

**THE VILLAS AT KEAUCOU ESTATES
ASSOCIATION OF APARTMENT OWNERS**

RULES & REGULATIONS

April 2015

If you are a first time owner or long time owner at the Villas at Keauhou Estates, the attached rules and regulations are intended to make your stay more enjoyable and to maintain the value of your investment. Read them carefully and ask any board member if you have any questions.

TABLE OF CONTENTS

SECTION A: OCCUPANCY

1	USE OF APARTMENTS.....	2
2	NUMBER OF OCCUPANTS.....	2
3	CHILDREN.....	2
4	PETS.....	2

SECTION B: TEMPORARY OCCUPANCY

1	USE BY OWNERS, TENANTS AND GUESTS.....	2
2	CONDUCT OF TENANTS, GUESTS AND OTHER PERSONS.....	3
3	APPOINTMENT OF LOCAL AGENT.....	3

SECTION C: USE OF COMMON AND LIMITED COMMON AREAS

1	USE OF STREETS AND RECREATION AREAS.....	3
2	NON-MOTORIZED VEHICLES.....	3
3	CAMPING.....	3
4	PARKING AND AUTOMOBILES.....	3
5	SAFETY.....	4
6	FIREWORKS.....	4
7	BARBECUING.....	4
8	RESPONSIBILITY FOR DAMAGE.....	4
9	TREE TRIMMING WITHOUT PERMISSION.....	4
10	LIGHTING SYSTEM.....	4

SECTION D: AESTHETIC CONSIDERATIONS

1	CLOTHES DRYING OR AIRING.....	4
2	LANAIS.....	4
3	WINDOW CLEANING.....	4
4	TRASH DISPOSAL.....	5
5	COMMON AREAS.....	5
6	CURTAINS AND DRAPES.....	5
7	GARAGE DOORS.....	5

SECTION E: BUILDING REPAIRS, MAINTENANCE AND MODIFICATIONS

1	MODIFICATIONS AND ADDITIONS.....	5
2	REPAIRS AND MAINTENANCE.....	6

3	SIGNS.....	6
4	REPAIRS AFFECTING COMMON ELEMENTS.....	6
5	EXTERIOR ATTACHMENTS TO COMMON ELEMENTS.....	6
6	REMOVAL OF UNAUTHORIZED INSTALLATIONS.....	6
7	AIR CONDITIONING UNITS.....	6

SECTION F: GENERAL RULES AND REGULATIONS

1	REGISTRATION.....	6
2	ASSOCIATION EMPLOYEE.....	6
3	FIRE AND OTHER EMERGENCIES.....	6
4	RECREATION AREA AND TENNIS COURT.....	6
5.	PARTIES AND ENTERTAINING.....	6
6.	NOTICE TO RENTERS & GUESTS.....	7
7.	NOISE.....	7

SECTION G: VIOLATIONS OF HOUSE RULES

1	TO REMEDY VIOLATIONS.....	7
2	TYPES OF VIOLATIONS.....	7
3	PROCEDURE TO ENFORCE COMPLIANCE & TO IMPOSE FINES.....	7
4.	APPEAL PROCESS.....	8
5.	TO REMEDY DAMAGE TO COMMON AREAS.....	9

SECTION H: USE OF CLUB HOUSE, BARBECUE AND POOL..... 9

SECTION I: TENNIS COURT RULES..... 10

SECTION J: POOL AND HOT TUB RULES..... 10

ATTACHMENTS:

- ❖ SCHEDULE OF FINES & PENALTIES
- ❖ ANTENNA INSTALLATION POLICY
- ❖ LANAI EXTENSION / MODIFICATION GUIDELINES
- ❖ OWNER LANDSCAPE CHANGES GUIDELINES
- ❖ PRINCIPAL AND CRITERIA FOR ROCK WALL ADDITIONS
- ❖ REGULATIONS REGARDING INSTALLATION OF LANAI SUNSHADES
- ❖ SOLAR ENERGY DEVICE INSTALLATION POLICY & AGREEMENT

ASSOCIATION OF APARTMENT OWNERS OF THE VILLAS AT KEAUKOU ESTATES

RULES & REGULATIONS

These Rules & Regulations contain background information that should make your daily living at The Villas at Keauhou Estates (the "Project") more meaningful and enjoyable.

Condominium living requires each resident to have respect for the needs and rights of others living in the complex. The purpose of Rules & Regulations is to enhance the enjoyment, comfort and security of all residents and to protect the reputation and desirability of the Project.

The Board of Directors of the Association of Apartment Owners (the "Board") shall be responsible to enforcing these Rules & Regulations with the assistance of the On-site Manager (the "Manager"). All Villas owners, tenants and their guests shall be bound by these rules.

Rules & Regulations supplement but do not change the obligations of the owners, occupants, tenants and guests as set forth in the Declaration of Condominium Property Regime ("Declaration") and Bylaws of the Association of Apartments Owners ("Bylaws") pertaining to the Project. In the event of any inconsistency between the Rules & Regulations and the Declaration or the Bylaws, the Declaration and Bylaws shall prevail.

The Board may make additional rules from time to time and/or amend the following rules, as it deems necessary or desirable. All notices, requests and information directed to the Board of Directors may be given to any Board member, Manager or the Managing Agent, or it may be dropped off at the Manager's office.

On-Site Manager's Duty Hours: Monday – Friday, 7:00AM to 3:00PM

These Rules & Regulations may be amended only by a majority of the Board at a duly called Board meeting.

Attachments:

- ❖ Schedule of Fines & Penalties
- ❖ Antenna Installation Policy
- ❖ Lanai Extension/Modification Guidelines
- ❖ Owner Landscape Changes Guidelines
- ❖ Principal and Criteria for Rock Wall Additions
- ❖ Regulations Regarding Installation of Lanai Sunshades
- ❖ Solar Energy Device Policy & Agreement

A. OCCUPANCY

1. **USE OF APARTMENTS:** All apartments shall be used for residential purposes only. No apartments shall be used for transient or hotel purposes, or in connection with the carrying on of any business. Time-sharing is prohibited.
2. **NUMBER OF OCCUPANTS:** The two-bedroom apartments will have no more than four (4) person residing therein permanently; and the three-bedroom apartments shall have no more than five (5) persons residing therein permanently, whether such occupants are Homeowners or Tenants. Permanent residence is hereby defined as residence of thirty-two (32) consecutive days or more.
3. **CHILDREN:** A resident or guest of any apartment shall be responsible for the conduct of his/her children at all times, ensuring that their behavior is neither offensive to any other resident nor damaging to any portion of the common elements.
4. **PETS:** Livestock, poultry or any animals other than cats, dogs not exceeding twenty-five (25) pounds adult weight, parakeets, canaries, or fish in aquarium shall not be allowed or kept in any part of the Project. Only one (1) dog or two (2) cats (all neutered or spayed, if female) per unit for owners or tenants will be allowed. Seeing eye dogs may be kept on the Project without regard to adult weight. Visiting pets are not allowed on the premises. An animal which is at or around an apartment for more than a total of twelve (12) hours is considered to be kept.
 - a. **Responsibility of Pet Owners:** Dogs and cats are to be carried or leashed while in the common areas. Dogs and cats are not permitted in any common facilities; dogs and cats are not allowed to roam the common areas at will at any time. Pet owners are responsible for the immediate cleanup after their pets in the event of an accident. Pet owners are responsible for undue noise made by their pets. Any pet causing a nuisance or any unreasonable disturbance to any other occupant of the Project shall be permanently and promptly removed upon notice given the by the Board or the Managing Agent. All pets must be registered with the Managing Agent immediately upon being kept in an apartment.

