

CHATEAU-BY-THE-SEA, INC.
A NOT-FOR-PROFIT
CORPORATION
3663 S. Atlantic Ave.
New Smyrna Beach, FL 32169

RULES AND REGULATIONS

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1. Owner's Responsibilities

1. Owners are responsible for complying with Condominium Governing Documents and these Rules and Regulations as amended from time to time.

2. It is the responsibility of an Owner to notify the manager when his/her unit is for sale and to obtain two (2) letters of recommendation for the buyer as required by the condominium documents for Board review prior to Board action on whether or not to approve the sale. The Board has established an application fee of \$100.00 to be paid with the submission of the two (2) letters of recommendation to cover the costs of processing the application for approval of sale. An estoppel fee of \$150.00 has been established to cover the cost of processing the estoppel letter for the closing of the sale.

3. Owners are responsible to comply with all Federal, State and Local ordinances and regulations with regard to maintenance and improvements/alterations to their units.

Special Notes:

(a) Tile or other hard surfaced floors which are or are to be installed in living or bedrooms on the 2nd and 3rd floors must have a Sound Transmission Class (STC) rating which meets current Florida Building Code requirements.

(b) All plumbing pressure lines shall be of copper with the sole exception that a plastic line is allowed to refrigerators. This is to help avoid leaks and potential damage to the unit, other units, and/or common elements.

4. It is recommended that there be no covering of the patio or balcony floors. All damage caused to such floors and sub-floors and the cost of repair to them due to the retention of moisture will be the responsibility of the Owner.

5. No advertisements shall be posted on the Chateau property without the delegated permission of the Board of Directors.

6. Residents should exercise care about noises that may be disturbing to other residents, particularly before 8 a.m. and after 10 p.m.

7. It is prohibited to hang anything from windows, balconies, or railings. It is prohibited to dust rugs from windows or balconies.

8. It is prohibited to park commercial vehicles, boats, vans and/or trailers of any type on the common property unless authorization has been obtained by the CBTS office prior to arrival.

9. Storage rooms are to be used by Owners only. The Association is not responsible for any damage to any items stored by any Owner.

10. Clubhouse usage is available for Owners, their renters and their guests at no charge. A schedule is kept in the office and sign up is necessary for all users. A minimum cleaning fee of \$100.00 will be charged for private events if user does not clean the premises or chooses not

to clean. If the premises require substantial cleaning or repair to any damage caused by the user, they will be responsible for the cost to clean it and repair any damage.

11. Gas grills and grilling on upper balconies and walkways are not allowed. A grill is also provided behind the club house; sign-up sheet is in the office. There will be a cleaning charge of \$25.00 if grill is not cleaned.

12. All owners, tenants, and guests must check in with the CBTS office before or immediately upon arriving mainly for security purposes.

13. Owners are responsible for Quarterly Maintenance Fees being paid on time. Due dates are January 1st, April 1st, July 1st, and October 1st of each year. In accordance with our Bylaws, failure to pay Quarterly Maintenance Fees by the 30th day of the month in which it is due results in interest charged at the maximum allowed by law and a late charge. The late charge shall be \$10 per day.

14. Due to condominium law and insurance regulations, Owners are responsible for damage done to other units by the negligence in maintaining their own unit.

15. Owners are responsible for providing insurance for their own unit in accordance with Florida law.

16. Owners are responsible for providing utilities to their unit at all times for safety reasons. Each owner participating in the CBTS Rental Program must have a working phone in their unit.

17. Owners are responsible for maintenance and upkeep of all aspects of their units.

18. No Owner, family member, renter, guest or invitee shall install wiring for electrical installation, telephone installation or any type of television antennae on the exterior of the building absent approval of the Board of Directors.

19. It is the responsibility of an Owner to notify the office when work is being performed on their unit. All contractors must sign in at the office before any work is started. Any damage to any area of the common elements or other units will be the responsibility of the contracting Owner.

(a) Unless otherwise approved by the CBTS management, the hours of operation for any work done to a unit are as follows:

Monday - Saturday 9:00am – 5:00pm

Sunday NO WORK SCHEDULE

(b) Unless the Owner has furnished a key to the contractor, all keys must be returned to the office at the end of each work day.

20. Family members and/or guests of an Owner must abide by CBTS Rules and Regulations.

21. Owners are responsible for the actions of family members and/or guests during their stay at CBTS. Owners will be notified immediately if a family member and/or guest is not in compliance with the Association's Governing Documents and/or its Rules and Regulations.

