

WELLSGATE RULES, REGULATIONS AND ENFORCEMENT PROCEDURES
FOR WELLSGATE

Enacted May 2, 2011
Amended: October 10, 2017
Amended: October 10, 2018
Amended April 9, 2019
Amended: July 9, 2019

This Declaration is made this the 9th day of July 2019, by the Wellsgate Homeowner's Association Board of directors (herein referred to as "Board"):

WITNESSETH:

WHEREAS, the Board is charged with the management and control of the Association and is granted the power, authority and duty necessary or appropriate to carry out such management and control by the BY-LAWS, Article V, Section 1 and Section 4; and

WHEREAS, the Board is charged with the preservation of property values in Wellsgate, maintaining a balance of property owner's rights and privileges as well as balancing those rights and privileges with property owner's obligations by its continuing oversight; and

WHEREAS, the Board has the authority to promulgate, adopt and enforce such rules, regulations, restrictions and requirements as may be deemed necessary from time to time to carry out the aforementioned objectives pursuant to the BY-LAWS, Article V, Section 4 and the Covenants, Conditions and Restrictions, Article XII.

NOW, THEREFORE, the Board declares that the following rules, regulations and enforcement procedures are hereby readopted and amended on the day and date herein above and further that such rules, regulations and enforcement procedures as are deemed necessary by this or any other Board may be adopted from time to time so long as same are not in conflict with the BY-LAWS or the Covenants, Conditions and Restrictions. Should any rule, regulation or enforcement procedure be in conflict with the BY-LAWS or the Covenants, Conditions and Restrictions, then said BY-LAWS and/or Covenants, Conditions and Restrictions shall prevail.

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ARTICLE I- UNPAID ASSESSMENTS

Assessments are billed by the Property Management Company. If any assessment or part thereof is not paid within thirty (30 days) after the due date, the unpaid amount of each assessment shall bear interest at the maximum rate per annum allowed to be charged to individuals.

Accounts are assigned by the Board to a Collection Attorney Firm normally when sixty (60) days past due. The collection fee is an additional 33% of the amount owed to be paid by the debtor. The Collection Firm will attempt collections through telephone calls or correspondence. It is not acceptable for the owner to defer payment until their property sells.

If collection efforts are not successful, the Board may authorize legal action. For amounts under \$3,500, suit will be filed in Justice Court and if over \$3,500, in Circuit Court. Costs for filing and service are \$62.50 in Justice Court and may be higher in Circuit Court.

The Collection Attorney Firm will represent the HOA in court. The Association will get a consent judgement or a default judgement if the owner does not appear. The Association will file a lien on the property which must be cleared before the property can be sold.

The Association may notify senior mortgage holders of the lien once filed and this may cause the lender to put pressure on the owners to pay.

The Association will request attorney fees and court costs which will be added to the unpaid amounts and collection expenses. The judgement will be worded so that the Association does not have to refile each year as the balance grows.

Once paid in full, the lien must be released. Future delinquency will start the process over from the beginning.

ARTICLE II- UNCLEAN AND UNSIGHTLY CONDITIONS/NUISANCES

It is the responsibility of each Owner and Tenant to prevent the development of any unkempt, unclean or unsightly conditions which shall tend to detract from the beauty of the community as a whole or as a specific area. This applies to both occupied homes and vacant lots. A number of examples are provided in the CCRs but include rubbish, mowing and dead vegetation.

No indoor furniture, shelving units, hunting or fishing gear, tents, refrigerators, washing machines, freezers, kegs, ice chests, grills, swimming or wading pools, children's toys, molded PVC furniture, boxes, or crates shall be placed or stored outside and visible from the street of any residence for any period of time. Articles of clothing, towels, bedding, rugs, etc., should not be hung on fences, nor should there be hammocks hung from fences, posts, or walls of patios.

Owners are responsible for the actions of their children and guests, as well as for strict compliance with these Rules and Regulations. By purchasing or otherwise acquiring title, the owner expressly acknowledges his/her/its understanding that a breach of any of the Rules &

Regulations by an occupant, guest, or visitor shall be deemed to be a breach by the owner. Peace and quiet are desired between the hours of 9:00 p.m. and 8:00 a.m., and in the interest of being good neighbors, no loud or disturbing noises are permitted at any time. No owner, member of the family, servants, employees, nor visitors and licensees shall make, nor permit to be made, any disturbing noises in streets, docks, or other public areas that will interfere with the rights, comforts, or convenience of other owners. No owner shall operate a remote controlled device, airborne or on the ground, play nor operate any musical instrument, phonograph, radio, stereo, television set, tape player, or CD player at any time if doing so disturbs or annoys other occupants of the association, and under no circumstances shall play or operate those devices outside between the hours of midnight and 7:00 a.m. The association can make appropriate exceptions in the case of special events or outside events being held on the common property by one or more owner(s).

