

ASSOCIATION OF APARTMENT OWNERS KAUALE MAKAI

RULES AND REGULATIONS

June 21, 2019

The purpose of these rules and regulations (“House Rules”) is to allow maximum enjoyment of the premises by owners and their guest by defining rules to protect occupants from annoyance and nuisance and preserve the reputation and desirability of the Kauhale Makai condominium project (“Project”).

The full authority and responsibility of enforcing these rules may be delegated to a Managing Agent or Site Manager by the Board of Directors (“Board”) of the Association of Apartment Owners of Kauhale Makai (the “Association”). All occupants, tenants, family members, guests and invitees shall be bound by these House Rules. Each Owner shall be responsible for ensuring that his or her tenants and guests receives a copy of such documents and abides by the terms contained therein.

The House Rules supplement, but do not change, the obligations of the apartment owners (“Owners”) and all occupants, tenants and their guests as set forth in the Declaration of Condominium Property Regime (“Declaration”) and By-Laws of the Association of Apartment Owners (“Bylaws”) pertaining to the Project, as they may be amended from time to time. In the event of any inconsistency between the House Rules and the Declaration or the By-Laws, the Declaration and By-Laws shall control.

None of the provisions of this project documents are intended to be in contravention of the State or Federal law, including the Fair Housing Act, pursuant to the Association’s non-discrimination policy.

These House Rules are adopted pursuant to Article V, Section 4 of the Bylaws.

A. GENERAL

1. The units shall be used only for the purpose set forth in the Declaration and Bylaws and for no other purpose. Conduct, activities, behaviors, uses or practices that violate the Declaration, Bylaws, or federal, state and County law is prohibited.
2. Quiet hours are from 10:00 p.m. until 8:00 a.m. During quiet hours, radios, televisions, stereos, compact disc players, tape recorders, etc., must be played at reduced volume in order to avoid disturbance to other occupants. If social gatherings extend into quiet hours, occupants hosting the social gathering must close windows and/or doors to keep the noise from disturbing other occupants. The noise level emanating from any Unit shall not exceed 50 decibels between the “quiet hours” from 10:00 p.m. to 8:00 a.m. At all other hours, the noise level emanating from any Unit shall not exceed 65 decibels. “Decibel” means the unit for measuring the volume of sound, equal to twenty times the

logarithm to the base ten of the ratio of the pressure of the sound measured to the reference pressure, which is measured using a testing device.

3. No animals whatsoever shall be allowed, or kept, in any part of the Project except for service or assistance animals.
4. Nothing shall be done or kept in any condominium or common elements of the complex, which could damage the common elements, limited common elements or other units or cause any increase in expenses or insurance rates or cancellations thereof.
5. Smoking or vaping is prohibited in the Project, including the common elements, limited common elements, apartments and lanais. Smoking or vaping is allowed on the street side of the property beyond the hedge.
6. Solicitation for any cause is strictly prohibited unless specifically authorized by the Manager or Board of Directors or allowed pursuant to law, such as solicitation of proxies.

B. OCCUPANCY

1. All owners, tenants and guests shall register at the office to receive a check-in packet with Parking Pass upon arrival at Kauhale Makai condominium project (“Project”).
2. Subject to the terms of the By-Laws of the Association, an Owner may lease or rent their or her unit or make it available to friends or family. All occupants shall abide by the House Rules, and the owner shall assume responsibility for the occupants’ conduct.
3. A transient visitor/guest fee (per visit, per unit) will be charged for any stay lasting less than 180 days. Titled property owners and their immediate family members (spouse, parents, children) shall be excluded from this fee. Kauhale Makai units owned by organizations (trusts, limited liability companies, limited partnerships corporations) may designate up to two individuals to be exempt from the fee.
4. Owners residing outside Maui are required per HRS Chapter 467 and 521 to have an on-island agent, which must be a Hawaii Licensed Real Estate Broker, a Hawaii Licensed Real Estate Salesperson under the direction of a Real Estate Broker, a Hawaii Licensed Condo Hotel Operator, or a custodian/caretaker who is employed by a single, individual owner (“Agent”). If the Rental Owner has a custodian/caretaker as their Agent, they are required to have a hired employee.
5. Owners residing outside of Maui engaging in any rentals shall submit to the Association’s General Manager the following:
 - a. The Agent’s name and contact information including cell number and email;
 - b. The Agent’s Hawaii License number, if not a custodian/caretaker;
 - c. If using custodian/caretaker, an employment agreement with the Agent showing Agent is employed as a custodian/caretaker by the Owner;
 - d. If using a custodian/caretaker, a signed affidavit from the custodian/caretaker attesting that the custodian/caretaker is employed only by the Owner.

