

Skyfire Homeowner's Association
Rules & Regulations
Effective date: January 1, 2008

The Rules & Regulations were developed by both the Skyfire Board of Directors and Skyfire Members to complement the existing CC&R's. Rules & Regulations have been implemented to give detail to ambiguous CC&R's, and define such penalties pertaining to our existing CC&R's.

Per the Skyfire Bylaws, the Board of Directors has the authority to implement said rules at their discretion, however, the Board has taken all measures to ensure members had the ability to participate in the development of such rules, and took all questions and concerns into consideration before finalizing the document, including a vote at the 2006 Annual Homeowner's meeting pertaining to the proposed rules & regulations.

Reading this Document and Rule Implementation:

Each rule coincides with a specific CC&R that members claimed needed more definition. While the Board of Directors is required to follow through with the documentation and said penalties should a rule be violated, they will NOT act as a police-force to ensure members are following such rules. Skyfire members are required to report any concerns to The Board of Directors should another member be in violation of the Rules & Regulations. Members are required to report such violations, in writing, to The Board of Directors via email and/or mail.

The following reflect the Rules, Regulations and Fines:

Rules for CC&R articles 6.2

Article 6.2 Specific duties

Each Owner, at said Owner's sole cost and expense, shall promptly and continuously maintain, repair, replace and restore said Owner's Lot (including the yard and landscaping) and Home and other improvements located thereon, in a good, clean, attractive, safe and sanitary condition and in full compliance with all applicable governmental laws, rules and regulations and the provisions of this Declaration and the rules and regulations of the Association.

Rule:

Aesthetic Categories

Yard - Lawns must be mowed, trees and shrubs pruned, dead limbs removed, planters weeded. Woodpiles must not be visible from the street at any time; leaf piles and other debris and trash removed. Moss must be removed from driveways and walkways.

Yard maintenance is pertaining to any property view adjoining a Skyfire community public thoroughfare.

Fines and penalties:

1st offense of landscape maintenance violation (written complaint): Written notice will be given by the Board of Directors to the offending member to resolve the issue within 14 days. If the issue is not resolved on the 15th day, a fine of \$10.00 per day will be levied until the issue is resolved to the satisfaction of the Board of Directors

Repeat (2nd offense) - Board of Directors violation: If there is a second violation (same issue) within a 30 day period, a fine of \$15.00 per day will be levied starting the day the offending member is notified, in writing by the Board of Directors, of the second violation. The \$15.00 per day fine will be in effect until the issue is resolved to the satisfaction of the Board of Directors

Repeat (3rd offense) of Landscape Maintenance violation: If there is a third violation (same issue) within a 60 day period, the fine of \$25.00 per day will be levied starting the day the offending member is notified in writing by the Board of Directors of the Third violation. The \$25.00 per day fine will be in effect until the issue is resolved to the satisfaction of the Board of Directors.

Expenses incurred on processing: In the event that the Board of Directors are unable to resolve the issue the Board of Directors may hire an independent contractor to resolve the specific landscape issue and the costs will be passed on to the offending member.

In the event that the Board of Directors is unable to resolve the issue without legal intervention, all legal expenses incurred in processing are the responsibility of the offending HOA member and not the responsibility of the Home Owner Association.

Rules for CC&R articles 6.3

Article 6.3 Restrictions on Storage

No Owner shall store or allow any tenant to store any trailers, boats, motor homes, recreational vehicles or any disabled or inoperable motor vehicles on the Premises (other than completely within an enclosed garage, or within such other enclosure as may be approved in advance by the Board of Directors or the Structural Review Committee) for more than forty-eight (48) consecutive hours. Violations shall subject such vehicles to public impound, at the expense and risk of the Owner thereof.

The following two (2) rules apply to Article 6.3 Restrictions on Storage:

Rule

Rule 1:

Current CC&R's allow 48 hours of storage of any trailers, boats, motor homes, recreational vehicles or any disabled or inoperable motor vehicles (here forward described as "RV") at a given time. Owners may request a temporary extension to the Board of Directors, and the Board of Directors may grant a member homeowner a "Temporary RV Parking Permit" to position a RV on homeowner's property, located on the driveway for a period no more than a total of 7 consecutive days, which includes the 48 hour grace period.

