

KEALI'I BY GENTRY III

Association of Apartment Owners

HOUSE RULES

Introduction

Gentry KGC, LLC, a Hawaii limited liability company (the "**Developer**"), being the current Owner of all of the Apartments in the Keali'i by Gentry III condominium project ("**Keali'i by Gentry**"), and acting as and on behalf of the Association of Apartment Owners of Keali'i by Gentry III (the "**Association**") and the Association's initial board of directors (the "**Board of Directors**"), hereby adopts the following rules and regulations (these "**House Rules**") as the rules and regulations for Keali'i by Gentry.

Keali'i by Gentry is one of the condominiums that will be located in an area called the "Joint Development Area", as defined in the Declaration of Condominium Property Regime of Keali'i by Gentry III (the "**Declaration**"). It is the Developer's intent that these House Rules will apply to Keali'i by Gentry and to all of the other condominiums located within the Joint Development Area. Keali'i by Gentry and all of the other condominiums located within the Joint Development Area are collectively referred to in these House Rules as "Keali'i by Gentry". Any term not defined in these House Rules shall have the meaning given to it in the Declaration.

These House Rules apply to all Owners and occupants ("**Residents**") of Apartments in Keali'i by Gentry and to all others who are within Keali'i by Gentry at any time, including Owners, guests, tenants, delivery persons and service persons.

These House Rules are designed to preserve Keali'i by Gentry's reputation and desirability and to enhance the use and enjoyment by Residents of their Apartments and their limited common elements, as well as the common element areas used by the Residents.

The Board of Directors has the authority to enforce these House Rules. The Board of Directors may delegate some or all of this authority to the Managing Agent or to a site manager pursuant to the terms of the Bylaws of the Association of Apartment Owners of Keali'i by Gentry III (the "**Bylaws**"). During the Developer's Association Control Period, the Developer shall also have the right and authority, but not the obligation, to enforce any of these House Rules.

Section A: Traffic and Parking

A-1 No Blocking of Access.

No vehicle belonging to any Resident or to any Resident's family member, guest, employee, service person or delivery person shall be stopped or parked in such a manner so as to prevent the exit from or entrance to any portion of Keali'i by Gentry.

A-2 Towing.

The Managing Agent or site manager is authorized to tow away or remove any vehicle or equipment parked, located or used in violation of these House Rules. Neither the Association, the Board of Directors, the Developer, the Managing Agent nor the site manager shall be subject to any claim resulting from any damage that occurs in the exercise of this authority by the Managing Agent or site manager. Towing or removal shall be done at the vehicle owner's expense, provided that, if the violator is a guest or invitee of a Resident, then the Resident shall be responsible for all towing/removal expenses.

A-3 Speed Limit.

The speed limit in Keali'i by Gentry is five (5) miles per hour. All drivers are expected to observe traffic and directional signs for the safety of all.

A-4 No Parking in or Blocking of Roadway.

No parking is allowed on any roadway or shared driveway within Keali'i by Gentry. No vehicle parked in a driveway, appurtenant parking stall or in a visitor parking stall shall extend into any roadway within Keali'i by Gentry. Vehicles violating these restrictions shall be towed. Trees, plants and other vegetation cannot be placed or maintained in the Private Yard Area appurtenant to Apartment 66 in such a manner that access to visitor parking stalls 41-V or 42-V will be blocked or impeded.

A-5 Visitor Parking Stalls.

Visitor parking stalls shall be reserved for guests, workers, delivery persons, service personnel and other non-Residents who have business at Keali'i by Gentry. Visitor parking stalls are for the use of cars, trucks, motorcycles, mopeds, bicycles and similar vehicles, provided that these vehicles must be parked entirely within the stall. It is the responsibility of all Residents to inform their guests, workers, delivery persons and service personnel (a) not to park in vacant stalls other than those designated for visitor parking and (b) of the hours that they are allowed to park in the visitor parking stalls. An initial Visitor Parking Stall and Towing Policy is attached to these House Rules as Exhibit "B". The Visitor Parking Stall and Towing Policy is subject to amendment by the Board of Directors.

A-6 Visitor Parking Stalls on Trash Collection Days.

Certain visitor parking stalls may be used for the placement of trash containers on trash collection days. If a visitor parking stall is needed for such use, then a sign will be posted indicating the hours that the stall is not available for use as a visitor parking stall. Violators will be towed at vehicle owner's and/or Resident's expense.

