

RULES AND REGULATIONS

WOODS BAY HOMEOWNERS ASSOCIATION

These rules and regulations for the Woods Bay Homeowners Association of Lake County, Bigfork, Montana are the result of actions taken by the Board of Directors, authorized by the Covenants and Restrictions and Bylaws (Section 1 pg.3) of Woods Bay Homeowners' Association have been established and adopted April 2016 by its Board of Directors.

These legal documents are binding on all owners and residents in the Woods Bay Homeowners Association. Owners are responsible for distributing a copy of the current Rules and Regulations to their Lessee/Tenants and are responsible for all actions by their Lessee/Tenants subject to the Rules and Regulations.

The Association's Annual Newsletter is the official Document of the Woods Bay Homeowners Association and all published information therein constitutes notification to all members. It is written under the guidance of the Woods Bay Homeowners Association Board of Directors.

DEFINITIONS

In the Rules and Regulations, the following words and phrases shall have the following meanings. 1. "Association" means the Woods Bay Homeowners Association, incorporated. (WBHOA)

2. Common Area (Lake Access) means the real properties owned by the Association of the common use and enjoyment of all owners and residents.

3. "Unit" means a lot owned by an owner.

4. "Owner" shall mean and refer to the recorded owner, whether one or more persons of entities, of a simple title to any lot which is part of the Association.

5. "Member" means the owner(s) of a unit entitled to voting membership in the Association. There is one vote allowed per Unit.

6. "Lessee/Tenant" means any person(s) who rents or leases a unit from the owner. Such person does not have voting rights unless given a proxy by owner and is required to abide by the Rules and Regulations.

7. "Resident" means a person coming into a place with the intention to establish his domicile or permanent residence and who in consequence, actually remains there. Time is not as essential as the intent executed by making or beginning an actual establishment.

8. "Board of Director" (board) defines the five members elected as directors at the Association's Annual Meeting for two-year terms.

9. "Architectural Review Committee" (ARC) means a committee appointed by the Board to review and critique construction applications for their compliance to the WBHOA covenants. Plans are accepted or rejected by the Board. Following is a guideline for submitting owner's drawings to the ARC.

First of all, the specifications and restrictions are in the Covenants and it is imperative that you review them ahead of time.

1. The applicant will submit 2 sets of drawings to ARC, one for ARC and the other for the Board of Director's to have.

2. Per Covenant #3, one illustration needs to be overhead to illustrate the structure as it sits on the property and shows the set-backs from the property lines.

3. Per Covenant #4, be aware of 2 story structures and maximum height of 35ft. from the natural ground level. A variance can be applied for in many cases.

4. Per Covenant 5, the residential structure needs to be a minimum of 900 sq. ft.

5. Per Covenant #5, Only 2 additional structures can be placed on a lot. The structure has to be completed in one (1) year.

6. The ARC has 30 days to review and sign off on the permit. If a structure is being remodeled and no extension either laterally or with height, a review is not necessary.

10. "Single Family Dwelling Unit" means a single building containing one dwelling designed for permanent occupancy by one family, with facilities for cooking, living and sleeping.

"Kitchen" A room or area that food is prepared and cooked. A second kitchen could be used for canning or a cottage business.

"Attached Garage" A garage that shares a wall with the house. This type of garage is not considered a separate structure. A variance can be applied on a detached garage that is connected by the original roofline in certain cases.

11. "Nuisance" An interference with the enjoyment and use of property. This would pertain to any such as odors, garbage wastes, and unattractive accumulation of debris around the existing property which offends the senses.

Excessive noise, dogs at large and penned dogs that bark are also considered a nuisance.

12. "Managing Agent" means the professional groups (Insurance, Accounting or Attorney) retained under contract by the Board to assist in the operation and management of the Association's affairs.