6. All Owners engaging in rentals of periods of less than 180 days are required by HRS Chapter 237D to have a “local contact”, which is an individual residing on Maui or an entity with a place of business and at least one employee, officer, partner, member, or other person working on behalf of the company who is residing on Maui. Owners engaging in any rentals of periods of less than 180 days shall submit to the Association’s General Manager the Local Contact’s name, address, phone number, and email address.

7. Any and all guest issues and emergencies are the responsibility of the Owner and their Agent.

D. COMMON ELEMENTS, ENTRANCES & LANAIS

1. The common stairways, walkways, elevators and lobbies shall not be obstructed or used for any purpose other than ingress and egress.

2. Signs, announcements, or advertising in the common elements is prohibited without prior Board approval. Announcements can be put in the building billboards by office staff. Real estate sales people should check in at the front desk office to receive information on the “Open House” procedure.

3. No Owners shall cause any damage to the common elements, including but not limited to, the landscaped areas.

4. It is intended that the exterior of the Buildings shall present a uniform appearance. Owners shall be responsible for the care, maintenance, and repair of their lanais, except that the Association, through its Board, will be responsible for painting walls and ceilings of each lanai and exterior door and regulate the type and color of paint to be used.

5. Lanais may be furnished appropriately with potted plants and/or furniture (chairs, small tables) and must be kept in an orderly manner. Glass top tables on lanais are prohibited. Screens and other articles which, in the opinion of the Board of Directors are unsightly, in disrepair or are deteriorating, shall be removed, and or repaired, upon written request from the Board of Directors. This rule does not prohibit the display of appropriate commemorative or holiday decorations from windows and lanais, however, such displays shall be removed after 15 days following the event.

6. Lanais shall not be used for storage of sports and play equipment, surplus cartons, boxes or other types of belongings, except for one (1) storage container in beige, brown or gray with a width less than 4’6”, a depth less than 2’6” and a height less than the 40”. Large surfboards and Stand Up Paddle boards are not allowed and should be stored in the Water Craft storage area.

7. Open fire grills are prohibited inside of units and on lanais.

8. Carpet and rugs are prohibited on lanais. Doormats are permitted with dimensions less than 24” x 36”.

9. Bicycles parked on the grounds must be in road-worthy condition, parked in a bicycle rack and be registered with the Site Manager. Bicycles stored in violation of this provision shall be subject to disposal. Bicycles are stored at owners' risk. Bicycles shall not be stored on Lanais at any time.

10. Nothing should be secured or attached to the lanai railings except for seasonal or temporary holiday decorations.

11. Nothing should be draped over lanai railings to include but not limited to: towels, bathing suits, clothing, sheets etc.

E. RECREATION FACILITIES

1. Use of the Recreation Facilities (swimming pool, saunas, putting green, hot tub, showers, Barbeque and tables) shall be limited to Owners, lessees, tenants, guests or members of their families. Owners are responsible for their tenants and guests and are required to make sure they are fully aware of pool rules and regulations.

2. The use of the Recreation Facilities is at the user's own risk. THERE IS NO LIFEGUARD ON DUTY. The Association and its agents assume no responsibility for injury or loss.

3. Pool hours are from 9:00 a.m. to 10:00 p.m.

4. All pool furniture, such as chairs, lounges, etc., must remain within the enclosed area of the pool.

5. No glass or breakable containers are allowed in the enclosed pool area.

6. Shuffleboard, golf, and other equipment may be checked out by owners, tenants, or guests. They will assume responsibility for damage and return to office.

7. Any person who is incontinent or not fully potty trained must wear appropriate waterproof clothing when entering or being carried into the pool or hot tub.

8. Any incompetent swimmer must be supervised by an adult 18 years of age or older.

9. EXTENDED EXPOSURE TO HOT WATER OR VAPORS MAY BE DETRIMENTAL TO THE HEALTH OF INFANTS, ELDERLY PERSONS, PERSONS WITH HEART CONDITIONS, DIABETES, OR HIGH OR LOW BLOOD PRESSURE, AND PERSONS UNDER THE INFLUENCE OF ALCOHOL, DRUGS OR MEDICINES.