B. TEMPORARY OCCUPANCY

1. **USE BY OWNERS, TENANTS AND GUESTS:** Subject to the terms of each apartment owner's condominium Conveyance Document, the Declaration and the Bylaws of the Association, an apartment owner may lease or rent his apartment or make it available to friends, but the person or persons leasing, renting or living in the apartment shall abide by the Declaration, the Bylaws, and these Rules & Regulations. In no case shall rentals or leases be allowed for a period of less than thirty-two (32) consecutive days.

2. **CONDUCT OF TENANTS, GUESTS AND OTHER PERSONS:** An apartment owner shall be responsible for the conduct of his tenants and such apartment owner's (or his tenants') guests. An apartment owner shall, upon request of the Board or Managing Agent, immediately abate and remove, at his expense, any structure, thing or condition that may exist with regard to the occupancy or use of his apartment by any such person or persons contrary to the intent and meaning of the provisions hereof. If an apartment owner is unable to control the conduct of any such person or persons to conform with the intent and meaning of the provisions hereof, such apartment owners shall, upon request of the Board or Managing Agent, immediately remove such person or persons from the premises, without compensation for lost rentals or profits or any other damage resulting.
3. **APPOINTMENT OF LOCAL AGENT:** Villas owners shall designate a local Agent (Big Island) to represent their interests if their residence is outside the Big Island or if they will be absent from their unit for more than sixty (60) consecutive days. Such owners shall furnish the Manager their out- of-town addresses and telephone numbers and the addresses and telephone numbers of their local agent(s).

C USE OF COMMON AND LIMITED COMMON AREAS

1. **USE OF STREETS AND RECREATION AREAS:** The streets and recreation areas in the project are administered by the Association and are for the use of Villas owners and their tenants and guests. The streets must not be obstructed or used for any purpose other than ingress and egress. Unlicensed motorized vehicles may not be operated in the Project.
2. **NON-MOTORIZED VEHICLES:** Riding of any type of non-motorized vehicles such as bicycles, tricycles, scooters, skateboards, etc. is prohibited on any of the common areas or elements of the Project.
3. **CAMPING:** No camping or use of tents on the common areas of the Project is allowed at any time.
4. **PARKING AND AUTOMOBILES: *All residents and renters must park their vehicles in the garage, both day and night.***

Short term exceptions for work requiring use of the garage are acceptable. The extra parking areas nearby are only for guests, including medical assistance staff requiring in-home care, service, maintenance and contractors assisting the Owners. This includes the gardeners.

Guests or renters may use these parking areas for a period up to 21-days.

Unused or seldom used vehicles should be stored in the garage or off the property in order to preserve the limited number of guest parking spaces available and so as not to inconvenience other owners. Parking areas may not be used to park boats, trailers or similar carriers. No car repairs or adjustments may be made at any time in the parking areas, streets or in

a common area. The owners will be responsible for the clean up of any substance emanating from their vehicles. Violators of these parking regulations **may** have their vehicles towed away at their own expense. The owner of a Villa occupied by a parking violator shall be responsible for the payment of all expenses incurred as a result of a violation.

5. **SAFETY:** The apartment owners shall have the irrevocable right, to be exercised by the Board of Directors, to have access to each apartment from time to time during reasonable hours as may be necessary for the operation of the property or for making emergency repairs therein necessary to prevent damage to the common elements or to another apartment or apartments. Except for emergencies, the electrical power to the Villas shall not be turned off. Electricity is needed for smoke detectors and for the outdoor garage lights, which are part of the street lighting system of the Project.
6. **FIREWORKS:** Fireworks are prohibited on the Project.
7. **BARBECUING:** Barbecuing is permitted in the Pavilion on the grill provided by the Association. Electric and/or gas fired barbecuing is allowed on individual lanais so long as neighboring residents are not adversely affected. Open fires, including charcoal briquette fires, are not allowed.
8. **RESPONSIBILITY FOR DAMAGE:** Damage to structures, equipment and landscaping which are considered to be part of the common area shall be repaired at the expense of the person causing the damage.
9. **TREE TRIMMING WITHOUT PERMISSION:** Homeowners are not allowed to cut any trees in the Common Elements without the permission of the Board. Any tree trimming by any individual owners or their agent is forbidden.
10. **LIGHTING SYSTEM:** The lighting system in front of the individual units is a safety issue. Owners should not tamper with or remove light bulbs at any time. The cost for the electricity to run the light bulbs is minimal to each owner and is far less expensive than having to be collectively assessed to install light posts and a new electrical lighting system within the entire complex. Please leave your light fixtures on during the evening and night hours to assist the Association in addressing this safety issue.

D. AESTHETIC CONSIDERATIONS

1. **CLOTHES DRYING OR AIRING:** No clothes, bedding, laundry or anything else shall be hung on or from windows or lanais.
2. **LANAIS:** Surfboards, bicycles, packing crates, furniture (other than appropriate lanai furniture) and similar objects are not to be kept on lanais.
3. **WINDOW CLEANING:** Owners shall be responsible for cleaning all windows and screens of their respective units. Failure to maintain an acceptable

standard of cleanliness may result in Association maintenance and the cost incurred will be borne by the owner.