A-7 Visitor Parking Stall Hours; Parking Pass.

Visitor parking will be closed daily from 2:00 a.m. to 6:00 a.m. Visitor parking during those hours will be allowed only if a vehicle displays an authorized parking pass issued by the Managing Agent or site manager, which states the times authorized for such off-hour parking. This parking pass must be requested during the Managing Agent's or site manager's regular hours of operation, prior to the intended use period.

A-8 Garages.

Garages shall be used for parking operational vehicles only. Residents may use their garage for incidental storage, provided that this incidental storage does not interfere with the parking of vehicles.

A-9 Parking Areas and Driveways.

Limited common element parking areas and driveways are for parking operational vehicles only. No personal items, such as, but not limited to, lumber, furniture, boxes, crates or recreational equipment, shall be stored or placed on either the limited common element parking areas or driveways. Vehicles must not extend into the sidewalks or roads in any way. Residents will be responsible for the cleanliness of their limited common element parking areas and driveways, including the removal of any grease build-up.

A-10 Sidewalks.

All sidewalks must remain clear at all times. Vehicles in driveways and parking areas must not block or extend into the sidewalks in any way.

A-11 Condition of Vehicles.

No major repairs to automobiles, motorcycles or other motor vehicles shall be permitted within Keali'i by Gentry. All vehicles parked in Keali'i by Gentry shall be in operating condition with a current vehicle license and safety sticker as required by law.

A-12 Workmen and Deliveries.

All workers and delivery persons must use the visitor parking stalls (but only during non-restricted hours) or must use the garage or driveway of the Apartment the person is servicing.

A-13 Moving.

Advance notice must be given to the Managing Agent or site manager when household goods or large items of furniture are to be moved so as to reduce traffic congestion and disturbance within Keali'i by Gentry. Residents should notify their neighbors if Residents anticipate that large trucks or moving vans will create noise or traffic for a period of time.

Section B: General

B-1 Use.

Apartments shall be used as private dwellings only, provided that a Resident is allowed to pursue his or her legal occupation if the Resident also uses the Apartment as his or her principal residence and does not conduct business in a manner that creates additional congestion or traffic.

B-2 Short Term Leasing Prohibited.

Leasing or renting of Apartments for periods shorter than thirty (30) days is prohibited.

B-3 Condition of Apartments; Maintenance.

Residents must keep their Apartments in a clean and sanitary condition so that neither the structural integrity nor the aesthetic quality of the buildings is adversely affected. Maintenance of all internal systems within an Apartment, including plumbing and electrical systems, shall be the Apartment Owner's responsibility. Any damage caused by the negligence of or the misuse by a Resident (or a guest or invitee of a Resident) shall be paid for and/or corrected by the applicable Apartment Owner.

B-4 Nuisances.

Any noxious or offensive use of an Apartment or behavior of a Resident that deprives another Resident of the peaceful possession and enjoyment of the Resident's Apartment is considered a nuisance and is not permitted. The Board of Directors has the discretion to determine if any use of an Apartment or any behavior of a Resident is a nuisance and to direct the Managing Agent or the site manager to notify the offending Resident to cease such nuisance or annoyance.

B-5 Noise.

All noise from whatever source shall be controlled to avoid annoying or disturbing other Residents. Quiet hours shall be as follows:

| | |
|----------------------------------|------------------------|
| Sundays through Thursdays: | 10:00 p.m. – 7:00 a.m. |
| Fridays, Saturdays and Holidays: | 11:30 p.m. – 7:00 a.m. |

B-6 Hazardous Materials.

Residents shall not bring into Keali'i by Gentry any flammable oils or fluids, such as gasoline, kerosene, naphtha, or benzene, explosive materials or substances or other materials or substances considered hazardous to life, limb or property. An exception shall be made for small amounts of gasoline (for use in a lawn mower) or propane (for a propane barbecue).

B-7 Illegal and/or Dangerous Activities.

No illegal or dangerous activities of any kind may be conducted in Keali'i by Gentry. No activity shall be engaged in and no substance introduced into or manufactured within any Apartment which might result in the cancellation of insurance or increase in the insurance premiums for Keali'i by Gentry.

B-8 No Soliciting.

No solicitation or canvassing may be conducted in or around the common element areas (including the roadways) of Keali'i by Gentry.

B-9 Signs.

