

**Riverwood National Homeowners Association**

**Rules & Regulations**

**January 1, 2017**

# **Riverwood National Homeowners Association**

## **RULES AND REGULATIONS**

*Effective May <>, 2016*

### **INTRODUCTION**

The goal of these Rules and Regulations is to provide reasonable and practical guidelines for the residents of the Riverwood National Homeowners Association and for the operation of the Riverwood National Homeowners Association (the "Association"), so that the highest quality of residential living can be attained. Please take the time to familiarize yourself with these Rules and Regulations. Unless otherwise defined in these Rules and Regulations, the terms used in these Rules and Regulations shall have the meaning assigned to them in the Declaration and Bylaws of the Association, as amended/or and supplemented (the "Declaration").

These Rules and Regulations are an important part of preserving property values and promoting enjoyment of the Association by all Owners and residents. These Rules and Regulations have been prepared and adopted by the Association's Board of Directors (the "Board of Directors") as authorized by the Declaration. All residents of the Association are obligated to comply with these Rules and Regulations and all other governing documents pertaining to the Association. Owners and residents are also responsible for compliance with these Rules and Regulations by their family, guests, visitors, and lessees.

A. **GENERAL RULES**

1. Owners are personally responsible and liable for any damage to the Association caused by their actions or the actions of their family, guests, visitors, and lessees. The cost to repair any such damage shall be the personal liability of the relevant Owner and a lien against that Owner's Lot.
2. As defined in Article XVI, Section 6 of the Covenants, the Board shall have exclusive authority to approve and implement such reasonable Rules and Regulations as it deems necessary from time to time for the purpose of operating and administrating the affairs of the Association and regulating the use of the Property, provided, however, that the Rule and Regulations shall not be inconsistent with the balance of the Governing Documents. The inclusion in other parts of the Governing Documents of authority to approve Rules and Regulations shall be deemed to be in furtherance, and not in limitation, of the authority granted in this this Article. New or Amended Rules and Regulations shall be effective only after reasonable notice thereof has been given to the Owners.

B. **Rules of the Covenants**

1. Outlined in Article VI of the Riverwood National HOA Covenants. Declarant, for itself, its successors and assigns, by the Declaration, and any future Owner, by acceptance of deed to a lot, covenants and agrees as to these Governing Documents. Please reference the covenants for all Rules and Regulations governing any Riverwood National Home Owners Association Lot or Dwelling. Many of the building violations will be addressed by our Architectural Control Committee at the time Building is taking place. However, ongoing violations are That may arise are as follows:

“Section 4. **Nuisance Prohibited.** No Noxious or offensive activity shall be carried on upon any lot, not shall anything be done thereon which may be or may become an annoyance or nuisance to the other Lots or neighboring properties.”

“Section 5. **Land Use.** No Lot shall be used except for private, residential purposes and no improvements shall be commenced, erected, altered, placed, or permitted to remain on any Lot except a detached family residence.”

“Section 6. **Construction to be New.** No building previously used at any other location, nor any building or structure originally constructed as a mobile dwelling or structure, may be placed upon a Lot.”

“Section 7. **Antennae.** No exterior tower or antennae of any kind, nor any satellite communication disk greater than 18 inches in diameter may be constructed, maintained, or permitted to remain on any lot without the prior consent of the ACC, which consent shall be expressed in writing. All on site utility connections and services shall be underground.”

“Section 8. **Temporary Structures.** No accessory building or structure, nor any trailer, tent, tree house, camping quarters, shed or other temporary structure shall be placed on any Lot at any time without the prior written consent of the ACC.

“Section 9. **Storage.** Outdoor storage is prohibited. No building materials shall be stored on any Lot, except temporarily during continuous construction of a dwelling, or its alteration or improvement, unless the same is enclosed within the dwelling so as not to be visible from any neighboring Property or adjacent street. Boats, inoperable or unlicensed cars, motor homes, recreational vehicles, motorcycles, trailers, campers and the like shall be stored only within a garage. Outside storage of equipment, trash or garbage containers shall not be allowed unless effectively screened from view outside the Lot by means of a structure the construction of which has been approved, in advance by the ACC, which approval shall be expressed in writing.”

“Section 10. **Storage Tanks.** No storage tanks of a permanent nature may be placed or installed on any Lot.”