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Rule No. 1: Any residential dwelling may maintain a "Cottage Business" which is entirely internal to a residence, does not produce excessive traffic or parking on a daily basis and is otherwise non-intrusive to the neighborhood. For such businesses there shall be no signs, billboard or other form of advertising within the legal boundaries of the WBHOA.

Rule No. 2: No lot shall be used for any purpose which produces excessive noise. Excessive noise is any noise which regularly or repeatedly is offensive to the residents of the WBHOA.

Rule No. 3: No Trailers or recreational vehicles may be used as a residence on any lot, except during construction of a permanent residence, for one year from the commencement of construction. Commencement of construction will be validated with a date on the county building permit or incorporated into the building plans as reviewed by the ARC. After completion of a permanent residence, a property owner may store a travel (camping) trailer or a self-propelled recreational vehicle, but it may not be used as a residence.

Rule No. 4: No part of any property outside the dwelling unit and garage shall be used or maintained as a dumping or storage ground for rubbish, garbage, old automobiles, automobile parts, appliances, electronics or materials used as a cottage industry. Wood stacks will be allowed. Any and all garbage or refuse shall be stored only in plastic or metal garbage cans which are in good, secure condition and have a firmly secured lid.

Rule No. 5 Shipping containers are only allowed on a homeowner's property for delivering or loading of goods. The time limit is seven (7) days and the container has to be moved completely off the same property.

Rule # 6 Lots shall be kept clear of debris and free of noxious weeds, excessively long grass, dead-fall and/or any other significant fire hazard. No lot shall be maintained in such a fashion as to constitute a public or private nuisance to a neighbor or to the neighborhood.

Each owner of a lot on which there is a structure shall provide exterior maintenance upon such lot and structure to include painting and repairing the structure, maintaining the lawn and grounds to preclude weeds and not permitting refuse piles or other unsightly objects to accumulate and/or remain on the grounds.

Rule No. 7: No livestock or any other animals shall be kept or maintained on the property except domestic household pets, such as dogs and cats, provided such pets are not a nuisance to neighbors or the neighborhood. No animal may be kept on the property if it is dangerous, unmanageable or uncontrolled. It is the responsibility of the owner to keep his animals' immunizations current and within State and County Regulations and to have those records available to any Board member when requested.

All dogs should be restrained within a fence or by direct control by leash, tether or other restraint. It is not unlawful for a dog to be unrestrained but Owner must be in control of said dog.

Pets engaged in any annoying activity, such as excessive barking or noise-making, biting, harassing persons in the neighborhood, eating or disturbing garbage, destroying vegetation or any other obnoxious activity shall be considered a nuisance which is an interference with the enjoyment and use of property.

The Board may give the owner of such animal thirty (30) days' notice to restrain such animal from nuisance activity. If such owner then fails to comply, any resident of the Woods Bay Home sites or the Board may resort to legal means to remedy the nuisance activities caused by the animal

Rule No. 8: Motorized vehicles (automobiles, trucks, motor homes, etc.) which are not registered nor licensed for the current year or not in operating condition must be stored out of public view and shall not be kept along any street or on any lot.

Rule No. 9: the Common Area/Lake Access is for the use of all residents and their guests. The combination for the padlocks is for residents only. The gates shall always be closed and locked behind you. The "doggy depot" should be used for disposal of dog waste.

A parking permit is issued for residents to use when parking a vehicle in the common area. The purpose of this permit is to help alleviate trespassing in the common area and the amenities. The permit shall be displayed inside vehicle and shall be visible from outside the vehicle.