10. Nudity is prohibited. Excessively loose over-garments are prohibited in the pool or spa for safety reasons.

11. Anyone who damages the pool, hot tub or the fixtures therein shall be liable and responsible for all damage including the costs of repair caused by or related to their actions or activities.

F. PARKING

1. One (1) parking space is assigned to each unit as a limited common element and is for the exclusive use of the owner and owner's tenants, invitees and guests. Owners are limited to one parking space in the Project, and any excess vehicles must be parked outside of the Project.
2. All vehicles parked on the premises must be registered with the front office and tagged with permits. Violators of parking regulations may have their cars towed at their own expense.
3. Should someone else be parked in your stall, park in the visitor's parking with your parking permit. Please notify the office during business hours and they will rectify the situation as soon as is possible.
4. No mechanical repairs or maintenance shall be performed on a vehicle in the common area or any parking stalls except in an emergency; i.e., to fix a flat tire, add water or oil.
5. Visitor parking is limited to three (3) hours and is for the exclusive use of visitors.
6. If Owners agree to temporarily switch parking stalls or allows another vehicle to regularly park in their stall, written notice by the owners must be submitted to the Site Manager. If Owners desire to permanently switch parking stalls, then it requires an amendment to the Declaration executed by both Owners, recorded with the State of Hawaii and delivered to the Association.
7. Electric vehicles may be recharged using charging stations installed by the Association or by properly sub-metered charging stations installed by an owner in compliance with the Kauhale Makai Electric Vehicle Charging System Policy (adopted 2014). Electric vehicles may not be recharged from condominium outlets or other outlets that supply electricity at common expense.
8. Owners are responsible for the upkeep of their parking stalls and for the removal of any rubbish, excessive oils and grease that may leak over time from your vehicle(s).
9. Anyone causing damage to vehicles and/or other items parked and/or stored within common elements, shall be held liable for such damage. If the person responsible is a minor, the adult parent or guardian shall be responsible.

G. UNITS

1. Service of air handlers should occur on a semiannual basis by the Owner or their Agent. Owners to provide proof of servicing to front office once per year.

2. Washers and dryers in Units are prohibited.
3. Window and lanai door coverings shall be fabric draperies, blackout draperies, or blinds which shall provide a white or off-white appearance from the exterior of the building. Reflecting or colored window tints are prohibited. No window shall ever be covered by sheets, blankets, paint, aluminum foil, or cardboard, or be obstructed by clothing, laundry, stickers, pictures, signs or fans. Window coverings visible from the common area must appear to be in good condition (there shall be no torn drapes, drapes not hanging properly, bent rods etc.).
4. Occupants shall not store or accumulate hazardous or unsanitary materials in their unit. Occupants must ensure that conditions of their unit do not create unsafe or unsanitary conditions for other residents, e.g. infestation of insects. The use of firecrackers or any other explosive fireworks are strictly prohibited anywhere on the property.
5. High risk component inspection (property inspection including air handlers) will take place no later than 90 days after the closing sale date.

H. MAINTENANCE AND MODIFICATIONS

1. Maintenance of common elements is under the supervision of the Board of Directors, and is the responsibility of the Managing Agent or Site Manager. Please alert the office if you notice any defects, damage, or deficiencies to the property.
2. Maintenance of the units, including all windows and doors, is the responsibility of the Owner.
3. No Owner, tenant or guest shall interfere with the work of or attempt to give any instructions to any Association employee or contractor.
4. The Association sprays for pests in Units on a quarterly basis by the Management. Owners that opt to perform their own pest control are subject to inspection for pests by the Site Manager or other designee.
5. No unit owner shall do any work that may jeopardize the soundness or safety of the property, reduce the value thereof, or impair any easement, as reasonably determined by the board. Any and all additions to or alterations of the apartment made within the unit or within a limited common element appurtenant to and for the exclusive use of the apartment require the prior written approval of the Board and may require the prior written approval of owners, which includes but is not limited to work to the plumbing or electrical system, penetration of the exterior surfaces of the perimeter walls. **Work shall not begin before Site Manager's prior written approval has been given. Electric and plumbing work must be completed by a licensed contractor.**
6. Contractors must sign in with the Manager prior to starting work in any unit. Work hours are from Monday through Friday from 8:00am to 5:00pm. No work shall be conducted on federal holidays. The Site Manager may approve an extension of hours

depending upon circumstances. All common areas are to be cleaned of debris and rubbish daily. Construction refuse must be removed off the property at the expense of the Contractor or Owner/Occupant.

