

ASSOCIATION RULES AND REGULATIONS

INTRODUCTION

The Fountains Homes Association, Inc. (herein, the “Association”) was set up by the Developer of The Fountains subdivision in Grandview, Missouri, Norwood Development Co., Inc. on April 6, 1971. The Developer filed a Declaration of Restrictions (herein, “Declaration”) which is a legal document, filed in the Jackson County deed records. A copy of the Declaration can be found at *[website link]*.

The restrictions set out in the Declaration are listed below. These are mandatory and apply to all homeowners in the subdivision. All additions recommended by the Association are indented and are **in bold type**. Any explanations or cross-references are [in brackets.] The section number in the Declaration that is summarized is listed at the end like this: **# 1**.

1. The effective life of the Declaration.

The Declaration established restrictions on the use and development of the subdivision properties for the 20 years after its date, which were then automatically renewed for successive five-year periods. However, the owners of a majority of the lots (as determined by the frontage of the lots) can vote to remove one or more of the restrictions prior to an automatic renewal date. The next five-year renewal date is April 1, 2026. Any such change would have to be in writing, and filed with the Jackson County deed records. No such change has been filed to date. **#12**

2. How the residential lots can be used.

Every residential lot must be used for a single-family residence. No apartments are allowed. No residence can be converted to house more than one family. **#2**

3. Certain long-term parking is prohibited.

No boats, campers, trailers, or trucks can be parked or placed on any lot for more than 24 hours over a one-month time period. **#2**

4. Outside walls, doors, windows, louvers, and roofs.

Exterior walls must be one or more of: brick, stone, stucco, wood shingles, wood siding, wood paneling, or glass blocks. All wood except wood shake and roofing must be

covered by two or more coats of paint or stain. Windows, doors, and louvers must be of wood or metal and glass. **#3**

Roofs must be covered with wood shingles, wood shakes, wood-toned shingles, slate, or tile. If a roof is flat or has a pitch of less than 3 inches per foot it may use any of those coverings or tin or built-up asphalt. **#3**

[A new Missouri state law, Title XXIX, Section 442.404, provides that a homes association cannot limit or prohibit the installation of solar panels or solar collectors, as defined in the bill, on the rooftop of any property or structure. A homeowners' association may adopt reasonable rules regarding the placement of solar panels or solar collectors to the extent those rules do not prevent the installation of the device or adversely affect its functioning, use, cost, or efficiency. These provisions shall apply only with regard to rooftops that are owned, controlled, and maintained by the owner of the individual property or structure.

This change shall be added.]

Solar panels or solar collectors may be installed by professional, licensed installers to rooftops of any residence.

5. Damaged houses and homes under construction.

If a house is damaged (by disasters like fire or windstorm), it must be repaired within three months. Houses under construction must have the exterior finished not later than five months after start of construction. **#3**

6. Minimum square footage, and toilets.

One-story houses must have a minimum square footage of 1,300 feet; and One-and-one-half-story houses must have a minimum ground floor square footage of 1,100 feet. [The minimum for two-story houses is not specified in the Declaration.] Porches and attached garage areas are not included. Toilets must be an integral part of the building. **#4**

7. The Association must approve construction, additions, and exterior changes.

[The Declaration of Restriction reserved this to the original Developer, but on June 1, 1974, the Developer permanently assigned this and all other of its rights and responsibilities to The Fountains Homes Association. A copy of the Assignment can be

found at [website], and is filed in the Jackson County deed records in Book K853, at Page 233, as Instrument Number K369913.]

No residence or outbuildings can be constructed or moved onto a lot until the Association approves in writing: the plans, location, elevation, and grade; including the relation of the top of the foundation to the street level. After construction, no exterior design of a residence or outbuilding can be changed or altered without the written approval of the Association. **#5**

8. The Association must approve fences or walls.

No fence or wall can be constructed on the property without the written approval of the Association. **#6**

9. No business buildings or business conduct.

No business buildings are permitted. No business of any nature can be conducted on the subdivision properties. **#7**

[The rental of a home in the subdivision is clearly a business within the provision. However, because this restriction has not been enforced and some Residents have moved out of their homes and rented them, we think it would be appropriate to permit existing rental properties going forward, with certain restrictions.