4. **TRASH DISPOSAL:** Food waste shall be disposed of through the garbage disposals, whenever possible. All other household trash shall be secured in covered metal or plastic cans and placed near garage entrances for pick-up **on designated day(s)**. Containers may not be placed outside before dark on the days preceding pick-up and must be returned to garages as soon after pick-up as possible. Refuse, garbage or trash shall not be placed or thrown in any common area of the Project.
5. **COMMON AREAS:** The Board without notice at the owner's risk and expense may remove Articles left in common areas.
6. **CURTAINS AND DRAPES:** All window coverings and/or drapes shall be a neutral shade as approved by the Board in conformance with the aesthetics of the Project.
7. **GARAGE DOORS:** Garage doors shall be kept closed except when entering and exiting garages, **except for air circulating purposes, the garage doors may be kept open for 2 feet from the bottom during the day.**

E. BUILDING REPAIRS, MAINTENANCE AND MODIFICATIONS

1. **MODIFICATIONS AND ADDITIONS:** All modifications to Villas units must receive prior written permission of the Board. The Board may require the submission of plans and specifications prepared by a registered architect or engineer for such changes prior to approval. Alterations to limited common areas shall be performed by a licensed contractor after approval, in writing, by the Board. No work shall begin before 8:00AM or continue after 5:00PM except in an emergency.

The Board at its discretion may impose a time limit for the completion of any modification, repair or maintenance.

None of the provisions of the Project documents are intended to be in contravention of the State or Federal Fair Housing Acts. The Board will at all times comply with the provisions of the Fair Housing Acts when acting upon requests by handicapped persons to make reasonable modifications, at their cost, to apartments and/or to the common elements of the Project if the proposed modifications are necessary for their full enjoyment of the Project. The Board will also comply with the provisions of the Fair Housing Acts when acting upon requests by handicapped persons for exemptions from any of the provisions of the project documents which would interfere with said handicapped persons' equal opportunity to the use and/or enjoyment of their apartments and/or the common elements of the Project.

2. **REPAIRS AND MAINTENANCE:** Every Villa owner shall perform promptly, all repairs and maintenance within his/her unit, the omission of which could adversely affect common elements or other Villas. Owners shall also be responsible for all loss and damage caused by failure to do so.
3. **SIGNS:** Except as permitted by the Board, no one shall place signs anywhere on the Project.
4. **REPAIRS AFFECTING COMMON ELEMENTS:** All repairs and/or maintenance required in common elements and common areas shall be undertaken by the Board.
5. **EXTERIOR ATTACHMENTS TO COMMON ELEMENTS:** **NO** owner or tenant shall permit the attachment, hanging or projection of any object, including electrical wiring on the exterior of buildings or protruding through the walls, windows or roofs thereof except as provided in the Antenna Installation Policy attached hereto.
6. **REMOVAL OF UNAUTHORIZED INSTALLATIONS:** The Board may inspect any installation made in the Project and may order its removal if such installation has not been approved or adversely affects the Project.
7. **AIR CONDITIONING UNITS:** Each owner shall be responsible for maintaining, repairing and cleaning his or her air conditioner.

F. GENERAL RULES AND REGULATIONS

1. **REGISTRATION:** Owners, tenants and other occupants shall file their names, addresses, telephone numbers and signatures with the Manager upon purchasing and/or taking occupancy of Villas units and shall furnish the Manager with such other information as he/she may require to perform his/her duties.
2. **ASSOCIATION EMPLOYEES:** Employees of the Association are under the sole direction of the Managing Agent and the Board of Directors. During regular working hours, they shall not be diverted to work privately for any owner, occupant, tenant or guest.
3. **FIRE AND OTHER EMERGENCIES:** If the immediate service of Police, Firemen, Paramedics, Ambulance or Doctor is required, they should be called directly and the Manager notified thereafter. The Association does not provide emergency services.
4. **RECREATION AREA AND TENNIS COURT:** Rules pertaining to the use of the tennis court, swimming pool, spa and recreation building which are posted at those facilities constitute a part of these Rules & Regulations.
5. **PARTIES AND ENTERTAINING:** Owners, tenants and other occupants of units who are entertaining guests on the lanais or other exterior common elements in the evenings shall keep the noise limited so as not to be a

nuisance to other occupants, and all such exterior entertaining shall conclude by 10:00 p.m.

6. **NOTICE TO RENTERS AND GUESTS:** All owners who rent their unit or allow guests to use their unit shall be responsible to see that the tenant or guest is aware of these Rules and Regulations.
7. **NOISE: Owners, tenants and other occupants are responsible for activities, especially noise that emanates from their unit at all times that disrupts other owners.**

Owners will be required to stop such activities when noticed by the Association.

G. VIOLATIONS OF RULES & REGULATIONS

1. **TO REMEDY VIOLATIONS:** All violations of the Rules & Regulations should be reported promptly to the Board of Directors and/or the Site Manager. The Board has the duty to enforce these rules. All costs of enforcement, including attorney's fees, shall be borne by the violating Villa owner whether caused by the owner or by any person for whose conduct the owner is responsible.
2. **TYPES OF VIOLATIONS:** There shall be One Time Violations and Repeat Violations. One Time Violations shall be a single act, for example, a loud night time party outside of a unit that causes a nuisance to other unit owners. This shall include any other violation of these R&Rs that is a one-time act. Repeat Violations would be, for example, illegal parking **or garage door violations** after notice of the violation.
3. **PROCEDURE TO ENFORCE COMPLIANCE & TO IMPOSE FINES:**
 - a. **COURTESY NOTICE: In response to an owner's complaint or Site Manager's inspection, the Site Manager will notify the offending person that a violation has taken place and must be corrected immediately or fines will be assessed.**

The Site Manager shall monitor and document all violations.

The Site Manager may grant exceptions on a temporary basis.
 - b. **WRITTEN NOTICE OF VIOLATION: If the violation continues, Site Manager will submit the written log to the Board and Managing Agent. Based on the violation log, the Managing Agent will send written notice of violation.**
 - i. **One Time Violation – Notice of Violation & Fine: A letter via regular mail to the billing address on file with the Managing Agent, the Villas address and via e-mail when available** to the unit owner, with a copy

to a tenant, describing the Bylaw/CC&R/Rules & Regulation provision that has been violated will be sent by the Managing Agent. The letter will state that a fine in the amount of up to \$500 or a daily fine per the Schedule of Fines & Penalties has been assessed on the Owner's account and that the Owner is responsible to pay all costs related to the violation, including legal fees which may be assessed.

The Notice will include a Schedule of Fines & Penalties as well as the Appeal Process as provided in the Bylaws Article X Section 1.

- ii. **Repeat Violations – First Notice of Violation:** A letter via regular mail to the billing address on file with the Managing Agent, the Villas address and via e-mail when available to the unit owner, with a copy to a tenant, describing the Bylaw/CC&R/Rules & Regulation provision that has been violated will be sent by the Managing Agent. The letter will state that if the violation is not corrected within 5 days from the date of the notice, a fine in the amount of \$100 for the 1st Violation and \$200 per Violation for repeat violations will be assessed on the Owner's account and that the Owner is responsible to pay all costs related to the violation, including legal fees which may be assessed.

