WATERFORD HOMEOWNERS' ASSOCIATION
ARCHITECTURAL CONTROL COMMITTEE

STATEMENT OF MISSION, RULES AND REGULATIONS, AND BYLAWS AND COVENANTS
January 1997 (Amended 7/14/98; 8/17/04; 5/9/05 and 8/17/10)

I. ACC Statement of Mission

The Architectural Control Committee (ACC), through the Waterford Homeowners' Association Board of Directors, is responsible for preserving the architectural integrity, harmony, and safety of the Waterford Community.

II. ACC Rules and Regulations

II.A. Additions, Alterations and Changes - General.

No building, fence, wall or other structure shall be commenced, erected or maintained upon any lot, nor shall any exterior addition to or change or alteration, including changing of colors, to any such structure of to any lot be made until the plans and specification showing the nature, kind, shape, height, materials, colors, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Association's Architectural Control Committee or the Association's Board of Directors in accordance with the rules and regulations.

Except as provided herein, any Waterford homeowner wishing to make an exterior change to a lot, or any structure thereon, must apply in writing to the ACC for approval. Applications must be submitted by the homeowner on an ACC approved application form. Guidelines for exterior changes include, but are not limited to, the items listed below. The ACC requires request forms to be submitted for every change to the exterior of any home or lot. Submitting a request form - no matter how small the change - protects both the owner/occupant and the Homeowners Association from misunderstandings of the rules and regulations. Request forms are available from any ACC member.

II.B. Certain Additions, Alterations and Changes Addressed.

II.B.1 Paint colors: Paint colors should keep with the look and feel of the community.

Any change in paint color of any exterior element from its existing color must always be submitted to the ACC for approval. No structure shall be permitted to exhibit more than three paint colors on its exterior. White storm windows, white storm doors, and black railings shall be excepted from this policy and shall not be considered as one of the three permissible colors. Downspouts, gutters and fascia shall be painted the same color. Variances are not required to re-paint the same, existing color. Two adjacent units with the same shutter color are not allowed.

II.B.2 Fences: All fences shall be pressure-treated, or cedar, alternating board on board at a height of six feet. The fences must have alternating inside/outside boards and be topped with a horizontal 1 x 4 cap board. New or replacement fences may not be painted or stained. Previously-painted or stained fences are allowed to remain as long as they adhere to ACC maintenance standards.

II.B.3.a Shutters: If the townhouse originally had shutters at the time the house was constructed, shutters are required and must be maintained according to their original placement. They cannot be permanently removed. Without prior ACC approval, they may not be removed for more than a period of 21 days for any reason.

The shutters must be wood, plastic or metal. Shutters may be either louvered or panel style, but not both, on any house. All shutters must match exactly and be the same color. The shutters must be mounted flush to the window frame and not on it or over it. The shutter length must be within 3" of the length of the window frame. Incorrectly installed shutters must be corrected.

II.B.3.b Houses with mismatched shutters prior to January 1997 are temporarily exempt from the rules in Section II.B.3.a if shutters are properly maintained. However, when any shutter needs replacement, the above rules apply and the home must be brought into compliance with all shutters completely matching. This exemption does not apply to missing shutters.

II.B.4 Windows: ACC approval is required prior to window replacement. The windows' replacement grids must match the original style. Windows without grids will not be approved. The size and shape of existing windows and/or window openings may not be changed.

II.B.4.a. Siding and Trim: ACC approval is required prior to siding replacement. Replacement siding must be a *traditional* or a *straight lap* style, at least 5" in height, but no higher than 8" in height (NOTE: the original size of the siding used in Waterford is 8") in either vinyl or aluminum. Because the name of siding colors vary greatly by supplier, approval for replacement will not be granted unless a physical sample of the siding is provided. In order to maintain the overall uniform look of the community, *dutch lap* and *beaded lap* styles of siding are not allowed and will not be approved under any circumstances. The homeowner is responsible for correcting the installation of unapproved, non-compliant siding immediately.

II.B.5 Railings: The railings must be painted a coordinated trim color or black. Railings may not be removed. Replacement railings must be consistent in shape and material with the original railings.

II.B.6 Recreational Boats (rowboats, canoes, etc.): Should be stored neatly in the back yard below the fence line.

II.B.7 Storm Doors: Color of storm door must match the color of the entry door, or the color of the trim around the door, or must be white. All new or replacement storm doors require ACC approval.

II.B.8 Roofs: Variances are not required to replace roof shingles with exact original color and style.

II.B.9 Lighting Fixtures: Replacement of light fixtures which maintain the present style and color do not require ACC approval. All other lighting fixture changes require ACC approval.

II.B.10 Landscaping: Changes that do not infringe on any neighbor's property or common ground, do not create an unsafe environment, and are not a significant change from

existing landscaping are permitted without ACC approval. All other changes require ACC approval.