Signs shall not be placed on the exteriors of Apartments or in the common element areas except those previously approved in writing by the Board of Directors.

B-10 Access to Apartments.

The Managing Agent or site manager shall not give any person access to an Apartment without the written permission of the Owner of the Apartment, except in an emergency situation, as provided for in the Bylaws or the Declaration.

B-11 Registration with the Managing Agent.

Residents shall file their name, address, phone number and signature with the Managing Agent upon taking title to or taking occupancy of an Apartment and shall furnish the Board of Directors and the Managing Agent with such other information as shall be reasonably requested from time to time.

B-12 Absent Owners.

Absent Owners shall be responsible for designating an agent, friend or domestic employee to represent their interest if they will be absent from their Apartment for more than thirty (30) consecutive days. Such Owners shall file with the Managing Agent their out-of town address and telephone number and the address and telephone number of their agent, friend or domestic employee.

B-13 Tenants.

Owners must provide the Managing Agent or site manager with the name, address and phone number of any tenants living in the Apartment.

B-14 Workers, Delivery Persons and Service Personnel.

No workers, delivery persons or service personnel will be allowed within Keali'i by Gentry before 7:00 a.m. or after 7:00 p.m., except in an emergency.

B-15 Employees of the Association.

Maintenance employees of the Association are working under the sole direction of the Managing Agent. During their working hours, such employees shall not be diverted to the private business or employment of any Resident. No employee shall be asked by a Resident to leave Keali'i by Gentry for any reason.

Section C: Common Areas

C-1 Common Areas.

Common element areas within Keali'i by Gentry will be landscaped and maintained by the Association. These common element areas are shown on the condominium map for Keali'i by Gentry.

C-2 Personal Property.

No items of personal property shall be left on any of the common element areas. Any item of any kind left in any of the common element areas will be removed at the Resident's risk and expense at the direction of the Board of Directors, the Managing Agent or the site manager.

C-3 Trash Disposal and Collection.

- a. Apartments that do **not** have curbside trash collection must take trash containers to the designated pick-up locations (shown on the condominium map for Keali'i by Gentry).
- b. All trash containers shall be put out for collection no earlier than the night before pick up and must be removed from either the pick-up area or curbside, whichever is applicable, by that evening.
- c. All trash containers shall be positioned to allow for at least **five (5)** feet of clearance from fences, lamp posts, fire hydrants and other obstacles. At least **two (2)** feet of clearance is required between trash containers.
- d. Trash containing food shall be securely wrapped or enclosed before being placed in a trash container.
- e. On non-collection days, all trash containers shall be stored either in the garage or behind the Privacy Fence of the Apartment.

C-4 Community Park

- a. Use of the Project's Community Park and its facilities shall be at the risk of the user. Users shall assume all risk of personal injury (including death) or property damage that may result from use of the Community Park and its facilities.
- b. The Board and the Managing Agent are each authorized to establish, amend and post rules and regulations relating to use of the Community Park. Such rules and regulations are incorporated into these House Rules.

Section D: Limited Common Areas

D-1 Yard Areas; Privacy Fences.

Residents are responsible for maintaining their respective limited common element front yard areas and the fenced Private Yard Areas in a clean and neat manner. Owners of neighboring Apartments that share a Privacy Fence between their respective Private Yard Areas are jointly responsible for the maintenance, repair and replacement of the Privacy Fence.

D-2 Drainage Swales.

Residents may not alter the drainage pattern of their Private Yard Area, as shown on the condominium map for Keali'i by Gentry. Residents must keep all swales, ditches and drainageways within their Private Yard Areas free of debris, open and in good operating condition.

D-3 Additions to Concrete patios.

Owners must obtain written approval from the Board of Director before adding to, or installing additional, concrete patios or structures within their limited common element front yard areas or fenced Private Yard Areas. This approval would be in addition to any approvals that may be required from governmental entities, such as the City and County of Honolulu's Department of Planning and Permitting.

D-4 Gravel Strip around Apartment.

Residents shall keep and maintain in good and proper conditions the Developer-installed gravel strip that runs along the outside edge of certain portions of their Apartment. Residents must not place any items in or on top of this gravel strip. No portion of the gravel strip shall be removed. Any alteration of the gravel strip must not impair the termite warranty and must first be approved in writing by the Board of Directors.

D-5 Landscaping in Yard Areas.