22. Repeated offenses by family members and/or guests will result in eviction from the premises. Family members and/or guests will not be allowed to return to CBTS property until a resolution between the Owner and CBTS Board of Directors is approved.

23. Owners who are current permanent residents at CBTS may have a golf cart on CBTS property subject to the following rules:

(a) All golf carts will be parked by the garage and there are currently three (3) golf cart parking spots. Golf cart parking spots will be assigned on a first-come basis and the CBTS office will maintain a "wait list" for those desiring a golf cart parking spot.

(b) Each permanent resident given a CBTS golf cart parking spot shall sign an "Agreement for Parking of Golf Cart at Chateau-by-the-Sea, Inc." (said Agreement to be obtained from the CBTS office) and, if the permanent resident's golf cart is an electric cart, he/she shall pay the set monthly fee to cover the cost of electricity.

24. All communications, including, but not limited to, requests for purchases, requests for approval of changes/alterations to units, requests for repairs to unit, and requests for services to unit, must be in writing from the owner to the Property Manager.

25. Fireworks are not allowed anywhere on the property.

2. CBTS Rental Policy

1. As a general rule, the peak rental season is January thru April and June and July.

2. All renters, whether through the CBTS Rental Program or otherwise, must abide by the CBTS Rules and Regulations.

3. No Owner may rent his/her unit for less than three nights.

4. Renters of one (1) bedroom units, whether through the CBTS Rental Program or otherwise, are allowed one (1) parking pass.

5. Renters of two (2) bedroom units, whether through the CBTS Rental Program or otherwise, are allowed up to two (2) parking passes.

6. No parking passes are permitted for visitors of renters. All allowed visitors of renters

(as defined in 7. below) must park offsite.

7. Renters, whether through the CBTS Rental Program or otherwise, may have a maximum of four (4) day visitors if renting a one (1) bedroom unit and six (6) day visitors if renting a two (2) bedroom unit. No overnight visitors are permitted.

3. CBTS Rental Program

1. The Association oversees a rental program for the benefit of the Owners who agree to join it and agree to its conditions and requirements. All Owners who rent their units are encouraged by the Board of Directors to participate in the CBTS Rental Program. The CBTS Rental Program is operated separately from the Association. A fee will be charged to all Owners who choose to participate in the CBTS Rental Program, which fee will be sufficient to cover the expenses of operating the CBTS Rental Program. No Association funds shall be utilized to operate the CBTS Rental Program and it will have its own, separate bank account.

2. The CBTS Rental Program shall be licensed under Chapter 509, Florida Statutes and must comply with Chapter 509's provisions for public lodging (vacation rentals). The provisions of Chapter 719, Florida Statutes, apply only to the Association and do not govern the operation of the CBTS Rental Program. The CBTS Rental Program shall be registered with Volusia County, Florida, pursuant to Chapter 212, Florida Statutes, and shall collect and remit tourist taxes and other taxes and fees which relate solely to the operation of the CBTS Rental Program.

3. Owners in the Chateau Rental Program are required to fill out an "Authority to Manage" form which shall be on file with the CBTS office prior to the CBTS office renting the Owner's unit. Any changes to the "Authority to Manage" shall be communicated in writing by the Owner to the CBTS office. A copy of each "Authority to Manage" shall be furnished to Volusia County's Tourist Development Tax Office each year as required by law. By signing the "Authority to Manage" form the Owner(s)/Participant(s) agree to the terms of the "Rental Management Agreement".

4. Owners who choose not to participate in the CBTS Rental Program will have to provide their own separate emergency phone number(s) and contact information for their renters to use to contact the Owner, as the Association's office staff and the CBTS Rental Program's staff will not maintain the unit or assist those renters who are not participating in the CBTS Rental Program with issues related to the unit, maintenance of the unit or in the event that the renter is locked out of the unit. Any future renters "Rolled Over" or assigned to said unit by the CBTS Rental Program will be moved to another unit. Any Owner desiring to re-join the CBTS Rental Program must provide written notification and a signed "Authority to Manage" must be received in the CBTS Rental Program office with Owner(s) intention to participate in the CBTS Rental Program again.

5. All owners in the CBTS Rental Program must comply with Chateau's rental and cleaning policies as stated in these Rules and Regulations and in the Rental Management Agreement.

6. Owners who rent are responsible to inform the Chateau Rental Office of their intended use of their unit.

7. Confirmed (deposits received) rentals cannot be changed for Owners use or convenience after the rental contract has been completed.

8. If your unit is rented, you are considered not in residence. At which time you and your family forfeit the use of the facilities, unless you are visiting another Owner.