Request should be made in writing or e-mail giving specific time period for extension (maximum 7 consecutive days which includes 48 hour grace period), license plate & state of RV and address of requesting household. Board may or may not accept verbal requests.

One (1) temporary permit may be requested per household every 3 months

Each permit will only apply to only one RV.

Extension of any temporary permit will be on a case-by-case basis.

Temporary storage of an RV may be granted for a specific time period of not more than 7 days, which includes the 48 hour grace period, for the purpose of loading or unloading, temporary housing or other use. Skyfire HOA and Board Of Directors will not be liable for lost, misplaced, stolen property or any damage to RV.

Any homeowner or RV owner will be subject to penalty for allowing RV storage past the expiration date of the temporary permit

Fines and penalties:

1st offense of storage: Written notice will be given by the Board of Directors to the offending member to resolve the issue within 7 days. If the issue is not resolved on the 8th day, a fine of \$50.00 per day will be levied until the issue is resolved to the satisfaction of the Board of Directors or until a second offense fine has been acknowledged.

Repeat (2nd offense) of storage: If there is a second violation (same issue) within a 30 day period a fine of \$100.00 per day will be levied starting the day the offending member is notified in writing by the Board of Directors regarding second violation. The \$100.00 per day fine will be in effect until the issue is resolved to the satisfaction of the Board of Directors or until a third offense fine has been acknowledged.

Repeat (3rd offense) of storage: If there is a third violation within a 60 day period the fine of \$200.00 per day will be levied starting the day the offending member is notified in writing by the Board of Directors of the third violation. The \$200.00 per day fine will be in effect until the issue is resolved to the satisfaction of the Board of Directors

Expenses incurred on processing: In the event that the Board of Directors are unable to resolve the issue without legal intervention, all legal expenses incurred in processing are the responsibility of the offending HOA member and not the responsibility of the Home Owner Association

Rule 2:

Current CC&R's allow Board of Directors or the Structural Review Committee (ACC) to approve an enclosure for a recreational vehicle (other than completely within an enclosed garage). This includes storage of any trailers, boats, motor homes, recreational vehicles or any disabled or inoperable motor vehicles (here forward described as "RV") at a given time. An approval for an enclosure is determined based on the specifications of the said vehicle, and is therefore approved only for the specific vehicle it is intended for. Subsequent vehicles for current and future homeowners require a new approval request.

As such, a property with a prior approval is not permitted to advertise the property for sale with "RV Parking" or "space for RV" or comparable.

The Board of Directors and ACC will not accept verbal requests for approval of new vehicles for previously approved enclosures, and will not approve properties to be advertised for sale to indicate recreational vehicle parking.

Fines and penalties:

1st offense of storage: Written notice will be given by the Board of Directors to the offending member to resolve the issue within 7 days. If the issue is not resolved on the 8th day, a fine of \$50.00 per day will be levied until the issue is resolved to the satisfaction of the Board of Directors or until a second offense fine has been acknowledged.

Repeat (2nd offense) of storage: If there is a second violation (same issue) within a 30 day period a fine of \$100.00 per day will be levied starting the day the offending member is notified in writing by the Board of Directors regarding second violation. The \$100.00 per day fine will be in effect until the issue is resolved to the satisfaction of the Board of Directors or until a third offense fine has been acknowledged.

Repeat (3rd offense) of storage: If there is a third violation within a 60 day period the fine of \$200.00 per day will be levied starting the day the offending member is notified in writing by the Board of Directors of the third violation. The \$200.00 per day fine will be in effect until the issue is resolved to the satisfaction of the Board of Directors

Expenses incurred on processing: In the event that the Board of Directors are unable to resolve the issue without legal intervention, all legal expenses incurred in processing are the responsibility of the offending HOA member and not the responsibility of the Home Owner Association

Rules for CC&R articles 7.7

Article 7.7 Garbage and Trash Removal

No Lot shall be used as a dumping ground for rubbish, trash or garbage. Garbage and trash containers shall be buried or shall be located abutting rear or sides of house and shall be contained within an enclosure. The design and material of said enclosure shall be in keeping with the general appearance of the house and its design must receive prior approval by the Association.