The First Notice of Violation will include a Schedule of Fines & Penalties as well as the Appeal Process as provided in the Bylaws Article X Section 1.

Second Notice of Violation: If the violation has not been corrected by the deadline noted in the First Notice of Violation, a second certified letter informing the Owner that in accordance with the Schedule of Fines & Penalties, another \$100 or daily fine per the Schedule of Fines & Penalties has been assessed.

A periodic report shall be mailed to the owner of assessments if violations continue.

- 4. **APPEAL PROCESS:** Pursuant to Bylaws Article X, Section 1.(c):
 - i. **Initial Appeal:** Owners who have been fined shall be allowed the opportunity to be heard at the next regular meeting of the Board of Directors if they request to appear. Solely in the discretion of the Board, a special meeting may be called sooner than the regularly scheduled Board Meeting.
 - ii. **Final Appeal:** The Board of Directors shall establish an appeals process whereby the appellant will be given an opportunity to present defenses and supporting evidence. The initial appeal shall be heard by the Board of Directors. If the appellant wishes a further hearing, the decision of the Board may be further appealed to an Appeals Committee consisting of three Apartment Owners, of which one each shall be selected by the appellant and the Board of Directors, and the third selected by the two Apartment Owners. The findings of the Appeals Committee shall be final. If the appellant is not

an Owner, the Owner or the Owner's agent shall be required to be present at all meetings.

5. **TO REMEDY DAMAGE TO COMMON AREAS:** Damage to common elements or common areas shall be reported to the Board of Directors and/or the Manager immediately. The Board shall survey the damage and determine the cost of repair or replacement. Such costs and any legal fees incurred may be assessed by the Board against the person or persons responsible, including, but not limited to the Villa owner.

H. USE OF CLUB HOUSE, BARBECUE AND POOL

The following rules apply to all persons using the facilities herein, not just party groups. Please note that people who have made reservations have priority. In an effort to make these facilities available and enjoyable to all, the Board of Directors has approved the following:

1. No outside guests on weekends and Holidays. (Immediate family excluded).
2. Any group of more than four people must make reservations with the Manager prior to use of the Barbeque, Club House and Pool.
3. Reservation information will include the hours during which you plan to use the facilities, the name, unit number and telephone number of the person making the reservation.
4. Persons making reservations will be responsible for total cleanup of the facilities, including the Barbeque grill. All tables and chairs must be returned to their original arrangement.
5. Glass containers and bottles are not permitted in the Club House and Pool areas.
6. Pool Rules, posted outside the Manager's office, will be observed at all times.
7. Excessive noise is prohibited. Use of audio equipment by the pool and in the Club House area is not permitted.
8. Cleanup must be completed by the end of the reservation time so that the next group can enjoy the facility during their reserved time.
9. The person making the reservations will be responsible for any damage to the facilities.

All parties and cleanup must be completed by 9:00PM. Please make any weekend reservations with the Manager prior to the weekend that use is planned.

The Board of Directors has determined that facility use restrictions can be assessed for violations of any of these rules.

I. TENNIS COURT RULES

1. Residents only. Guests of resident must be accompanied by the resident.
2. Tennis court hours are between 7:30AM - Dusk.
3. Only appropriate tennis wear.

J. POOL AND HOT TUB RULES

1. Pool hours are daily from 8:00AM to 9:00PM. Hot tub hours are from Noon to 9:00PM.
2. All persons entering the pool or hot tub must first shower.
3. For reasons of safety, persons under the age of 14 are not allowed in the pool area or hot tub unless accompanied by a responsible adult at all times.
4. Towels must be used on chairs or lounges to prevent discoloration/damage from body oils, sunscreens and tanning lotions.
5. All pool furniture must be returned to their original location after use.
6. Unnecessary noise that could disturb occupants of neighboring Villas or pool users including audio equipment without earphones is not allowed.
7. Running, rushing or horseplay that could be considered dangerous or irresponsible is not allowed.
8. Scuba equipment and surfboards are not permitted (appropriate swimming aids and water exercise equipment are permitted).
9. Glass or ceramics are not permitted (only plastic beverage and food containers may be used).
10. Persons with open sores and/or bandages are prohibited from using the pool or hot tub.
11. Designated "swim" diapers must be used by persons not toilet trained or incontinent.
12. Children under the age of four (4) years old are not allowed in the spa at any time. It has been found that the higher temperature of spas is not safe for small infants or younger children. Due to this health and safety issue, children under the age of four (4) years are not allowed in the spa.
13. No Lifeguard is on duty. Swim at your own risk.
14. The Association of Apartment Owners assumes no liability.

SCHEDULE OF FINES & PENALTIES

SCHEDULE OF FINES AND PENALTIES

The following schedule of fines and penalties has been adopted pursuant to Article X, Section 1b of the Bylaws.

Minimum Fine:	\$100.00
Single Violation:	up to \$500.00
Repeat Violations:	<u>\$ 200.00</u> per day

In case of a continuing violation, a fine may be imposed for each day of violation.

All fines and penalties shall be enforceable by the Board as a Special Assessment.

No fine or penalty shall be levied without the following safeguards:

APPEAL PROCESS: Pursuant to Bylaws Article X, Section 1.(c):

- i. **Initial Appeal:** Owners who have been fined shall be allowed the opportunity to be heard at the next regular meeting of the Board of Directors if they request to appear. Solely in the discretion of the Board, a special meeting may be called sooner than the regularly scheduled Board Meeting.
- ii. **Final Appeal:** The Board of Directors shall establish an appeals process whereby the appellant will be given an opportunity to present defenses and supporting evidence. The initial appeal shall be heard by the Board of Directors. If the appellant wishes a further hearing, the decision of the Board may be further appealed to an Appeals Committee consisting of three Apartment Owners, of which one each shall be selected by the appellant and the Board of Directors, and the third selected by the two Apartment Owners. The findings of the Appeals Committee shall be final. If the appellant is not an Owner, the Owner or the Owner's agent shall be required to be present at all meetings.

ANTENNA INSTALLATION POLICY

**VILLAS AT KEAUKOU ESTATES
ANTENNA INSTALLATION POLICY**

1. Background

This Antenna Installation Policy is adopted by the Board of Directors of the Association of Apartment Owners of The Villas at Keauhou Estates in conformance with the recently adopted rule of the Federal Communications Commission (47 C.F.R. Part 1, Subpart S, 1.4000 et seq) {"FCC Rule"} governing installation of direct broadcast satellite antennas, multi-point distribution system ("wireless cable") antennas, and over-the-air broadcast antennas.