“Section 11. **Signage.** No Sign of any kind may be displayed to the public view on a Lot that is not in compliance with applicable City of Otsego ordinances and except as follow:

- (a) During the development and sale of Lots within the property, Declarant may erect marketing signs as deemed necessary by declarant.

- (b) In the case of a house owned by a licensed builder and advertised as a model home, one sign not larger than 4 feet by 4 feet in size shall be permitted.
- (c) After the Declarant has completed its development and lot sales, home and/or lot marketing signs for re-sale of complete Dwelling purposes only shall be limited to not more than one sign per lot, which sign may not be larger than 7.5 square feet.”

“Section 12. **Pets and Animals.** No horses, cows, goats, sheep, poultry or fowl, of any kind, nor any other livestock, may be kept on any Lot, except for dogs, cats and other ordinary household pets (“Permitted Pets”). However, no animals of any kind may be kept, bred or maintained for any commercial purpose. The keeping of Permitted Pets anywhere upon the Property must comply with all applicable laws and governmental regulations. If a Permitted Pet requires a Kennel, it must be located and referenced in Plans and Specifications approved in advance by the ACC, which approval shall be expressed in writing.”

**The above Sections are to be used as a reference. Please refer to the Riverwood National Homeowners Association Declaration of Covenants, Conditions and Restrictions as the governing document.**

**B. Sale**

1. Sale of Lot – An Owner contemplating the sale of his or her Lot must inform the Association’s management company, or designated representative, in order for the proper resale disclosure documents to be prepared and organized.
2. Resale Disclosure Certificate – According to Minnesota law, a seller of a Lot is required to provide to the Buyer a resale disclosure certificate (the “Certificate”). The Certificate is prepared by the Association at the request of the seller or the seller’s agent. It is the responsibility of the seller or the seller’s agent to request that the Certificate be prepared. The Certificate includes information such as status of assessments (commonly known as “dues”), insurance, special assessments, and liens. After receiving the Certificate from the Association, the seller is required to give the Certificate to the buyer along with a complete set of the Association’s governing documents, which include the Declaration, The Association’s Bylaws, these Rules and Regulations, and the Association’s Articles of Incorporation. The Association strongly recommends that the copies of those governing documents be provided to the buyer at the time the buyer signs a purchase agreement for the Lot, or well before the closing on the sale of the Lot.

**C. Association Assessments**

1. Each annual assessment levied by the Association is payable as a lump sum payment due on the first day of the month after the notice of assessment has been provided by the Association. A late charge of \$25.00 will be assessed the 16<sup>th</sup> of the month against all accounts that are delinquent at the close of business on the 15<sup>th</sup> of the month.
2. Each special assessment levied by the Association is payable as a lump sum payment due on the first day of the month after the notice of assessment has been provided by the Association. A late charge of \$25.00 will be assessed the 16<sup>th</sup> of the month against all accounts that are delinquent at the close of business on the 15<sup>th</sup> of the month.
3. Owners will receive a written notice of a delinquent account payment when their account is sixty (60) days overdue. If an Owner's account is ninety (90) days overdue, the account will be turned over to the Association's attorney for collection. The Board of Directors has the discretion to deviate from this timeline if it deems appropriate.
4. Payments received by an Owner will be applied to the oldest outstanding charge on the Owner's account.
5. All attorney's fees and other costs and expenses incurred by the Association relating to the collection of an Owner's account, including, but not limited to, charges for checks returned for insufficient funds, will be the personal liability of that Owner, to be levied against that Owner's Lot, and a lien placed against that Owner's Lot.
6. Owners may prepay assessments or installments thereof levied against their Lots at any time; however, no discount will be given for prepayments.

**E. Fines for Violations**

The Board of Directors has the authority, pursuant to the Declaration, to impose reasonable fines for violations of the Rules and Regulations. The notices and fines set forth below will be administered for those violations that pose no immediate risk to the health, safety, or welfare of the residents of the Association or to any portion of the Association. The Board of Directors reserves the right to take more stringent action when a violation of the Rules and Regulations is deemed to present an immediate

hazard to the health, safety, or welfare of the residents of the Association or to a portion of the Association. In addition, the Board of Directors reserves the right to pursue any other actions or remedies that are authorized by the Declaration and any relevant Minnesota laws.