Rule

Garbage cans out for trash collection must be removed from the road/sidewalk and put behind such enclosure or storage space by midnight following garbage pick-up. Garbage cans must not be out for longer than a 24 hour period at one time.

Garbage cans out for pick-up must not be placed in front of mailbox kiosks. Every attempt must be made to keep cans 15 feet away from mailbox kiosks to ensure mail delivery.

Fines and Penalties:

1st offense of Garbage & Trash: Written notice and warning will be given by the Board of Directors to the offending member to resolve the issue within 24 hours. Regularly repeating offenders will receive a fine of \$5.00 per day if it is left out longer than the 24 hour grace period and will be levied until the issue is resolved to the satisfaction of the Board of Directors. Repeat offenders will be notified prior to fines assessed after reported by neighbors.

Expenses incurred on processing: In the event that the Board of Directors are unable to resolve the issue without legal intervention, all legal expenses incurred in processing are the responsibility of the offending HOA member and not the responsibility of the Home Owner Association.

Rules for CC&R articles 7.8

Article 7.8 Pets

No animal, livestock or poultry of any kind shall be raised, bred, or kept on any Lot, except: that cats, dogs, birds or other household pets may be kept if they are not kept, bred or maintained for any commercial purpose; and that such pets shall not be kept in numbers or under conditions reasonably objectionable in a closely built-up residential community or in violation of the reasonable rules and regulations of the Association.

Rule

Excessive Noise: Repeated and/or regular excessive barking by a homeowner's pet(s) may be considered to be reasonably objectionable by neighbors. Pet owners will take all necessary steps to limit excessive noise generated by their pets, especially between the hours of 10 P.M. and 8 A.M. Failure of a homeowner to comply may result in the imposition of fines.

Leashes: Consistent with King County ordinances, within Skyfire, all dogs must be leashed while not on the owner's property. It is the responsibility of each homeowner to ensure that their dog does not run free within Skyfire. Unleashed dogs will be reported to the Humane Society and their owners may be fined.

Scoping: It is the responsibility of each Skyfire' homeowner to properly dispose of the fecal waste generated by their pet.

Infractions: Once an excessive noise or scooping violation has been reported by individual homeowners, the violating homeowner will be notified in writing, and, if not corrected in a timely manner, and fines will be assessed. At the Board's discretion, legal action may be taken against the violating homeowner at any point once a violation has been confirmed. Additional fines will continue to be assessed while the legal action is in process if the homeowner continues to violate the rule.

Fines and Penalties:

1st offense of pet violation (written complaint): Written notice will be given by the Board of Directors to the offending member to resolve the issue.

Repeat (2nd offense) of pet violation: Written notice will be given by the Board of Directors to the offending member to resolve the issue within 24 hours. If the issue is not resolved by the 25th hour, a fine of \$10.00 per infraction will be levied until the issue is resolved to the satisfaction of the Board of Directors.

3rd offense of pet violation: If there is a third violation within a 30 day period the fine of \$20.00 a day per infraction, will be levied starting the day the offending member is notified in writing by the Board of Directors of the third violation. The \$20.00 per day fine will be in effect until the issue is resolved to the satisfaction of the Board of Directors.

Expenses incurred on processing: In the event that the Board of Directors are unable to resolve the issue without legal intervention, all legal expenses incurred in processing are the responsibility of the offending HOA member and not the responsibility of the Home Owner Association.

Rules for CC&R articles 7.9

Article 7.9 Signs

No signs shall be displayed to the public view on any Lot except one professional sign of not more than one square foot, one sign of not more than five square feet advertising the property for sale or rent, or signs used by Declarant or another home builder to advertise the property during the construction and sales period.

No business of any kind shall be conducted on any Lot with the exception of (a) the business of Declarant in developing and selling all of the Lots and (b) such home occupation for which a permit may be issued by the appropriate local government.

Rule

Signs pertain to those on any residential lot facing a Skyfire public roadway. Signs containing political information are permitted no more than 2 months prior to the said election, and 1 week post that election. No posting of signs in common areas unless permitted or authorized by the board.