Any trees or shrubs planted in the vicinity of a fence or wall (including Privacy Fences and Keali'i by Gentry Common Element Fences) or a neighbor's yard area, Apartment or gravel strip must not have an aggressive root system and must be trimmed regularly so that neither rubbish nor branches interfere with or come into contact with the neighbor's yard area, Apartment or gravel strip.

D-6 25-Foot Waterline Easement. If an Apartment or its appurtenant Private Yard Area is subject to the 25-Foot Waterline Easement, then any landscaping and any recreation equipment, accessory structure or other item, structure or improvement that is placed, installed or otherwise located within the 25-Foot Waterline Easement must not interfere with the 25-Foot Waterline Easement and must be easily removed. The Board of Directors has the discretion to request or require an Owner to modify or remove any such landscaping, items, structures or improvements if the Board of Directors determines that any such landscaping, items, structures or improvements adversely affects the 25-Foot Waterline Easement, the structural soundness of any fence, wall or building, or jeopardizes any warranty on a building, fence or wall, or is not in compliance with the Navy Grant of Easement. Any and all such removal and modification shall be at the cost and expense of the applicable Apartment Owner, even if the Apartment Owner was not responsible for the placement, installation or location of the landscaping, item, structure or improvement.

D-7 Private Yard Areas Directly Abutting Another Apartment. When the building or Private Yard Area of an Apartment (the "**Benefitted Apartment**") directly borders the building or Private Yard Area of a neighboring Apartment (the "**Adjacent Apartment**"), the Adjacent Apartment Owner shall:

Grant the Benefitted Apartment's Owner access to the side of the Adjacent Apartment that directly abuts the Benefitted Apartment's Private Yard Area. The purpose of such access shall be to allow the Benefitted Apartment's Owner to inspect, maintain, service and repair the Benefitted Apartment, the Benefitted Apartment's gravel strip and dryer vent (if located on that side of the Benefitted Apartment).

The Adjacent Apartment Owner shall **not**:

- a. unreasonably prevent access to the exterior sides of the Benefitted Apartment or to the Benefitted Apartment's gravel strip when such access is impeded by a Privacy Fence and/or gate and when the Owner of the Benefitted Apartment has requested such access pursuant to the terms of the Declaration or these House Rules;
- b. permit any trees, shrubbery or other vegetation belonging to the Adjacent Apartment's Owner or Resident to interfere with the access to, or the inspection, maintenance or repair of, the exterior of the Benefitted Apartment or the Benefitted Apartment's gravel strip;
- c. keep or allow any items on any portion of the Benefitted Apartment's gravel strip;
- d. attach anything to the Benefitted Apartment or allow any items (including any trees, shrubbery or other vegetation) belonging to the Adjacent Apartment's Owner or Resident to touch the Benefitted Apartment or the Benefitted Apartment's gravel strip;
- e. perform or allow any landscaping, grading or other work that would or could (i) prevent proper drainage of the Benefitted Apartment or the Benefitted Apartment's Private Yard Area, (ii) promote soil erosion, attract termites or other insects, (iii) undermine the integrity of the foundation of the Benefitted Apartment, or (iv) disturb any portion of the Benefitted Apartment's gravel strip;
- f. permit water from a hose or an irrigation system to come into contact with either the Benefitted Apartment or the Benefitted Apartment's gravel strip; or

- g. cause any offensive contact (including, but not limited to, pounding or bouncing of objects) with the Benefitted Apartment or allow any activity by household pets or animals that would tend to cause damage to or undermine support to either the Benefitted Apartment or the Benefitted Apartment's gravel strip.

D-8 Barbecuing.

Fires, open flames, hibachis or grills of any kind shall not be permitted on common element areas or on an Apartment's limited common element front yard area. Hibachis and other grills are permitted in the Private Yard Areas of each Apartment, provided that non-chemical fire starters are used, fire extinguishers are readily available, and adequate provisions are made to control smoke and flames so as not to cause hazard or annoyance to neighbors.

Section E: Additions and Modifications

E-1 Window Treatment.

The portion of any drapes, blinds or other window treatment that is visible from outside of the Apartment shall not be of a bright or conspicuous color, but, instead, shall be white, off-white, beige or other inconspicuous shade, as determined by the Board of Directors. Any other color must be approved in writing by the Board of Directors.

E-2 Window Tinting.

Window tinting must be approved in writing by the Board of Directors.