A. Existing Restrictive Covenants

The Association's Bylaws provide:

No Owner or occupant, except as otherwise permitted by the Declaration, shall install any wiring or other device for electrical or telephone installations, television, antenna, machines, or other equipment or appurtenances on the exterior of the building(s) or protruding through the walls, windows, or roof thereof, without the prior written consent of the Board.

Other provisions of the governing documents of the project and of Chapter 514A, Hawaii Revised Statutes, also restrict installation of antennas. These restrictions will continue to apply to all installations of antennas except to the extent modified by the rule.

B. Antenna Installations Affected by the FCC Rule

The only antennas which are covered by the FCC Rule are:

- 1) Antennas designed to receive direct broadcast satellite service, including direct-to-home satellite services, one meter or less in diameter: or
- 2) Antennas designed to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services,

instructional television fixed services, and local multipoint distribution services, otherwise known as "wireless cable" services, one meter or less in diameter or diagonal measurement: or

- 3) Antennas designed to receive over-the-air television broadcast signals.

Thus, for example, any broadcast antennas (e.g., ham radio antennas) will continue to be subject to the existing restrictions in the governing documents and Chapter 514A, Hawaii Revised Statutes. Furthermore, the FCC Rule only covers antennas installed "on property within the exclusive use or control of the antenna user where the user has a direct or indirect ownership interest in the property". Antennas installed on property that is not within the exclusive use or control of the antenna user or property in which the antenna user does not have a direct or indirect ownership interest are not covered by the FCC Rule.

II. Restrictions on Antenna Installation Affected by FCC Rule

Antennas covered by the FCC Rule may be installed only in accordance with the following restrictions:

- A. Any owner proposing to install an antenna shall provide the Board of Directors with written notice at least seven (7) days prior to installation. The notice shall include: a) the type of antenna including dimensions and other specifications; b) the name of the television service provider; c) plans showing the location of installation and the manner in which the antenna will be installed and cables will be run into the apartment. The owner, prior to installation, shall also provide the Association with a copy of any applicable governmental permit.
- B. Except as provided herein with respect to limited common elements, antennas shall not be installed, used, or maintained on or in the common elements of the project. No antenna or mast may encroach upon any common element, any limited common element not within the antenna user's exclusive use and control, any other owner's apartment, or the air space of another owner's apartment or of a limited common element that is not within the antenna user's exclusive use and control.
- C. Except as otherwise provided herein and subject to the other provisions herein, antennas covered by the FCC Rule may be installed, used, and maintained on or in limited common elements (as defined in the Declaration) which are

appurtenant to and adjacent to the owner's apartment, provided, however, that:

1. No antenna shall be installed, used, or maintained on or in a limited common element that is not within the exclusive use or control of the antenna user.
 2. No antenna shall be installed, used or maintained, without the prior written consent of the Board, on or in any limited common element if the installation, use, or maintenance will involve a penetration through, alteration of, addition to, or modification of any limited common element that is not within the exclusive use or control of the antenna user and/or any common element (general or limited) that the Association is required to repair and/or maintain.
- D. Subject to the provisions herein, antennas may be installed, used, and maintained in the apartments (as defined in the Declaration); provided, however, that no antenna shall be installed, used or maintained in any apartment, without the prior written consent of the Board of Directors, if the installation, use, or maintenance will involve a penetration through, alteration of, addition to, or modification of any limited common element that is not within the exclusive use or control of the antenna user and/or any common element (general or limited) that the Association is required or permitted to repair and/or maintain.
- E. If acceptable quality signals can be received by placing antennas and masts inside an apartment without causing an unreasonable delay or an unreasonable increase in cost, then outdoor installation is prohibited. In any event, antennas and masts shall be placed in locations which are not visible from the exterior of the project, the fenced yard area adjoining the apartment (if any) or the apartment itself unless such placement would impair the installation, maintenance, or use of the antennas, in which case the following requirements shall apply:

1. Antennas and masts shall be placed in the least visually obtrusive location which would not preclude reception of an acceptable quality signal.
2. Antennas or masts may not extend beyond a railing or fence unless no acceptable quality signal may be received from this location.
3. Antennas situated on the ground and visible from the street or from other apartments must be camouflaged by existing landscaping or fencing, if an acceptable quality signal may be received from such placement.
4. If no existing landscaping or screening exists, the Board of Directors may require antennas to be screened by new landscaping or screening of reasonable cost in such a manner as to blend in with the surrounding background surfaces or to minimize visibility of the antennas.
5. The antennas and masts shall be painted to blend in with the surrounding background surfaces to the extent quality signal. No bare metal may be exposed.
6. Exterior antenna wires shall be installed so as to be minimally visible.
7. Antennas and masts shall be no larger nor installed higher than is absolutely necessary for reception of an acceptable quality signal.

As used in this Antenna Installation Policy, "preclude reception of an acceptable quality signal" means that reception would be impossible or would be substantially degraded.

- F. Any installer of an antenna, other than the apartment owner, shall provide the Association with proof of such insurance as may be required by the Board from time to time. Masts must be installed by licensed contractors providing proof of such insurance as may be required by the Board from time to time.
- G. Owners shall not permit their antennas or masts to fall into disrepair or to become safety hazards. Owners shall be responsible for maintenance and repair of antennas and masts. Owners shall be responsible for repairing or replacement if the exterior surface of the antenna or mast deteriorates.
- H. Installation shall be performed in such a manner that it does not damage the common elements, limited common elements, apartment of other owners or void any warranties of the Association or other owners.

I. In the event that the Board of Directors reasonably determines that it needs to perform maintenance on the project which will require removal of any antenna, the owner shall remove the antenna. The Board of Directors shall give the owner at least thirty (30) working days prior written notice, where practical to do so, in order that the owner may coordinate with his/her service provider. Any removal or relocation of an antenna required under this provision shall be performed by the owner at his/her sole cost and expense, and the Association shall not be liable for loss or in convenience to the owner arising from the removal or relocation.

J. No more than one antenna of each type of service may be installed by an owner.

K. Antenna installations shall not present any safety concerns and shall comply with all applicable statutes, ordinances, codes, rules, and regulations promulgated by any governmental authority, including, without limitation, the obtaining of any permits required by such authorities unless those statutes, ordinances, rule or regulations have been preempted by the FCC Rule.

Installation of antennas or masts which present potential safety concerns require an application process. The FCC has recognized that safety concerns may be presented by masts higher than 12 feet. Safety concerns may also be presented by installation of any mast whose height exceeds the distance to neighboring property or public rights of way measured from the point of installation. Installation of such masts must be approved by the Board of Directors. Any application for these masts must include a detailed description of the structure and anchorage of the antenna and the mast, as well as an explanation of the necessity for a mast higher than 12 feet. If the installation will pose a safety hazard to Association residents or personnel, then the Board of Directors may prohibit such installation. The notice of rejection shall specify the safety risks.