9. Appliances and other condo equipment (dishes, kitchen utensils, vacuums, bedding, etc.) for rental units shall be of good quality and well maintained. Stove must contain a self-cleaning oven. Any oven not in compliance will incur a \$20.00 cleaning fee for each cleaning.

10. The Board of Directors shall have the power to discontinue the handling of a unit in the rental pool, if after six (6) months' notice to the Owner, the Board determines requested repairs and or refurbishing of a unit has not taken place or, without prior notice if the Owner, renter, guests, or invitees violate the Governing Documents of the Association or its Rules and Regulations.

11. If Quarterly Maintenance Fees are not received within thirty (30) days of the due date, then the funds due and owing will be automatically deducted from any rental income check(s) due to that Owner in the amount set forth in the annual budget as authorized and agreed to by each Owner who is participating in the CBTS Rental Program.

12. Rental checks will be disbursed monthly to Owners except that any unpaid and overdue maintenance fees, late fees, interest and legal fees owed to the Association shall be automatically deducted from any rental income check(s) due to that Owner and the remainder shall be disbursed to that Owner as authorized and agreed to by each Owner who is participating in the CBTS Rental Program.

13. The manager may terminate rentals if they are found to exceed the occupancy limit of the unit. For a two bedroom unit a total of six (6) persons allowed per unit and for a one bedroom unit a total of four (4) persons allowed per unit providing there is enough sleeping accommodations in the unit.

4. Cleaning Policy For Units In The CBTS Rental Program

1. It is required that each unit participating in the CBTS Rental Program be professionally cleaned after each use. Unit use is defined as anytime a unit has been occupied by

one or more people for a day, night, week, etc.

2. If a unit is blocked for an Owner and/or their guest and is in the CBTS Rental Program, the unit must be cleaned after each stay.

3. Owners are required to perform or pay another person or entity to perform deep cleans, carpet cleaning and furniture cleaning during the fall.

4. Owners that wish to perform their own deep clean need to inform the office by November 1st. A cleaning and inventory list can be picked up in the CBTS office.

5. All deep cleans performed by Owners are required to have the CBTS management staff inspect their unit after deep clean is completed and must follow the guidelines set by CBTS.

6. The management staff has the option to have unit cleaned at the Owner's expense, and/or withhold rentals until problems are corrected.

5. Pet Policy

1. Owners are allowed to have pets on Association property with a maximum of two (2) pets per unit. Renters, guests, or invitees are not allowed to have pets on Association property unless it is cleared through the Owner and the Owner is responsible to ensure that said renter, guest or invitee honors the Association Pet Policy. Failure of an Owner's renter, guest or invitee to comply with the Association Pet Policy will result in the fine (set forth in paragraph 5 below) being assessed against the Owner.

2. Any pet on Association property must be non-aggressive and under control at all times. No excessive barking or meowing is allowed. Repeated complaints of excessive noise or aggressive behavior may result in written warnings, fines (as set in paragraph 5 below), or loss of pet privileges.

3. All pets must be on a leash or carried when outside the condominium. Pets may not roam freely and are prohibited at all times from the courtyard, bulkhead, club house, and office areas. When using elevators, pets must be held or leashed and, to the extent possible, kept away from other residents.

4. Owners of pets must immediately pick up and properly dispose of pet waste. Pet waste needs to be placed either in the individual condominium garbage can or in the dumpster by the garage. Failure to clean up pet waste will result in fines starting at \$100 per incident.

5. In addition to the fines set forth in paragraph 4 above relating to the failure to clean up pet waste, failure to comply with the Association Pet Policy will result in the following:

- (a) First Offense – Verbal or written warning;
- (b) Second Offense - \$100 fine;
- (c) Third Offense - \$150 fine; and
- (d) Repeated or severe violations – possible revocation of pet privileges.

Said fine(s) shall be payable within thirty (30) days of notification by the management staff or the Board and will bear interest and penalties thereafter. Said fine(s) shall be collected in the same manner as the quarterly maintenance fee.

6. Per federal and state law, ADA-recognized service animals will be accommodated regardless of the status of being an Owner or renter. Emotional support animals will be accommodated as the need arises, but renters must provide a doctor's certification to the Owner and manager. All ADA-recognized service animals and emotional support animals shall comply with the Association Pet Policy.

6. Swimming Pool Heating Policy

1. The swimming pool will be heated from January 1st through April 15th provided the ambient temperature is not 80 degrees Fahrenheit or above. When the pool is heated the temperature will be set so as to maintain the water temperature between 82 and 85 degrees Fahrenheit.