E-3 Exterior Paint.

Owners may repaint the exterior of their Apartment using their Apartment's original color scheme without getting approval from the Board of Directors. The Developer will provide a color scheme matrix to the Managing Agent for reference. If an Owner wants to repaint the exterior of their Apartment (or any portion thereof) using a color that differs from their Apartment's original color scheme, then such color must be pre-approved in writing by the Board of Directors.

E-4 Exterior Changes or Additions.

Residents shall first obtain written approval from the Board of Directors before doing any of the following activities:

- performing structural changes to the Apartment
- installing an antenna on the exterior of the Apartment or within the Apartment's Private Yard Area, unless the antenna is allowed under the Federal Communications Commission's Over-the-Air Reception Devices (or OTARD) Rule, Telecommunications Act of 1996 (the "FCC Rule"). The following types of antennae are **not** covered by the FCC Rule and, thus, require written approval from the Board of Directors: a "dish" antenna **larger than one meter (39.97") in diameter**; an AM/FM radio antenna; a "HAM" radio antenna; a "CB" radio antenna; and a Digital Audio Radio Services antenna. ALL antennae must be installed wholly on or within the Apartment or the Apartment's Private Yard Area.
- installing awnings
- replacing a garage door with a garage door of a different style or color than was originally installed for the Apartment
- using a tarp or tent that is visible from outside of the Apartment for longer than three days
- installing a pre-fabricated shed or other pre-fabricated structure anywhere within the limited common element yard area appurtenant to an Apartment

- installing air conditioning units or other equipment outside, or on the exterior, of the Apartment or protruding through the exterior walls, windows or roof of the Apartment.
- installing exterior lighting, including landscape lighting. Exterior lighting shall be subdued or shielded to prevent glare and light spillage onto other Apartments, the Private Yard Areas of other Apartments, nearby lots, and public rights-of-way. Spotlights that light up other Apartments, the Private Yard Areas of other Apartments, nearby lots, and public rights-of-way shall be prohibited unless first approved in writing by the Board of Directors. The Board of Directors may require the use of full cutoff fixtures or cutoff shields. Mercury vapor and low/high pressure sodium lamps shall not be permitted. Driveway lights serving individual Apartments shall not exceed sixteen feet (16 ft.) in height.

Nothing shall be done to or on an Apartment or the Apartment's Private Yard Area that (a) violates, or is otherwise not consistent with, the Apartment's Design Alteration Package, (b) overloads or impairs the floors, walls or roofs of the building, (c) causes any increase in the ordinary insurance premium rates or the cancellation or invalidation of any insurance maintained by or for the Association, or (d) violates the terms of the Navy Grant of Easement.

E-5 Compliance with Project Documents and with City and County of Honolulu Laws and Regulations.

All repairs, installations and other work done in or on an Apartment or the Apartment's limited common element areas must be done to industry standards and performed in accordance with (a) all applicable provisions of the Declaration, the Bylaws and these House Rules, (b) all applicable City and County of Honolulu laws, rules and regulations, as the same may be amended from time to time, and (c) all other applicable governmental laws, rules and regulations. No building modification shall be made or allowed that would or could cause an increase the number of dwellings in Keali'i by Gentry that is not consistent with the Developer's plans for Keali'i by Gentry.

E-6 Compliance with State and Federal Fair Housing Act.

No provisions of these House Rules are intended to contravene the State or Federal Fair Housing Acts. The Board of Directors will, at all times, comply with the provisions of such Fair Housing Acts when acting upon requests by handicapped persons to make reasonable modifications to the common element areas to allow full enjoyment of Keali'i by Gentry. Costs of such alterations shall be borne by the requesting Residents. The Board of Directors shall also comply with the Fair Housing Acts when acting upon requests by handicapped Residents for exemptions from any of the provisions of the Declaration, the Bylaws or these House Rules that may interfere with said handicapped Resident's equal opportunity to use and enjoy their Apartment and the common elements of Keali'i by Gentry.

Section F: Pets

F-1 Types of Animals allowed as Pets.

No livestock or live poultry shall be allowed in Keali'i by Gentry. Only a reasonable number of common household pets, such as dogs, cats, guinea pigs, rabbits, birds or fish, may be kept inside an Apartment and/or the Apartment's Private Yard Area.

F-2 No Commercial Breeding of Animals.