Fines and penalties:

1st offense: Written notice will be given by the Board of Directors to the offending member to resolve the issue.

2nd offense: Written notice will be given by the Board of Directors to the offending member to resolve the issue within 3 days. If the issue is not resolved by the 4th day a fine of \$10.00 per day per infraction will be levied until the issue is resolved to the satisfaction of the Board of Directors

3rd offense: If there is a third violation within a 30 day period the fine of \$25.00 a day per infraction, will be levied starting the day the offending member is notified in writing by the Board of Directors of the third violation. The \$25.00 per day fine will be in effect until the issue is resolved to the satisfaction of the Board of Directors.

Expenses incurred on processing: In the event that the Board of Directors are unable to resolve the issue without legal intervention, all legal expenses incurred in processing are the

Rules for CC&R Articles 7.1 & 9.1

Article 7.10 Rental Lots.

7.10.1 With respect to the leasing, renting, or creation of any kind of tenancy of a Lot and improvements thereon by its Owners, such Owner shall be prohibited from leasing or renting less than the entire Lot or improvements thereon, or (with the exception of a lender in possession of a Lot and improvements thereon following a default in a first mortgage, a foreclosure proceeding or any deed of trust sale or other arrangement in lieu of a foreclosure) for a term of less than thirty (30) days; and all leasing or rental agreements shall be in writing and be subject to the Declaration and Bylaws (with a default of the tenant in complying with the Declaration and Bylaws constituting a default under the lease or rental agreement).

ARTICLE IX

COMPLIANCE WITH DECLARATION

Current: Article 9.1 Enforcement.

9.1.1 Compliance of Owner.

Each Owner shall comply strictly with the provisions of this Declaration and with the Bylaws and administrative rules and regulations adopted by the Association (as the same may be lawfully amended from time to time). Failure to comply shall be grounds for an action to recover sums due for damages, or injunctive relief, or both, maintainable by the Board (acting through its officers on behalf of the Owners), or by the aggrieved Owner on his own against the party (including an Owner or the Association) failing to comply.

9.1.2 Compliance of Lessee.

Each Owner who shall rent or lease his Lot shall insure that the lease or rental agreement will be in writing and subject to the terms of this Declaration, Articles of Incorporation, if any, and Bylaws. Said agreement shall further provide that failure of any lessee to comply with the provisions of said documents shall be a

default under the lease.

Rule: Part I

Current CC&R's do not allow tenancy of a lot, including leasing or renting the entire lot or improvements for a term less than 30 days, and all leasing or rental agreements shall be in writing and be subject to the declaration and bylaws of the Homeowner's Association. The exception as stated includes lender possession of a lot and improvements, a foreclosure proceeding, or any deed of trust sale or other arrangement in lieu of foreclosure. This will include special provisions of a one-time rent-back to the previous homeowner for less than 30 days at the time of sale of the property as stated in a contractual purchase and sale agreement filed with sale of the property.

Any Owner or Member leasing, renting, or creating any kind of tenancy of his Lot and improvements thereon to any Person(s) for a term of less than thirty (30) consecutive days (hereinafter "Renting"), including but not limited to short-term and/or vacation rentals (weekly, nightly, holidays, special events, weekends, or any other term less than 30 days), will be in violation of Section 7.10.1 of the CC&Rs and subject to enforcement action as authorized under the governing documents or any applicable law, including but not limited to fining. A violation of this Rule and Section 7.10.1 includes Renting through a third-party property management company or other representative. Advertising your Lot for Rent is evidence of a violation of this Rule and Section 7.10.1.

The exception to this Rule is that a lender in possession of a Lot and improvements thereon, following a default in a first mortgage, a foreclosure proceeding or any deed of trust sale or other arrangement in lieu of a foreclosure, may Rent a Lot pursuant to Section 7.10.1.

Rule: Part 2

Notification to Board:

A dated formal notice of the infraction must be filed by the complainant to the Board of Directors, in writing, stating the specific dates of the rental of such property and should include all relevant details of the observed infraction. The name, lot number, or address of violating homeowner must be included. A separate notice for each new tenant should be filed. Complaints should include length of time rented and logged activity, as well as accompanying pictures and listing advertisements if available.