Antennas and masts shall not be located in the vicinity of power lines or other electric light or power circuits and in no event shall antennas or masts be placed where they may come into contact with such power lines or circuits. In order to prevent electrical or fire damage, antennas shall be permanently and effectively grounded.

Antennas are required to withstand winds of 80 mph.

- L. Any tenant wishing to install an antenna or mast must seek permission through the homeowner/landlord.
- M. Pursuant to the FCC Rule, the Association reserves the right to petition the Federal Communications Commission for a waiver allowing the adoption of restrictions on antennas which would otherwise be preempted. In the event that such a waiver is granted, antenna installations which are not in compliance with such restrictions may be required to be brought into compliance within a reasonable time as determined by the Association, acting through its Board.

LANAI EXTENSION / MODIFICATION GUIDELINES

THE VILLAS AT KEAUKOU ESTATES
Lanai Extension/Modification Guidelines

All Lanai extension or modifications must receive prior approval from the Board of Directors. All requests will be considered on a case by case basis with consideration given to topography, privacy, aesthetic and engineering factors. All requests must be accompanied by a written statement of intent, a description of materials to be used and a drawing with all dimensions, in inches from the foundation, of all widths, lengths, corners and angles.

Any portion of an extension or modification which will be in an area of noncompacted earth fill will require a statement from an appropriate licensed engineer stating what materials would be necessary to insure safe carrying of the lanai load.

In no case will the Board approve an enlarged lanai which will necessitate the building of a wall, retaining wall, post or require the installation of railings.

The owner/resident will be responsible for the cleanup of the lanai extension due to the normal ingress and egress of gardeners and their equipment.

The Bylaws of the Villas at Keauhou Estates state that all work done in common or limited common elements must be done by a licensed contractor.

The two bedroom units are given approval by the Board to extend the lanai makai to the roof eave line and north or south to the corner of the dining room/kitchen wall exterior corner. This is roughly a parallel line from the corner lanai support post to the kitchen wall corner extension. This approval will only be given when the proposed extension is documented in writing on the appropriate form available at the Site Manager's office and presented to the Site Manager.

Front walkway paver installation has also been given blanket approval by the Board on the condition that approved pavers (Desert Sand, W-200, 4" X 8") be used. The Site Manager must be notified in writing prior to installation.

All costs in connection with an approved lanai enlargement will be paid by the apartment owner seeking such approval.

Use the following procedure:

- 1) pick up the layout drawing from the Managers office
- 2) sketch your proposed layout along with dimensions in inches as measured from the foundation. Include any changes in irrigation and landscaping which may be required.
- 3) submit your proposal in writing along with the above sketch to the site-Manager for review and submission to the Board.
- 4) all work must commence within three (3) months from date of Board approval
- 5) notification to Site Manager to be given five (5) days prior to start-up
- 6) All work must be completed within thirty days from commencement

Owner _____

Date _____

OWNER LANDSCAPE CHANGES GUIDELINES

**THE VILLAS AT KEAUKOU ESTATES
OWNER LANDSCAPE CHANGE GUIDELINES**

All landscape and planting changes must have prior approval from the Board of Directors before work can be done. Owners must obtain a landscape layout map from the Site Manager and accurately describe the proposed changes in detail (plant types, sizes, locations and distances from the unit's foundation. Owners who use outside landscape contractors or do the work themselves are responsible for the overall, long-term health of the plant/plantings. Our contracted landscape maintenance service will trim, prune, fertilize, apply insecticides and generally take care of the plants per their contract with the Association. The following guidelines must be followed in all cases:

1. If an owner requests landscape changes, these changes will be at the cost of the owner.
2. All plant types must receive Board approval in advance.
3. All potted or rooted plants must be planted in screened composted soil. The composting shall be as deep and wide as practical for the existing soil conditions and all planting must be done following acceptable planting methods.
4. All ground cover and bedding plants must be planted in screened compost which is to be tilled in as deep as practical for the existing soil conditions. Planting must be done following acceptable planting methods.
5. Irrigation requirements must be compatible to the existing system, changes to the system will be the responsibility of the owner and at the cost of the owner.
6. All planting shall be no closer than 8 inches from the building foundation except around lanais where plants may abut. Larger plants must be placed at least 2 feet from the foundation. This distance is necessary to allow for inspection of foundations and to discourage subterranean termites.
7. All plantings such as trees, palms etc. must be planted far enough away from the building such that their foliage remains clear of roofs, eaves and rain gutters as the plants mature.

8. An owner may arrange to have an outside licensed landscape contractor, at their expense and with notification to the Association, maintain all or a portion of their limited common area(s). This limited common area, for this purpose, is defined as the area directly below and within the edge of the roof eaves line. There will be no reduction or credit to the homeowner of their monthly maintenance fees in this instance.
9. All work must commence within three (3) months from the date of Board approval.
10. Notification to the Site Manager must be given five (5) days prior to startup.
11. All work must be completed within thirty days from commencement.

Owner _____

Date _____

PRINCIPLES AND CRITERIA FOR ROCK WALL ADDITIONS

THE VILLAS AT KEAUKOU ESTATES

Principles and Criteria for Rock Wall Additions

The theme of the architecture and design of the Villas is to provide each property owner with an ocean view, to enhance privacy and to maintain a consistency of appearance that blends well with nature. The terraced configuration of the Villas contributes significantly to the achievement of the basic theme. Due to terracing, however, it is sometimes necessary to install retaining walls for soil stabilization.

The installation of rock retaining walls, beyond those provided in the original design shall be guided by the following principles and criteria:

- All wall installations within the limited common element require the prior approval of the Board of Directors of the Association of Apartment Owners (AOAO) of the Villas at Keauhou Estates and other affected owners of apartments as determined by the Board.
- The primary reason for an additional wall should be to control erosion.
- The lateral views and privacies of adjacent units are not negatively impacted.
 - The distance from the outside of the planter box wall on 2 bedroom units or the end of the divider wall on 3 bedroom units to the beginning (interior) line or edge of the wall must be minimized. It is anticipated that except in unusual circumstances it shall not exceed 6 feet at the point of juncture with the adjoining duplex unit.
 - The minimum distance from the dividers to the inside edge of a wall should be at least 3 feet for fire and landscape maintenance access.
 - Expansion of effective lawn or flat area is not, in itself, a criterion for the addition of a rock wall unless it is a continuation of the theme of an adjoining unit.
- Only natural stone that is consistent with other existing walls in the development can be utilized.
- No vertical posts, pillars, standing objects, planters or vegetation or other aesthetic inconsistencies can be built into or placed upon the walls in accordance with Article V Section 1. f. (page 18) and Section 2.g. (page 19) of the Restatement of Bylaws of September 1998.
- Provision must be made for maintaining proper irrigation for vegetation below the wall.
- The height of a wall should not exceed 16" above the elevation of the surface of the lanai.
- Licensed and experienced contractors must be used for the installation. The contractor must provide evidence of license and insurance and is bound by the rules of work in Section C of the House Rules.
- Any wall that will exceed six (6) feet in height from its' base must have design verification by a licensed engineer and a county permit. *(this clause is subject to further review with county specifications)*
- The cost of the construction of the wall shall be borne by the unit owner but the wall will become part of the common element of the Villas.
- Any wall or other construction should have a cash deposit or bond. If the cost exceeds \$25,000 for a wall or any other major improvement then it must be accompanied by a corporate surety and bond.