Animals shall not be kept, bred or used for any commercial purposes. All pets (except fish) must be registered with the Managing Agent or the site manager.

F-3 Pet Etiquette.

All pets shall be accompanied by a person and maintained on a leash when outside of the Apartment or the Apartment's Private Yard Area. All persons accompanying a pet in the common element area shall

immediately clean up after the pet and shall deposit all fecal material in a plastic bag, then tie or seal the bag and dispose of all packaged waste in the trash container for the Apartment where the pet is kept.

F-4 Pet Misbehavior.

If a pet causes a nuisance or an unreasonable disturbance or presents a danger to any person within Keali'i by Gentry, then the Resident of the Apartment where the pet is kept shall be given an opportunity by the Board of Directors to rectify the problem. If the pet continues to cause a nuisance or an unreasonable disturbance or present a danger to any person within Keali'i by Gentry, then the Managing Agent, at the direction of the Board of Directors, shall require that the pet be promptly and permanently removed from Keali'i by Gentry.

F-5 Certified Guide, Signal or Service Dogs Misbehavior.

If a Resident's certified guide animal, certified signal animal or certified service animal causes a nuisance, then the Resident of the Apartment where the pet is kept shall be responsible for abating the nuisance within a reasonable time. If the Resident is unable to abate the nuisance, then the animal must be removed from Keali'i by Gentry. The Resident will be given a reasonable amount of time to replace the animal before the Resident is required to remove the animal causing the nuisance.

Section G: Enforcement

G-1 Owner's Responsibility to Remedy.

All Owners are responsible for ensuring that their tenants, guests and invitees abide by these House Rules, the Declaration and the Bylaws. Owners will be held responsible for any infractions, regardless of whether or not they are at fault. If the Owner is unable to enforce these House Rules, the Declaration and the Bylaws, then the Owner shall, at the request of the Managing Agent or the Board of Directors, remove the non-complying person from Keali'i by Gentry. Every Owner shall do whatever is necessary to remedy any violation at the Owner's expense.

G-2 Owner to Pay for Any Damage caused by Owner's Tenants, Guests or Invitees.

The cost of repair or replacement of any damage to the common element areas, as well as any legal fees incurred by the Association, may be assessed by the Board of Directors against the person or persons responsible, including, but not limited to, the Owners or Residents, for damages caused directly or indirectly by their tenants, guests or invitees.

G-3 Board of Director's Fining Policy. The Board of Directors shall use its reasonable discretion in promulgating fines and penalties for violations of these House Rules. An initial Fining Policy is attached to these House Rules as Exhibit "A". The Fining Policy is subject to amendment by the Board of Directors.

G-4 Board of Directors' Right to Inspections.

The Board of Directors may institute regular inspections of the common element areas and limited common element areas to ensure compliance with these House Rules, the Declaration and the Bylaws.

G-5 Board of Director's Rights in an Emergency Situation.

When a violation or breach of these House Rules, the Declaration and the Bylaws constitutes an immediate and/or substantial threat to the physical safety or property of any Owner, Resident or family member, tenant, guest, licensee or invitee, then and only then shall the Board of Directors, the Managing Agent and/or their agents have the right to enter an Apartment and to summarily abate and remove, at the expense of the violating Owner, any structure, thing or condition that may be causing the violation or breach. Under the above circumstances, the Board of Directors, the Managing Agent and their agents will not be guilty of or liable for trespassing.

G-6 Conflict with the Act, Declaration or Bylaws. In the event of any conflict or inconsistency between these House Rules and the Act, the Declaration and the Bylaws, the Act, the Declaration and the Bylaws will govern, and the Board of Directors shall make such changes to these House Rules from time to time to comply with the Act, the Declaration and the Bylaws.

Section H: AMENDMENTS

H-1 Amendment by the Association of Apartment Owners.

Provided the result would not be inconsistent with any applicable laws, ordinances, codes, rules, or regulations or with the provisions of the Declaration or the Bylaws, these House Rules (or any part of them) may be amended or repealed, and new or supplementary rules may be adopted, by a Majority of Apartment Owners (as that term is defined in the Declaration); provided, however, that, as long as the Developer owns a majority of the Apartments in Keali'i by Gentry, such amendment can be adopted by the unilateral written consent of the Developer.

H-2 Amendment by the Board of Directors.