No trailer, camper, motor home, golf cart, travel trailer, utility trailer, 4-wheeler, 3-wheeler, off-road motorcycle, pleasure/ski or fishing boat, boat motor, or boat trailer, vehicle with more than six (6) wheels (with the exception of a moving or delivery vehicle in the active process of delivering or retrieving items) may be parked or stored in the parking areas or general common areas of the association. If one is found to be located on the property, and not immediately removed, the association shall have the absolute right to immediately have the same towed or otherwise removed from the property, without notice, at the expense of the owner to which the non-compliant vehicle or piece of equipment is associated.

NOTE: For dead trees, we will follow these procedures if there is no structure as provided in the CCRs. If the dead tree is on a lot with a structure, we will suggest tree removal and provide some contractor names but will not force the removal to be made, unless the tree poses a significant safety risk to the community.

NOTE: Dog Owners

Residents should maintain reasonable control of their dogs whether it be a visible/ physical fence or by means of an electronic pet control device; or by using a leash while strolling; or by meaningful and successful oral or other owner commands.

Residents should manage any barking noise of dogs they own so that the neighborhood is not unduly disturbed.

Residents should exercise common courtesy by removing their pet's waste from the roadside, common areas and from another resident's property. We have many young children who play in their yards or common areas.

ARTICLE III- CCR VIOLATIONS

Some uses of property are prohibited in the CCRs. Examples are chain link fencing, boat or trailer storage, or conducting a business from a residence. The Property Manager may, in its

discretion, give a friendly notice in writing or verbally for any first violation. An informal notice/warning will not be available for any second or subsequent violation.

Unless a different fine amount is expressly stated (such as for violations of the rental restrictions), a first offense is \$125. Fines for repeat violations will be progressively doubled. For example, an initial fine is \$125; a second violation of the same type is \$250; a third violation of the same type is \$500; etc.

In all cases the violation must be remedied in addition to paying the fine. If the violation is not corrected, the work will be ordered and the bill will be sent to the owner. Unpaid fines and costs/expenses of remedial work shall be treated the same as delinquent assessments in Article I.

The Board or property manager may afford the owner an opportunity to cure before the fine is imposed. The Board or property manager shall have discretion in determining this remedy period, if offered, but in no case shall the period exceed 30 days without written consent of the Board. Should the owner correct the problem during the notice period but only temporarily, the clock will continue and not be reset.

Whether the fine is paid or not, if the problem is not corrected by the deadline as specified in the notice, this matter should be referred to the Collection Attorney Firm with the approval of someone on the Board designated to approve these actions.

The Attorney will send a letter requesting correction to avoid further legal action with a 10-day hold. After the notice period, and if not corrected, the Attorney will get a court date at the Chancery Court and will serve the Owner. The attorney can also request payment of the fine if not yet paid.

There will be a hearing in Chancery Court about the Association's request for action. If the owner does not attend, the court will issue an injunction. If the owner attends, the owner may be ordered to take the action. The Association will ask for court costs and attorney fees to be awarded. The Association will pay those expenses or the Association will pay the expenses and bill the Owner.

The Court will follow up that the action is performed.

ARTICLE IV- BUILDER VIOLATIONS

These violations are for not following ARC Guidelines or Wellsgate Rules. If the management company or the ARC committee is not getting cooperation, either can impose a fine and the office will send out a bill. A letter needs to be sent indicating a fine will be imposed if the problem is not corrected in a specified time frame.

If fines are not effective, the final resort is to have a Stop Work Order issued. Before referring to the attorney, the ARC Board Member should have the Management Company send a letter reiterating the problem and indicating this will be turned over to the attorney for legal action. The letter should allow them 10 days. The letter should provide the name and contact

information of the attorney who will handle the case. (If the management company wants to issue a stop work order, this first should be approved by the ARC Board Member or by the Board.) After 10 days, notify the Attorney and he will file suit in the Chancery Court requesting a Stop Work Order and attorney fees and court costs. The Stop Work Order will not be lifted until the problem has been corrected to the ARC's or management company's satisfaction.

ARTICLE V- ILLEGAL PARKING

Vehicles (including trailers) are not to be parked on the common areas other than for events at the pavilions and then they should be moved when the event is over. If a vehicle is left parked on a common area for more than 24 hours, it may be towed. Before the Association tows a vehicle, the Association or its agent should make an attempt to determine the owner and give the owner at least a warning before the vehicle is towed. If the owner cannot be determined, the Association will leave a 48-hour notice on the vehicle after which the vehicle will be towed. If an owner has had a mechanical problem and needs more time before the vehicle can be moved, those exceptions can be handled on a case by case basis.