II.B.11 Sheds: Each yard may have only one shed. Sheds must be contained within the backyard fence. Sheds should not have a footprint larger than 50 square feet. Sheds placed adjacent to an end unit must not be visible from the front of the town home. The ACC may require input by affected neighbors prior to final approval of a new shed. Rusted, warped, buckled, or damaged sheds need to be repaired/replaced. New or replacement metal sheds are not permitted.

II.B.12 Gas Flues (Exhaust Pipes): Pipes must be unobtrusive and painted the same color as the nearest adjacent house color.

II.B.13 Cable Wires: Wires must be run to upper levels along downspouts and gutters.

II.B.14 Garden hoses: Garden hoses must not be left laying across front yards when not in use.

II.B.15 Satellite Dishes: It is the intent of these rules and regulations to permit the unimpaired reception of video programming services by homeowners within the development while at the same time minimizing the visual impact (as observed from the front sidewalk of each subject home) of the satellite dishes necessary to receive such signals. The ACC shall approve applications for the installation of satellite dishes of less than one meter in diameter, but may require that they be located in lowest of the following possible categories of location that permits unimpaired reception:

Category 1 - Back yard, below the fence line.
Category 2 - Back roof, not visible from the front sidewalk of the subject home.
Category 3 - Back roof, least possible visibility from front sidewalk of subject home.
Category 4 - Attached to side of home (end units only).
Category 5 - Front roof.
Category 6 - Attached to front of home.
Category 7 - Front yard.

II.B.16 Decks: New doors and light fixtures attached to the home shall be consistent with those existing on the home. All decks shall be built and used in compliance with all applicable laws and building codes. Decks (including stairs, if any) may not extend more than half the depth of the back yard. Any screening shall be of a lattice type approved by the ACC and shall not extend upward more than seven (7) feet from the surface of the adjacent deck nor more than eight (8) feet from the rear of the home. The ACC may require input from adjacent homeowners before final approval.

II.C The ACC will not approve the following under any circumstances:

II.C.1 Window air conditioners;

II.C.2 Turban style external attic fans that extend at least one foot above the pitch of the roof;

II.C.3 Any use of common ground including fences or landscaping;

II.C.4 Clotheslines that are visible above the fence;

II.C.5 Exterior stovepipes;

II.C.6 Two adjacent units with the same shutter color;

II.C.7 Decks off the top level. Decks off the front or side of any home (unless necessary for handicap access).

II.C.8 Any items extending above the fence line (unless previously excepted within Section II.B).

II.D Violations Concerning Additions, Alterations and Changes.

Any homeowner or resident, who makes any changes (except for those exceptions listed in Section II.B of the ACC Rules and Regulations) without ACC approval, is in violation of the Waterford Articles of Incorporation, Declaration of Covenants, Supplemental Declaration and ACC Rules and Regulations. Each homeowner shall abate any unapproved addition, alteration or change, or obtain approval of the same, within the time specified by the ACC in a notice of violation to be issued by the ACC. Failure to comply with the ACC notice of violation may result in an assessment for failure to comply with Association rules and regulations. The ACC shall submit names and addresses of all violators to the Board of Directors for appropriate action. The owner will be responsible for the payment of, and will be assessed, any costs and attorney's fees incurred by the Association to enforce the covenants regardless of whether a lawsuit is filed.

II.E Maintenance - General.

Each lot and the landscaping and structures thereon shall be maintained in good and attractive condition and in full compliance with the Association's Declaration of Covenants, Supplemental Declaration, and the Articles of Incorporation, Bylaws, Rules and Regulations of the Association and the ACC. No homeowner shall maintain (or fail to maintain) his lot or the landscaping or any structure thereon in such a manner as to permit such lot, landscaping or structure to detract from the integrity, harmony, safety or appearance of the Waterford community.

II.F The following are considered major maintenance deficiencies:

II.F.1 Paint that is faded, peeling and/or exposes bare wood;

II.F.2 Missing, mismatched, damaged or broken shutters;

II.F.3 Grass that is more than eight (8) inches long in front or back yards;

II.F.4 Dead, diseased, or overgrown trees, bushes, or shrubbery in front or back yards;

II.F.5 Unkempt front or back yards with weeds and/or debris;

II.F.6 Missing bricks; bricks that need cleaning or repointing (needs mortar);

II.F.7 Wood, garbage cans, ladders, barbecues, tools, toys, etc., outside your fenced area, in your front yard, or on common ground;

II.F.8 Fences that are leaning, have missing slats, are patched, or pose a safety hazard;

II.F.9 Walks, steps, or stoops that are cracked, not level, 2" height differential or gap or are a safety hazard;

II.F.10 Railings that are loose or missing;

II.F.11 Loose, bent or missing gutters and downspouts;

II.F.12 Roofs in need of repair or replacement or missing or damaged roof shingles;

II.F.13 Structures erected without prior ACC approval;

II.F.14 Change of roof color not approved by the ACC in advance;

II.F.15 Missing, damaged or discolored siding;

II.F.16 Any addition, alteration or change, other than an exempt alteration or change provided for in Section II.B, which has not been approved by the ACC.