Provided the result would not be inconsistent with any applicable laws, ordinances, codes, rules or regulations or with the provisions of the Declaration or the Bylaws, these House Rules (or any part of them) may be amended or repealed, and new or supplementary rules may be adopted, by a majority vote of the Board of Directors at a duly called meeting of the Board of Directors (or by the Developer acting on behalf of the Board) as provided for in the Bylaws.

H-3 Notification to Developer.

A copy of any new or supplementary rules and any amendments to these House Rules and/or the attached Fining Policy must be delivered to the Developer until the last Apartment in Keali'i by Gentry owned by the Developer is sold and conveyed. The new, supplementary or amended document should be delivered to the Developer within five (5) working days after its adoption or approval and must be sent under cover of a written statement by the Board of Directors or the Managing Agent that the document is an official document of the Association of Apartment Owners.

The undersigned Developer, as the Developer, the Owner of all of the Apartments in the Project and on behalf of the Association and the Board of Directors, hereby adopts the foregoing House Rules as the House Rules of the Association of Apartment Owners of Keali'i by Gentry III as of February 23, 2021.

GENTRY KGC, LLC,
a Hawaii limited liability company

By: Gentry Homes, Ltd., a Hawaii corporation
Its Member


By: 
Name: Andrew Kamikawa
Title: Vice President

EXHIBIT "A"
FINING POLICY

Fines may be imposed by the Board of Directors, the Managing Agent or a site manager, if any, in accordance with the procedures and schedules set forth below.

The right of the Board of Directors to impose fines shall be in addition to any other rights and remedies available to the Board and to the Association. If the offending Resident is not an Owner, then the Owner of the Apartment will receive a duplicate notice of the fine by regular mail. The Board of Directors, in its discretion, may double the fines for egregious violations that pose a substantial threat to life, limb or property.

1. First Violation.

The Resident will be notified of the violation either by a verbal notice or by a verbal notice followed by a written notice from the Board, the Managing Agent or the site manager. The written notice will be mailed by regular mail, hand delivered to the Apartment or both mailed and hand delivered. The written notice will cite the specific infraction and specify the time period by which the correction must be made. Time guidelines are as follows:

a. Action Violations.

For "action" kinds of violations (for example, parking a vehicle so that it blocks a sidewalk), the violator will be asked to immediately cease such activity and abide by the House Rules and will be advised that, if the violation is repeated, then a fine will be assessed. If the violation is one that can be *immediately* remedied by the violator (such as moving a vehicle so that it does not block the sidewalk or roadway), then a fine will be assessed if the required remedial action is not immediately taken. As each circumstance can be very different, any dispute as to whether a violator takes immediate action or not in remedying the violation will be finally decided by the Board of Directors. For action violations, the written notice shall be a formality, which is an after-the-fact follow-up to the verbal notice. The verbal notice will be considered complete after given.

b. Simple Non-Action Violations.

For simple, "non-action" kinds of violations (for example, those generally requiring simple removal or disassembly to correct, such as an unauthorized installation or attachment of something to the exterior of the Apartment or the leaving of belongings in the common element areas), the violator will be given ten (10) days after the date of the notice within which to remedy the violation, after which time a fine will be assessed against the Apartment Owner.

c. Complex Non-Action Violations.

For complex, non-action kinds of violations, which, by virtue of their nature, require more intricate activity to remedy (for example, unauthorized installation of non-approved window coverings), the violator will be given thirty (30) days to remedy the violation, after which time the fining process will commence. Notices of violations in this category will be sent by priority mail, with confirmation of delivery requested, followed up, concurrently, with a copy sent via regular mail. The thirty (30) day time period will commence three (3) days after the date the priority mail envelope is mailed, as evidenced by the postal receipt provided to the sender.

2. Second Violation.

If the Resident or Owner fails to correct the violation within the required timeframe or if, after correcting the violation, the Resident or Owner repeats the same violation (or one so close to the original violation that a reasonable person would determine it to be almost a duplicate of the original violation), then the Resident or Owner will be fined FIFTY and NO/100 DOLLARS (\$50.00), which amount will be assessed against the Owner's Apartment, and a demand letter for payment of the fine will be sent to the Resident and the Owner. The initial demand for payment (the "**Second Violation Notice**") will be sent by priority mail, with confirmation of delivery requested, followed up, concurrently, with a copy sent via regular mail.