ARTICLE VI- HOMEOWNER LEASING, VIOLATIONS AND FINES

The leasing of residences in Wellsgate is controlled by Article XI of the Covenants, Conditions and Restrictions which provide, inter alia, that (1) each residence shall be used for single family residential purposes only, (2) no trade or business of any kind may be carried on in a residence and (3) home owners may lease the residence only if the entire residence is leased, (4) the lease is for at least six (6) months, (5) the lease is presented to the Board prior to its commencement and is in compliance with rules and regulations promulgated from time to time by the Board. These use restrictions mean that the following are in violation of Article XI and may be subject to the penalties established herein:

- (1) Occupancy of a dwelling by more than one family unit;
- (2) Operating a business in a residence other than one that is solely by internet and which does not have a flow of customers coming in and out of the residence;
- (3) Leasing a residence for a period of time less than six (6) months, including, but not limited to, leasing on a weekend(s);
- (4) Leasing a residence to any college student at any time for any period of time, unless that student lives in a home solely owned by his/her parents. In such cases only the child of the homeowner may live in the residence.
- (5) Leasing only a portion of the residence to anyone for any period of time;
- (6) Failure to have a written lease;
- (7) Failure to present the written lease to the Board for review and approval prior to the commencement of the lease;
- (8) A lease which is not in compliance with the rules and regulations as may be promulgated and published from time to time by the Board; or
- (9) An advertisement of any type for the lease, rent, or occupation of an owner's residence/property that does not comply with the Covenants, Conditions and Restriction or the rules and regulations of the HOA. An advertisement for lease of an owner's

residence/property constitutes prima facie evidence of the owner's intent to lease the property.

When a violation occurs, the Association Manager shall send a violation letter to the appropriate owner/owners giving them ten (10) days to correct the violation. The violation letter may be delivered by US Mail, email, fax, hand delivery, or any other method reasonably calculated to reach the intended recipient.

The owner may request a hearing during the ten-day cure period. Such hearing will be held before a hearing board appointed by the Wellsgate HOA Board. That hearing Board shall consist of three Wellsgate residents, none of whom shall be on the Wellsgate HOA Board. The owner shall request a hearing in writing or email to the Association Manager. A hearing shall be held within five calendar days of the request by the owner. The hearing board shall render a decision within twenty-four hours of the hearing. A majority of the hearing board members shall be required to render a decision.

Upon the rendering of a decision by the hearing board, the owner shall have forty-eight (48) hours to either correct the violation or appeal to the Chancery Court of Lafayette County. If the owner appeals to the Chancery Court of Lafayette County, the fine shall be held in abeyance. Should the owner lose in Chancery Court the fine shall be imposed from the initial date of the violation until the violation is corrected. Should the owner fail to request a hearing, the fine shall begin on the eleventh (11th) day after the violation letter and the right to such hearing shall be waived.

For a first violation, the daily fine shall be 75% of the advertised nightly price or \$1000/day, whichever is greater.

Upon a second violation by the owner, the above procedure shall be followed except that the fine shall be 85% of the advertised nightly price or \$1500/day, whichever is greater.

Upon a third violation by the owner, the above procedure shall be followed except that the fine shall be 90% of the advertised nightly price or \$2000/day, whichever is greater.

In any instance where there is no advertised nightly or weekend price and the owner is not willing to reveal the price, the fine shall be the monetary prices listed herein above. A "daily fine" shall mean each night for which the property is advertised or made available for lease, rental, or other prohibited occupation.

Upon any second or subsequent violation by an owner, the Wellsgate HOA Board shall have the option to proceed directly through its attorney to seek injunctive relief, fines, and attorney fees and costs from the owner. Any fines levied against an owner shall be considered a lien against the property and may be recorded in the appropriate records in the office of the Lafayette County Chancery Clerk.

The Board shall have the option to waive the fine for the first violation if the owner cures the violation during the ten (10) day period beginning with the notice of violation.

Should any deadline herein fall on a weekend or other holiday the deadline shall be extended to the next business day.

ARTICLE VII- LAKE, FISHING AND BOATS

Wellsgate's Lakes are private. Trespassers will be prosecuted. All property owners in Wellsgate, regardless of whether they live on a lake or not, may fish or boat on the lakes and host guests as long as they comply with the following rules.

1. Common Areas Related to Lakes*

- a) No littering in common areas.
- b) No parking on common areas unless designated for parking.
- c) Do not load/unload any boats in common areas except at the ramp.
- d) Be courteous and quiet when approaching others fishing.
- e) Swimming and boating are at your own risk. There are no lifeguards.

* **Common areas** related to the lake include but are not limited to the following: the dam and the approach roads on each side of the dam, the lake itself, the east pavilion area at the intersection of Teal Blvd. and Thrasher Pointe, the west pavilion area on West Wellsgate, the low area on E. Wellsgate across from Pintail Cove, the strips of land on W. Wellsgate by both small lakes and the common area off Lake Cove by the SW small lake.