Complainant responsibilities:

The pursuer must take detailed notes and log all observed activity. Both time and date of infraction must be included for the HOA to impose penalties against the violating member. Complainant is encouraged to take digital pictures of each activity and gather listing advertisements, if available, and forward to the board. A formal letter in writing must be filed in order for any action to take place for each date of infraction, and a follow-up should be sent when tenant vacates to capture occupancy timeline. It is the responsibility of the complainant to manage any activity that results on their personal property and to contact police authorities for any unlawful or disruptive activity as stated in King County and Washington State law and code. Police activity should be logged.

Board responsibilities:

The board will pursue the following below, but will not be responsible for policing activity. In order for the board to proceed, a separate email for each incident must be filed by the pursuer.

Fines and penalties:

1st offense: Written notice will be given to the non-compliant Owner to resolve the issue within fourteen (14) days of receipt of the notice, unless, in the Board's discretion, the circumstances reasonably call for an alternative deadline for compliance. If the non-compliance is not resolved before the given deadline, a one-time fine of up to \$250.00 may be levied in the Board's discretion.

Repeat (2nd) offense: If fourteen (14) days, or other Board determined deadline, pass after the initial deadline for compliance and compliance has not been obtained or a new instance of non-compliance occurs, the Association may send a second written notice of non-compliance. Beginning upon receipt of the second notice, a fine of up to \$500.00 may be levied for each day of non-compliance.

Repeat (3rd offense): If thirty (30) days, or other Board-determined deadline, pass after the second notice of non-compliance is received and compliance has not been obtained or a new instance of non-compliance occurs, the Association may send a third written notice of non-compliance. Beginning upon receipt of the third notice, a fine of up to \$700.00 will be levied for each day of non-compliance, depending on the nature of the violation. The daily fine will continue to accrue until Owner or Member comes into compliance with Section 7.10.1 and this Rule, or the Board in its discretion decides to stop fining, depending on the nature of the violation.

Fines are Assessments: Fines levied pursuant to this Rule shall be considered Assessments, and are accordingly a continuing lien that may be foreclosed, subject to late fees and interest if delinquent, and the personal obligation of the Owner, as described in Article VIII of the CC&Rs.

Separate violations: Upon receipt of the second notice, each day of successive or continuous violation is a separate violation and therefore is subject to separate daily fines. The daily fines are cumulative. Fines may only be levied on days during which Rentals are occurring. Fines may continue to accrue even if Rentals are separated by one or more days.

Receipt of Notices: Notices will be presumed received two days after sending.

Weekly Option: Following receipt of the second notice of violation, the Board in its discretion may decide to levy weekly fines of up to \$750 per week rather than daily fines. Weekly fines may be levied for any given week during which an Owner is Renting the Lot for three or more days.

Injunction: Each violation may be grounds for injunctive relief or damages pursuant to Section 9.1.1 of the Declaration.

Enforcement: Board enforcement of this Rule is not mandatory in all circumstances; the Board may exercise its discretion in determining whether and/or how much to fine an Owner on a case-by-case basis. The Board's decision not to impose a fine in one instance does not under any circumstance waive or otherwise undermine the Board's later or concurrent right to impose a fine for other or similar violations. The Board may in its discretion suspend fines.

Notice and Opportunity to be Heard: Notices of non-compliance should include notice that an Owner may request a hearing to contest a violation if such a request is received by the Association within 14 days after receipt of the notice. If a hearing is timely requested, the Board will schedule a hearing and notify the owner of the hearing date, time and location. The hearing should be scheduled no earlier than five days after notice of the hearing is received, unless, in the Board's discretion, the circumstances reasonably call reduced notice. The Owner should provide the Board with any relevant documentation relating to Rentals prior to the hearing. The Board may but is not required to grant requests to reschedule. If a hearing occurs, the Board should provide written notice of its decision within a reasonable time.

Notice of appeal: An Owner may appeal a Board decision following a hearing by delivering a written appeal request within 10 days of receipt of the Board's decision. The appeal request should set forth the facts and arguments that serve as the basis for the appeal. The Board should provide written notice of its decision on appeal within a reasonable time. The Board's decision on appeal is final.