**REGULATIONS REGARDING INSTALLATION
OF LANAI SUNSHADES**

THE VILLAS AT KEAUKOU ESTATES

Regulations Regarding Installation of Lanai Sunshades

At a special meeting on March 5, 2004 the Board of Directors of A.O.A.O. Villas at Keauhou Estates approved a design and specifications for the installation of lanai sunscreens on the condominium units. The following is a restatement of that approval, adding specificity to the type, color and materials of the approved screens, as well as the method of installation.

1. Prior to arranging for purchase or installation of any lanai sunscreen, the unit owner must first:
 - a. Contact the Site manager to obtain the current guidelines for approved sunscreen manufacturer, type, color and authorized installers.
 - b. Submit, in writing, to the Board of Directors a notification of intent to install lanai sunshades.
 - c. Prior to commencing installation, submit a copy of the sales and installation proposal to the Site Manager for approval.
2. Specifications:
 - a. Manufacturer: Arquati
 - b. Fabric Style: 4100
 - c. Fabric Color: Q12 Pebblestone
 - d. Metal Screen Cover: Sand (color) approx 4 ½ " diameter
 - e. Vertical Length: Maximum-6 feet
3. Installation requirements:
 - a. Screens will be attached to wooden wedges (approx. 3 ½ inches wide x 10" long) which will be fastened to each roof rafter
 - b. In order to maintain continuity, all rafters on each unit must have a wedge attached, whether or not all are needed for screens.
 - c. All installation must be undertaken by an installer approved by the Site Manager. The Site Manager will have a current list of approved contractors.
4. Shade Type:

Sunscreens are available with either a manual crank or an electric motor, operated by a wall switch or remote control. Either type is acceptable, as long as all other criteria are met.
5. Any lanai sunscreens installed in violation of these guidelines will be subject to an order to correct the violation or remove the sunscreens.

SOLAR ENERGY DEVICE INSTALLATION POLICY AND AGREEMENT

AOAO THE VILLAS AT KEAUKOU ESTATES

SOLAR ENERGY DEVICE INSTALLATION POLICY & PROCEDURE

BACKGROUND:

This Solar Energy Device Installation Policy is adopted by the Board of Directors of the Association of Apartment Owners of The Villas at Keauhou Estates in conformance with the Hawaii Revised Statutes 19-1 et seq. that allows for the installation of solar energy saving devices in single family residences and townhouses despite any law, covenant, term, provision, condition or contract restricting such installation.

Hawaii Revised Statute 196-7 requires all private entities to adopt rules that provide for the placement of solar energy devices as well as the Owner's responsibilities for such devices.

The Association's Bylaws Article X Section 6:

... no Owner shall do any work which could jeopardize the soundness or safety of the property, reduce the value thereof, or impair any easement or hereditament,; provided that nonmaterial structural additions to the common elements, including, without limitation, the installation of solar energy devices, shall require approval only by the Board of Directors.

POLICY:

Owner/Applicant and each successive owner shall be responsible for:

- ❖ any costs for damages to the device, the common elements, limited common elements, and any adjacent units arising or resulting from the installation, maintenance, repair, removal or replacement of the device;
- ❖ all costs associated with complying with the Association's procedure and policy, the installation, maintenance, removal and replacement of the solar energy device(s) and
- ❖ maintaining a policy of insurance covering the obligations of the owner under HRS 196-7 which shall name the Association as an additional insured under said insurance policy.

PROCEDURE:

Owners wishing to install solar energy devices on any common element or limited common element shall submit a proposal in writing along with plans and detailed specifications to the Board of Directors for review and approval.

Submission Requirements:

- ❖ Letter from Owner requesting permission from the Board of Directors,
- ❖ Detailed specifications of the solar energy device,
- ❖ Plans for the installation, including location and positions drawn by a Hawaii licensed architect or Hawaii licensed contractor,
- ❖ Name, License # and Proof of Insurance of the contractor that will install the solar energy device,
- ❖ Acknowledgement that the Owner/Applicant has reviewed and agrees to abide by and sign the "Agreement Regarding Installation, Use and Repair and Maintenance of Solar Energy Devices" upon receiving approval from the Board of Directors,

- ❖ Acknowledgement that the Owner/Applicant will provide a certificate of insurance naming the Association as additional insured and annually, the Owner/Applicant shall provide a certificate of coverage of the Association and
- ❖ Written confirmation from the company that issued the roof warranty that the installation of the solar energy device(s) will not void the roof warranty.

Upon receipt of approval from the Board of Directors, Owner/Applicant must submit the following:

- ❖ Executed "Agreement Regarding Installation, Use and Repair and Maintenance of Solar Energy Devices",
- ❖ Certificate of Insurance naming the Association as additional insured on the Owner's insurance policy and
- ❖ Certificate of Insurance naming the Association & Managing Agent as additional insured on the Contractor's insurance policy.

Installation may not commence until the Owner/Applicant has submitted the Agreement and both Certificates of Insurance.

Each application shall be reviewed on its own merits without consideration of precedents.

Installation shall be completed within 180 days of approval. Otherwise, the approval will be rescinded.

Within 90-days of installation, the Association shall have the roof inspected for any damage. Cost of the inspection and repairs to be borne by the Owner/Applicant.

Upon receipt of the Agreement and both Certificates of Insurance from the Owner/Applicant, authorization to commence installation shall be given by the Board.

Within 30-days of installation, Owner/Applicant must:

- ❖ Register the solar energy device(s) with the Association.

Policy effective until June 30, 2015:

In compliance with HRS 196-7(b), the Association will not require that the executed Agreement be recorded with the Bureau of Conveyances. However, Owner/Applicant may voluntarily agree to record the Agreement at execution. NOTE: The Owner/Applicant will be responsible for the cost of recordation.

Policy effective July 1, 2015:

All unrecorded Agreements will be sent to the Association's legal counsel for recordation with the Bureau of Conveyances. NOTE: The Owner/Applicant will be responsible for the cost of recordation.