2. Dam Road

- a) Please observe a 10 mile per hour speed limit for the dam road.
- b) Please stay on the dam road and do not drive down the hill.
- c) The dam is for use by pedestrians, bicycles and persons loading/unloading boats from trailers.
- d) Please keep all vehicles from blocking access to ramps. If you cannot move your vehicle, then please leave access to your vehicle for next owner/boater to move.

3. Fishing

- a) Owners and residents may use the common areas including the community piers and obtain credentials for boating passes for use of boats on the lake at any time.
- b) Owners who drive to a common area to fish must have a car sticker identifying them as a resident so they are not challenged if someone is checking.
- c) Owners with homes on the lake may fish from their own lots, common areas or from other lots that border the lake, with permission from that lot owner. Guests may fish from an owner's lot with permission from that lot owner.
- d) Owners with homes not on the lake may fish from common areas or from private lots that border the lake, with permission from that lot owner.

- e) **THERE ARE NO GUEST PASSES.** The owner must accompany any guests unless they are fishing from the owner's property only with one exception. If you have guests staying with you, they may fish on the lake without the owner present. IF THIS IS ABUSED, we will eliminate this exception.

4. **Boats**

- a) Boats must be manually powered or powered by an electric motor.
- b) A gas motor will be allowed use at idle speed if the boater is stranded on the lake, caught in extreme weather, in event of emergency or if lake management is being done.
- c) Boats must be operated at a speed that does not result in a wake.
- d) It is recommended that owners be on all boats.
- e) For safety reasons, it is recommended that children under 16 years of age not operate a boat without an owner present.
- f) All residents and guests should follow the safe boating practices outlined by the state of Mississippi. These can be obtained from: <http://www.boated.com/ms/course/p4-subtable.htm>.
- g) Boating, as with swimming, is at your own risk.
- h) Owners who will regularly be using boats on the lake must get **Wellsgate Boat Stickers** and stick them on each side on the front of the boat. This will make it easy for everyone to know that a boat has permission to be on the lake. Stickers are available without charge from the lake manager. Stickers also need to be placed on boat trailers.
- i) A **boat ramp** is located on the concrete portion of the dam on the east side of the spillway. Owners with boats who want regular access to the ramp will be assigned a key to the east gate by the lake manager. All boats must be launched from the ramp.
- j) Car stickers and boat trailer stickers can be obtained from Keith Collins Company. You can email at kcousar@keithcollinsco.com and their office phone number is 662-236-9611.

Owners using the boat ramp are responsible for locking the gates after they have entered and after they have exited the dam area. Owners will be responsible for anyone who drives into the dam area after they have unlocked the gate. The launch area is on the east side of the spillway. After launching, vehicles should be parked in such a way as to not block use of the ramp by other owners. A Wellsgate Boat Sticker must be attached to any trailer left on the dam during day use of the lake.

5. **Fish Harvesting**

One of our lake management goals is to develop a high-quality game fishing lake. There are different harvest rules for each of the 3 lakes.

Please follow all harvest rules set by Southeastern Pond Management and/or Lake Management Committee. Fishing reports and updated harvest rules will be posted on the website www.wellsgate.net.

- a) **General Harvest Rules for Big Lake**
 - i. Limit the bass taken out of the big lake. Only bass that a resident wants to eat and that are smaller than 15 inches may be taken. Leave all bass longer than 15 inches in the lake.
 - ii. Only take out bream that residents will eat.
 - iii. Take out all catfish and crappie.
 - b) **General Harvest Rules for the SW Small Lake**
 - i. This lake has an abundance of small bass. Please take bass under 15” long. Please return all bass over 15” long to the lake in good health.
 - ii. Take out all crappie.
 - iii. Do not keep any bream.
 - c) **Harvest Rules for the NW Small Lake**
 - i. See harvest rules posted on website.
6. **Lake Privileges**
- a) Lake privileges are part of membership in the WOA.
 - b) Lake privileges will be revoked for any owner who is not current on their WOA assessments

ARTICLE VIII- SIGNS

Common Areas

- No political signs.
- No for sale signs.
- Temporary directional signs for open houses and garage sales are permitted.
- Seasonal decorations as approved by the Board.
- Other signs approved by the Board.

Owner Lots

Non-Permissible signs

- Permanent signs advertising business conducted in home
- Permanent signs advertising businesses unconnected with the property

Permissible signs and ornaments

- For sale signs, realtor or by owner
- For lease signs
- Temporary signs celebrating birthdays, births, welcome home etc.
- Temporary yard service signs
- Political signs- Unless left up long after the elections
- Contractor signs- while the work is being done
- Seasonal or holiday decorations
- Flags and pennants
- Other signs if approved by the Board