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LAKE ACCESS RULES, AS POSTED ON THE COMMON AREA FENCE:

WOOD BAY HOMEOWNER'S ASSOCIATION DOES NOT PROVIDE A LIFE GUARD

1. No fireworks allowed.
2. Children under 12 must be accompanied by a person over 18
3. Guests must be accompanied by a resident of Woods Bay Home sites.
4. No overnight docking of boats or camping
5. Gates shall be kept locked.
6. Utilize the Doggy Depot.
7. No glass containers allowed.
8. Place all refuse in proper receptacles.
9. Keep music an all noise levels down for the benefit of neighbors.
10. Fires shall be completely out before leaving. (4)

ENFORCEMENT OF RULES

All Woods Bay Homeowners association Rules and Regulations and all rules set forth in the Covenants and in the By-Laws shall be enforced by the Association, its members, the Board of Directors, the Managing Agent, and all committees of the Association. All correspondence regarding complaints shall be kept on file. Enforcement shall be as follows:

1. Any unit owner as a member of the Association, any person residing in Woods Bay Home sites, or any representative or agent of the Association may make a written complaint regarding violation of any Rule or Regulation. All such complaints shall be submitted in a letter to the Board. The letter must state the date, time, and location of the action, and it must be signed by the complainant. The complainant's name will not be revealed to the offender unless court ordered. The Board shall take appropriate action in line with the penalties below.

2. The Offender shall be given a letter on behalf of the Association, which shall outline the complaint. The letter may request that all rule violations cease and not recur in the future. The letter shall also request any other action that is reasonable under the circumstances. The letter shall notify the respondent that an opportunity for a hearing is being provided to the offender and establish the date, time and place of the hearing. The offender should be given an opportunity to respond in writing if they so desire.

3. If after the letter of notification and opportunity for a hearing with the WBHOA Board has been provided to the offender and if the complaint is found to be without merit it shall be dismissed and both parties notified.

4. If after the letter of notification and after the opportunity for a hearing with the WBHOA Board has been provided to the offender, the complaint is found to have merit, the penalty procedures below shall apply. Additionally, if the offender fails to reply, a fine or other appropriate legal action may be imposed in accordance with the penalty provisions set forth below. The first thirty days begins with the date of postage of said registered letter. The offender's response must be submitted in writing to the office of Woods Bay homeowners Association at PO Box 8118 Bigfork, MT 59911.

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PENALTIES

A violation by a tenant or guest shall be treated as a violation by the owner of the lot/residence occupied by the tenant. The owner shall receive a letter which shall outline the complaint of the rule violation.

If fines are not paid and resolution of the violations has not been made with the Board, appropriate legal action will be sought in accordance with Montana law, including a lien on owner's lot/residence. (6)

Penalties for violations of Woods Bay Homeowners association Rules and Regulations shall be imposed per covenant violation by the Board of Directors who authorizes the Managing Agent to notify all violators are as follows:

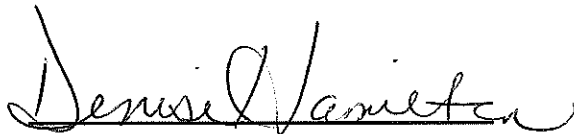
Step One: Written letter of warning, clearly stating all violations will be sent by registered mail Homeowner has thirty (30) days in which to respond and seek a Board hearing toward resolution.

Step Two: If at the end of thirty (30) days the Board has received no response and the violation has not been corrected, a fine of \$25.00 will be imposed

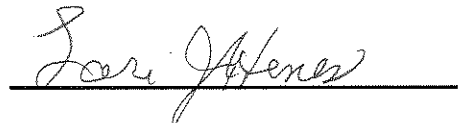
Step Three: If at the end of sixty (60) days the Board has received no response and the violation has not been corrected, a fine of \$50.00 will be added to the previous fine.

Step Four: If at the end of ninety (90) days the Board has received no response and the violation has not been corrected, a fine of \$100 will be added to the previous fines

Step Five: If at the end of one hundred and twenty (120) days the Board has received no response and the violation has not been corrected, a fine of \$100.00 per month will be added to the previous fines, and will continue to be assessed monthly until the violation has been resolved to the satisfaction of the Board, acting in the interest of the members of Woods bay Homeowners Association.



Denise Hamilton, Chairman



Lori Henes, Secretary

Adopted by Board action

April 2016

(6)