Adopted by the Board of Directors of The Villas at Keauhou Estates

Board Meeting held on August 12, 2013.

**AGREEMENT REGARDING INSTALLATION, USE AND
REPAIR AND MAINTENANCE OF SOLAR ENERGY DEVICES**

THIS AGREEMENT made this _____ day of _____, _____, by and between **ASSOCIATION OF APARTMENT OWNERS OF THE VILLAS AT KEAUHOU ESTATES**, whose mailing address is **c/o PACIFICA REALTY MANAGEMENT, INC., a Hawaii corporation**, whose mailing address is **75-1029 Henry Street, #202, Kailua-Kona, HI 96740**, hereinafter called "**ASSOCIATION**", and _____, whose mailing address is _____, hereinafter collectively called "**OWNER**";

WITNESSETH THAT:

WHEREAS, OWNER is the present fee simple owner of that certain residential condominium located at 78,6980 Kaluna Street, Kailua-Kona, State of Hawaii and being Unit No. _____ of THE VILLAS AT KEAUHOU ESTATES Condominium Project ("Condominium Unit"); and

WHEREAS, ASSOCIATION is empowered by the Declaration of Condominium Property Regime and the Bylaws to enforce the rules, regulations and House Rules governing the individual owners of condominiums in THE VILLAS AT KEAUHOU ESTATES Condominium Project; and

WHEREAS, Hawaii Revised Statutes §196-1 et seq. allows for the installation of solar energy saving devices in single family residences and townhouses despite any law, covenant, term, provision, condition or contract restricting such installation; and

WHEREAS, the OWNER has submitted the plans and specifications for the installation of a solar energy saving device; and

WHEREAS, OWNER desires to engage the services of _____, License No. BC# _____, to install a solar energy system for the Condominium Unit; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do and each of them does hereby agree as follows:

1. OWNER shall cause to be installed a solar energy device, identical to that submitted and approved on the roof of the Condominium Unit No. _____ of THE VILLAS AT KEAUHOU ESTATES Condominium Project using plans and specifications approved by the Board of Directors of the Association or the Design Committee, as is appropriate under the Condominium Documents upon the following terms and conditions, which conditions shall survive the installation of the solar energy devices. The conditions shall run with the land and any breach of the said covenants and conditions shall be grounds for the removal of the solar energy device.

a. The solar energy device must be in conformance with the plans and specifications and reasonable rules adopted by the ASSOCIATION pursuant to Hawaii Revised Statutes §196-1; and

b. The solar energy device must be registered with the ASSOCIATION within thirty (30) days of its installation; and

c. The OWNER shall obtain the prior consent of the ASSOCIATION provided, that the OWNER shall agree in writing as follows:

i) that the device shall comply with the ASSOCIATION's design specifications and the specifications for the installation of the device; and

ii) that the OWNER shall engage a fully licensed contractor to install the device; and

iii) that within fourteen (14) days of approval of the solar device by the ASSOCIATION, the OWNER shall provide a certificate of insurance naming the ASSOCIATION as an additional insured on the OWNERS insurance policy.

d. The OWNER, and each successive owner shall be responsible for any costs for damages to the device, the common elements, limited common elements, and any adjacent units arising or resulting from the installation, maintenance, repair, removal or replacement of the device.

e. The OWNER, and each successive owner shall be responsible for the repair, maintenance, removal, and replacement of the solar energy device.

f. The OWNER, and each successive owner shall be responsible for maintaining a policy of insurance covering the obligations of the owner under HRS 196-7 and shall name the ASSOCIATION as an additional insured under the said insurance policy.

g. In the event that there is an existing warranty on the common areas, including roof, at the time of the installation of the solar energy device, the OWNER shall obtain confirmation in writing from the company that issued the warranty that the installation of the solar energy device will not void the roof warranty, and a copy of such confirmation shall be provided to the ASSOCIATION, prior to construction.

2. In consideration of the ASSOCIATION allowing OWNER to install and maintain the solar energy system on Condominium, OWNER agrees to release the ASSOCIATION, its agents, officers, employees and members, from all claims, demands, causes of action, suits at law or in equity, liabilities and damages that may arise out of the installation, placement, use, removal or maintenance of the solar energy system on the roof of said Condominium Unit # _____.

3. OWNER, for themselves and their heirs, personal representatives and assigns, invitees, servants or guests of OWNER, also agree to indemnify and hold ASSOCIATION harmless from any and

all claim, actions, causes of action, liability and liabilities, demand or damages of whatever name or nature, whether at law or in equity, which may be brought by any persons against the ASSOCIATION, its agents, officers, employees and members, as a result of the installation, placement, use, removal or maintenance of the solar energy device on the Condominium Unit #_____, which indemnity shall also include a reasonable attorney's fee which may be required in defense of any and all claims or actions so brought or threatened, whether or not litigation is commenced.

4. OWNER is fully cognizant of the consequences of this Agreement. and hereby accepts all risk of loss or damage caused by any defect in, or misuse of, or in any manner caused by the solar energy device on Condominium Unit #_____, whether foreseeable or not.

5. OWNER hereby waives any and all defenses as against the ASSOCIATION, in any claims for damages as a result of the installation, placement, repair, removal, use or maintenance of the solar energy device.

6. The parties hereto agree that this instrument may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same agreement, binding all of the parties hereto, notwithstanding all of the parties are not signatory to the original or the same counterparts. For all purposes, including without limitation, recordation, filing and delivery of this instrument, duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

7. Amendment. This Agreement may be amended only by a writing signed by all parties hereto.

8. Entire Agreement. This writing contains the entire agreement of the parties hereto concerning the subject matter hereof, and this Agreement supersedes all other agreements and understanding (whether oral or written) heretofore or contemporaneously herewith made by the parties.

9. Jurisdiction Agreement. All matters pertaining to the validity, construction, and effectiveness of this agreement shall be governed by the laws of the State of Hawaii.

10. Notices. All notices, demands, requests or other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given or served, if delivered by messenger or sent by registered or certified mail, postage prepaid, addressed to the party intended, at its address set forth hereinabove (or such other address as it may designate by notice given to the other party in the manner aforesaid).

In the case of a mailed notice, the return slip shall be conclusive evidence of the mailing of any such notice, and such notice shall be deemed to have been given on the second business day after the date of such mailing.

11. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this agreement and the application of such provisions to other persons or circumstances shall not be affected thereby.

12. Successors and Assigns. This Agreement shall be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

**ASSOCIATION OF APARTMENT OWNERS
OF THE VILLAS AT KEAUKOU ESTATES**

By: _____
Its: **President, Board of Directors**

OWNERS OF UNIT # _____