I. VIOLATIONS AND ENFORCEMENT

1. Any violation of or non-compliance with House Rules should be brought to the attention of the Site Manager and/or Managing Agent, who has the authority of the Board to enforce those rules that fall within their jurisdiction. Continued non-compliance or repeat violations should be reported to the Board in writing through the Manager. Maui Police may be called by anyone if warranted by circumstances.

2. The Board may take or require such corrective action regarding any violation of House Rules and damage to the common areas as, in the Board's discretion, is warranted. Violations, corrective action, and payment of fines are the responsibility of the Owner. The Board may employ any lawful means to secure payment and collect fines.

3. Unless specified or permitted hereinafter as an immediate or an enhanced fine, an initial violation will result in a written warning. An appropriate time limit for compliance may be specified in the warning (if the violation relates to behavior the appropriate time frame is immediate; if the violation relates to physical conditions the shortest practical corrective time frame will typically be provided). Absent specification of a time for compliance it shall be the shortest reasonable time frame, by default.

4. A second violation of House Rules will result in a \$50 fine. Finable violations will result in progressively greater penalties when additional violations of any type occur within a twelve-month period. The third violation will result in a \$100 fine. Each successive fine will result in a fine increasing by \$50 per instance (e.g., fourth violation will be \$150, fifth violation \$200, sixth violation \$250, etc.).

5. Second, third, fourth and subsequent violations need not be based upon the same House Rule provision before an escalated fine is imposed. For example, if a tenant violates a "pool" rule for the first violation and then violates a "noise" rule for the second violation, the fine would be imposed upon the occurrence of the second violation. It is not necessary that there be multiple violations of the same rule or category of rule before escalating or subsequent fines are levied.

6. Unless appealed as permitted below, a fine must be paid by the Owner to the Association within 30 days of the date of assessment of the fine. If the Owner fails to pay or properly appeal a fine within 30 days after assessment, the fine shall be deemed a common expense chargeable against the owner's apartment.

7. Any citation or fine may be appealed as follows:

- a. Within 30 days of the date of a citation or fine, an owner or other offenders may appeal to the Board by mailing or delivering written notice of the appeal to the Manager. The Owner may request a hearing before the Board.
- b. Delivery of notice of an appeal by the Owner shall temporarily suspend the obligation of the affected owner to pay the amount of the fine, but delivery

of the notice shall not toll accrual of the daily fine, late fees, and attorney's fees in the event the Board of Directors sustains fine in whole or in part.

8. An Owner who contests the amount of any attorneys' fees and costs, penalties or fines, late fees, lien filing fees, or any other charges, except common expense assessments, may make a demand in writing for mediation of the validity of those charges.
9. With respect to any violation of the House Rules, in addition to fines, the Association may proceed with all actions and remedies available to it under the law and governing documents, including but not limited to the following:
 - a. The Association may send a cease and desist letter to the individual in violation;
 - b. The Association may contact the owner of the unit who shall be directed to make a reasonable effort to cause the violator to cease and desist from the activity creating the disturbance;
 - c. The Association may levy fines against the owner and/or tenant in accordance with this Policy and HRS § 514B-104;
 - d. The Association may, as authorized agent of the owner, commence an eviction proceeding against the violator pursuant to HRS § 514B-104;
 - e. Enter the apartment and/or limited common area and take any action to summarily abate and remove, at the expense of the owner, any structure, thing or condition that exists in violation of House Rules. In such case, the Board and the Managing Agent will not be deemed guilty in any manner of trespass;
 - f. Take appropriate legal action, including but not limited to, seeking injunctive relief to remedy any such violation; and
 - g. Charge all fees and costs to the Owner.
10. Any legal fees or other professional consulting fees incurred by the Board or the Managing Agent in enforcing these House Rules will be assessed to the Owner.

IN WITNESS WHEREOF, the undersigned has executed these House Rules the 21st day of May in the year 2019.

ASSOCIATION OF APARTMENT
OWNERS OF KAUHALE MAKAI



Signature

Paula Headbloom

Printed Name
Its: President

CERTIFICATE

I, hereby certify that the foregoing is a true copy of the resolution duly adopted at a meeting of the Board of Directors duly held on _____ and duly entered in the book of minutes of the Association, and that these House Rules are in full force and effect as of _____.

ASSOCIATION OF APARTMENT
OWNERS OF KAUAHALE MAKAI

Signature

Printed Name
Its: Secretary