II.F.17 Sheds that are rusted, warped, buckled or damaged.

II.G Violations Concerning Maintenance

Each homeowner shall repair all major deficiencies within sixty (60) days of notification by the ACC. If the homeowner is unable to make repairs within the 60 days, he or she must inform the ACC in writing within this period of his or her intentions to correct the deficiency. The homeowner must request an extension in writing with a specific schedule of completion. The ACC may grant an extension for the period requested or for any shorter time period. Failure to comply with the ACC notice of violation may result in an assessment for failure to comply with Association rules and regulations. The ACC shall submit the names and addresses of all homeowners who fail to comply with the ACC's notice of violation to the Board of Directors for appropriate action.

ACC BYLAWS

ARTICLE I. NAME OF COMMITTEE

Section 1. Name

The name of the Committee shall be known as the Architectural Control Committee (ACC).

ARTICLE II. MEETINGS

Section 1. Regular Meetings

The ACC shall meet a minimum of once a quarter.

Section 2. Special Meetings

The Chairperson of the ACC or the Board of Directors may call a special meeting anytime.

Section 3. Quorum

A majority of the members of the ACC shall constitute a quorum.

ARTICLE III POWERS AND DUTIES

Section 1. Powers

The committee shall have the power to do the following:

A. Draft regulations and guidelines to be submitted to the Board of directors for final approval;

B. Review applications for exterior additions, alteration and changes to lots, landscaping and structures ("variance requests") with authority to approve or disapprove the requests within 30 days.

C. Enforce, pursuant to these Bylaws, and the Rules and Regulations of the ACC.

Section 2. Duties and Procedures:

A. Unless otherwise provided herein, all actions of the ACC shall be by majority vote. The ACC shall advise the Board of Directors in writing of the Committee's actions. If the ACC fails to approve or disapprove a variance request within 30 days after submission, the ACC will be presumed to have approved the request. If the ACC disapproves a variance request, the homeowner may appeal the disapproval to the Board of Directors. If the ACC is unable to act on a variance decision, the variance request will be submitted to the Board of Directors for a decision. If the Board of Directors fails to approve or disapprove the request within 30 days of the application or

appeal, as the case may be, the Board will be presumed to have approved the request.

B. At least once annually, or as more often as may be deemed appropriate by the Board of Directors or the ACC, the ACC shall perform an audit of each, or any, lot in the subdivision and of the landscaping and structures maintained thereon for the purpose of determining whether such lots, landscaping and structures have been established, or are being maintained, in compliance with the Declaration of Covenants, Supplemental Declaration, and the Articles of Incorporation, Bylaws, Rules and Regulations of the Association and of the ACC. Inspections shall be made by at least two ACC members or one ACC member and one Board member. The ACC shall mail a violation notice to the owner of any lots upon which an audit has been performed detailing adverse inspection findings within thirty (30) days of inspection. Each ACC member shall be responsible for one or more community sectors. "Sector" is defined as a geographical area designated by specified lot numbers.

C. The ACC shall submit a written list of all homeowners with major deficiencies to the Board of Directors in accordance with the ACC rules and regulations.

D. Homeowners or residents who make any additions, alteration or changes (other than those listed in Section II.B of the ACC Rules and Regulations) without obtaining ACC approval, are in violation of the Waterford Articles of Incorporation, Declaration of Covenants, Supplemental Declaration and ACC Rules and Regulations. The ACC shall submit names and addresses of all homeowners deemed to be in such violation to the Board of Directors in accordance with the ACC rules and regulations.

E. The ACC shall make the ACC Rules and Regulations available to all homeowners and residents.

ARTICLE IV. OFFICERS

Section 1. Officers

The officers of the ACC shall consist of a Chair, Vice Chair and Secretary. The Committee members shall elect these officers.

Section 2. Term

The officers of the ACC shall hold office for one year unless an officer resigns or is removed from by majority vote of the ACC or the Board of Directors.

Section 3. Duties

A. The Chair shall preside at all meetings of the ACC, keep a copy of ACC application, provide copies of the minutes to the Board of Directors, enforce the ACC rules and regulations, and notify the Board of Directors of any violations.

B. The Vice Chair shall act in place of the Chair when the Chair is absent.

C. The Secretary shall record the votes and keep minutes of all meetings and proceedings of the ACC, keep current records showing the members of the ACC, maintain copies of all ACC correspondence, and perform other duties as required,

ARTICLE V. GENERAL MEMBERS

Section 1. Selection

The Board of Directors shall appoint three or more members of the ACC. The ACC may recommend potential members. One member of the Board of Directors shall be a member of the ACC.

Section 2. Term

ACC Members shall participate for one year unless a member resigns or is removed from the Committee by majority vote of the ACC or the Board of Directors. A member who misses three consecutive meetings shall be removed.

Section 3. Duties

ACC members are expected to attend all Committee meetings, conduct annual walk-through inspection, and ensure that ACC rules and regulations are carried out.