceedings, all collection efforts for amounts due up to the date of filing will cease. The Board will investigate and pursue legal collection of past due funds through bankruptcy process. Assessments for current/future dues will be invoiced and payable as stated above for all amounts unrelated to the bankruptcy proceedings.

ATTACHMENT A

IN HOME BUSINESS STANDARDS

[Excerpt from Sec 3.7 of Cascadia Development Agreement]

3.7 In-Home Business.

3.7.1 Applicability. In-Home Businesses are only permitted as an accessory used in conjunction with a residence.

3.7.2 Exemptions. Home-Based Day Care activities are exempt from these rules.

3.7.3 Performance Standards.

- A. The activity is clearly incidental and secondary to the use of the property for residential purposes and shall not change the residential character of the dwelling or neighborhood;
- B. External alteration inconsistent with the residential character of the structure is prohibited;
- C. Use of hazardous materials or equipment must comply with the requirements of all applicable Building and Fire Codes and the Governing Documents;
- D. The activity does not create noticeable glare, noise, odor, vibration, smoke, dust, or heat at or beyond the property lines;
- E. Use of electrical or mechanical equipment which creates visible or audible interference in radio or television receivers or fluctuations in line voltage at or beyond the property line is prohibited;
- F. Manufacturing shall be limited to the small-scale assembly of already manufactured parts but does not preclude production of small, individually hand-crafted items, furniture, or other wood items as long as the activity meets the other standards of these rules;
- G. Customers or clients are prohibited on the premises prior to 8:00 a.m. and after 5:00 p.m.;
- H. Sales in connection with the activity are limited to merchandise handcrafted on-site or items accessory to a service (i.e., hair care products for a beauty salon);
- I. One non-freestanding business identification sign not exceeding two square feet in size is permitted; subject to review by Tehaleh Owners Association and consistent with covenants, conditions and restrictions;
- J. In addition to the single-family parking requirements, off-street parking associated with the activity may include one additional space, if Lot size allows.

3.7.4. Permitted Activities. Activities which comply with the following standards are permitted outright:

- A. Two non-resident employees are permitted;
- B. The activity is limited to 1,000 square feet or a size equivalent to 50% of total floor area of the living space within the residence, whichever is less;
- C. One vehicle, up to 10,000 gross vehicle weight, is permitted in connection with activity;
- D. The activity shall be performed completely inside the residence, an accessory structure, or a combination of the two; and
- E. There shall be no outside display or storage of materials, merchandise, or equipment.

ATTACHMENT B

HOMEOWNER CONCERN FORM
(NOTICE FOR ACTION TO PROPERTY)

PLEASE PRINT

Date (MM/DD/YY): _____/_____/_____

Your Information:

Name (First & Last): _____
(Your name will remain confidential unless this issue turns into a legal matter. Your name is required to submit a complaint.)

Address: _____

Home Phone: _____ Morning / Afternoon / Evening

Work/Alt Phone: _____ Morning / Afternoon / Evening

Email Address: _____

Complaint Information:

Name of Homeowner (If Known): _____

Address: _____

Details: (Please be specific with dates, times, location and occurrences)

Have you discussed this problem with the neighbor you have the complaint with? Yes / No