3. Failure to Correct.

If the violation is not corrected within the time period specified in the demand letter after the fine is assessed, then the Resident or Owner will be fined an additional TEN and NO/100 DOLLARS (\$10.00) for each day the violation continues to not be corrected until the violation is corrected, which amount will be assessed against the Owner's Apartment. Notification of the commencement of this additional fine will be sent by regular mail, with a copy sent by priority mail with confirmation of delivery requested.

4. Noncompliance.

If the violation is not corrected within sixty (60) days from the date the Second Violation Notice is mailed, then the Board may seek such other or additional legal remedies as are authorized by *Hawaii Revised Statutes*, Chapter 514B (the "**Act**"), the Declaration and/or the Bylaws. All costs (including reasonable attorneys' fees) incurred by the Board to seek such remedies shall be assessed to and against and paid by the Owner of the Apartment. Pursuant to Article X of the Bylaws, such fines shall constitute a lien against the Owner's Apartment, which lien may be foreclosed by the Board or Managing Agent in the same manner as provided in the Act for the foreclosure of a lien for failure to pay common assessments. The Owner shall be responsible for obtaining reimbursement from the Resident of the Apartment (if not the Owner) and/or from the Owner's tenants, guests, invitees or employees for any fines or other costs assessed against the Apartment or incurred by Owner but attributable to such persons.

5. Appeals.

Appeals may be filed under the following guidelines:

- a. Any person who disputes the subject of a Second Violation Notice or the subsequent fine(s) may appeal to the Board of Directors for a hearing on the matter within thirty (30) days after the date of the Second Violation Notice. Such appeal shall be in writing as set forth in subsection d below. The filing of an appeal shall not halt the accrual of any ongoing fines imposed for the violation that is the subject of the appeal.
- b. The appeal shall be sent by certified mail, return receipt requested, to the Managing Agent at its office. Receipt by the Managing Agent shall constitute filing with the Secretary pursuant to the Bylaws.
- c. The date of mailing as certified by the post office shall constitute the Date of Appeal.

- d. The appeal must contain a copy of the Second Violation Notice, a statement of the facts of the violation, including the reasons for the appeal, names and addresses of witnesses and copies of any documents that prove the statements being made by the Owner or Resident.
- e. The Board of Directors shall discuss the appeal at the next regularly scheduled Board meeting and a decision will be rendered in writing within twenty (20) days after such meeting, which written decision shall be provided to the Owner or Resident via regular mail. The Owner or Resident shall promptly provide to the Board of Directors, through the Managing Agent, any additional information or clarification the Board of Directors or the Managing Agent feels is necessary to fully understand and assess the appeal. The Board of Director's decision is final.

6. General.

To keep pace with inflation and/or increased costs incurred by the Association, the Board, in its reasonable discretion, shall have the right to periodically, but uniformly, increase the amounts of the fines and the additional fines assessed against Owners and Residents. Upon any such increases, this Fining Policy shall be amended by the Board accordingly.

Exhibit "B"

Visitor Parking Stall and Towing Policy

Signs are posted in the visitor parking areas that state the visitor parking stall hours, the tow company's name, address and telephone number.

All visitor parking stall users must visibly display on the dash of their vehicle the number (or address) of the Apartment they are visiting. Vehicles that do not visibly display the Apartment number (or address) on their dash will be towed.

Vehicles parking in the visitor parking stalls between the hours of 2:00 a.m. and 6:00 a.m. (or during other restricted hours) without a valid parking pass will be towed.

To obtain a parking pass for a visitor to park in a visitor parking stall between the hours of 2:00 a.m. and 6:00 a.m. (or during other restricted hours), please do the following:

- Contact the Managing Agent (or the site manager if applicable) during normal business hours (8:00 a.m. to 5:00 p.m., Monday through Friday) to request a visitor parking pass.
- Submit the request for the parking pass at least two (2) working days before the date the parking pass is needed.
- Submit a copy of the visitor's current vehicle registration to the Managing Agent (or the site manager if applicable).
- Provide the Managing Agent (or the site manager if applicable) with the color, make and model of the vehicle and the date(s) the parking pass will be needed, as well as the cell phone number of the intended user of the visitor parking stall.

Each parking pass will state the color, make and model of the vehicle, the Apartment hosting the visitor and the date(s) during which the visitor parking stall can be used between the hours of 2:00 a.m. and 6:00 a.m. (or during other restricted hours).

Parking passes will not be issued for a period that is longer than two (2) weeks.