The following guidelines will be followed by the Board of Directors or the Association's management company in the event of a violation of the Rules and Regulations:

1. **First violation:** A written warning is sent to the Owner of the Lot in which the violator (who may or may not be the owner) is residing or visiting (the "Violation Letter").
2. **Non-compliance with the Violation Letter, within 30 days from the date of the Violation Letter:** \$25.00 fine.
3. **Second violation of the same Rule and Regulation set forth in the Violation Letter, within 30 days from the date of Violation Letter:** \$50.00 fine (in addition to the fine set out in item 2, above).
4. **Third violation of the same Rule and Regulation set forth in the Violation Letter, within 30 days from the date of the Violation Letter:** \$50.00 fine (in addition to the fines set forth in items 2 and 3, above).

All fines shall be due and payable to the Association on the first day of the month following the date that the fines are imposed. At the discretion of the Board of Directors, the amount of the fines set forth above may be changed for one or more than one particular violation, given the circumstances surrounding the violation, whether the violator has a history of violations, or other relevant information.

#### **CONTINUING VIOLATION**

In the case of a continuing violation of a Rule and Regulation beyond the date when a fine is imposed under Section E, an additional fine of no less than \$5.00 may, at the discretion of the Board of Directors, be imposed for each day the violation continues since the issue date of the first violation letter.

#### **F. Notice of a violation and the opportunity to be heard**

In the case of the imposition of any fines for violations of the Rules and Regulations, the Board of Directors shall, upon written request of the Owner, grant to the Owner a hearing on the violation. The procedures for informing the Owner of a right to a hearing, the Owner's request for a hearing, and the hearing itself, shall be as follows:

1. The Owner shall be given written notice of the nature of the violation and the right to a hearing, and at least 10 days within which to request a hearing in writing. The hearing shall be before the Board of Directors or, at the discretion of the Board of Directors, a committee appointed by the Board of Directors that is made up of at least three disinterested Owners (some or all of the members of the committee may, at the discretion of the Board of the Board of Directors, be members of the Board of Directors). The written request shall be mailed or hand delivered by the Owner to the President of the Association.
2. The hearing shall be scheduled by the Board of Directors and held within 30 days of receipt by the Board of Directors of the Owner's written hearing request, and with at least 10 days prior written notice to the Owner.
3. If the Owner fails to request, or appear at, the hearing, then the right to a hearing shall be deemed waived by the Owner, and the Board of Directors may impose the applicable fines and take all other action as it deems appropriate.
4. Hearings shall be conducted in a fair and equitable manner. The decision of the Board of Directors/committee, and the rules for the conduct of the hearings established by the Board of Directors/committee, shall be final and binding on all parties. The decision of the Board of Directors/committee shall be delivered in writing to the Owner within 10 days following the hearing, if not delivered to the Owner at the hearing.
5. Attendance at the hearing will be limited to the following persons: members of the Board of Directors/committee, agents of the Association, the complainant (if any), the Owner, and any other persons who may have relevant evidence or testimony to offer. A person attending the hearing may elect to be represented by legal counsel. A Board of Directors member who has direct involvement in the alleged violation shall excuse himself or herself from the hearing process.
6. Any fines to be imposed by the Association may, at the discretion of the Board of Directors/committee, be retroactive to the date of the violation. No notice to the Owner of a right to a hearing need be given before the imposition of fines for a continuing violation.

**G. Personal Liability for Fines/Levy of Fines as Assessments**

Pursuant to Minnesota law, each fine imposed by the Association against an Owner shall be the Owner's personal obligation and shall be a lien against the Owner's Lot. The lien shall attach to the Lot as of the date the fine is imposed, but shall not be final until (i) the fine is affirmed in writing following the hearing referenced above (if applicable); or (ii) after the expiration of the time period within which the Owner could request a hearing but failed to do so (if applicable).

#### **H. Conclusion**

The Association publishes these Rules and Regulation to guide the Association and for the benefit of all the Owners, residents, guests, and visitors. It is the objective of these Rules and Regulations to produce a harmonious living environment for all, so that the Owners and other residents can enjoy the benefits of living at the Association.

Your Board of Directors.