The restriction of rental properties in the subdivision serves several legitimate purposes:

1. It can assist Members financially, by reducing property insurance rates and protecting property values.
2. It can promote neighborhood stability and a sense of community by increasing the number of residents with a vested interest in the development's long-term success.
3. It can promote compliance with the neighborhood rules, since a renter is more likely to ignore those rules or fail to keep up the property (particularly vacation renters and other short-term rentals).

Therefore, the existing restriction will be clarified with the following addition.]

Rental Properties: after the adoption of these changes, the total number of residences that may be rented shall not exceed five percent of the total number of residential properties, including any existing rentals. Residents that have existing rentals on such date shall have the right to continue to

rent the property so long as they own the property (subject to the provisions herein); thereafter the existing rental right shall lapse. Any lease executed after the adoption of these changes shall provide that the tenant must be in compliance with all applicable Association rules and standards; and must be for a rental term of not less than three months. The Resident shall notify the Secretary of the Association, within three months of the adoption of these changes, the name(s) and contact information of any existing tenant(s); thereafter, the Resident must provide such information to the Association before the property is proposed to be leased. The Association shall deny the proposed lease if it exceeds the ceiling on the number of rental properties or is for a term of less than three months. The owner of a rental property shall keep the Secretary of the Association advised of his current address and other contact information. The Association may revoke an owner's permission to have a rental property within the Association under two specific circumstances: (1) if the Board determines that the owner is not maintaining the exterior of their property according to the Association's standards, or (2) if there are repeated violations of the Association's rules by tenants occupying the rental property. In either event, the Association shall give prior notice to the owner of the violation(s).

10. No nuisance, noxious or offensive conduct permitted.

Noxious or offensive conduct is prohibited, and nothing can be done which is a nuisance or annoyance in the neighborhood. **#8**

11. Only pet animals permitted.

Dogs, cats, and other animals may be kept as pets. No animals are permitted if they are kept, bred, or maintained for commercial purposes. **#9**

12. Restrictions on signage.

Signs are forbidden, other than street markers and traffic signs placed by the City of Grandview (or other governmental entity or by the Association), or signs of 100 square inches or less which include the residential street number or resident's name or both. This includes signs in or on any house, lot, or adjacent street which are placed, exposed to view, or allowed to remain. The officers and agents of the Association have the right to enter onto any property to remove any such forbidden sign. **#10**

[A new Missouri law changes whether, and how, a homes association may regulate signs in the subdivision. Title XXIX, Section 442.404 states that a homes association may not prohibit or effectively prohibit the display of sale signs on the property of a homeowner or property owner including, but not limited to, any yard on the property, or nearby street corners. It may enact reasonable limits, subject to any applicable statutes or ordinances, regarding the time, size, place, number, and manner of display of sale signs.]

One sale sign may be placed on the lot of a residence that is then for sale (of a size and type similar to those used by realtors or by homeowners for the sale of their own property), and smaller sale signs giving directions may be placed upon nearby street corners (adjacent to streets). The Association may remove any such sign that is placed on the common ground; or which in any way threatens the public health or safety, violates an applicable statute or ordinance, or which is accompanied by sound or music, or if any other materials are attached to the sale sign. The sale signs must be removed within 48 hours from the time the property is sold.

[The same Missouri state law has a similar provision regarding political signs, which it defines as “any fixed, ground-mounted display in support of or in opposition to a person seeking elected office or a ballot measure excluding any materials that may be attached.”]

One or more political signs may be displayed on the property of a Resident. “Political sign” is defined as a fixed, ground-mounted display in support of or in opposition to a person seeking elected office or a ballot measure, and does not include any materials that may be attached. The Association may remove any such sign that is placed outside of the Resident’s property (without the landowner’s permission) or on the common ground; or which in any way threatens the public health or safety, violates an applicable statute or ordinance, or which is accompanied by sound or music, or if any other materials are attached to the political sign. The sign must be removed within 48 hours after the end of the election.

13. Utilities.

The Association has the right to locate, erect, construct, maintain, and use, and to authorize such actions, for drains, sanitary storm sewers, gas & water mains and lines,

electric and telephone lines and other utilities. The Association may give or grant rights of way or easements over any property in the subdivision for such purposes. **#11**

14 Sewer Lines.

No water from roof downspouts, basement garage drains, or surface drainage may be diverted into the sewer line. No connection to a sewer line may be done without inspection and approval by the Association, its successors or assigns. **#11**

15 Breach of the Restrictions.

Landowners are responsible for breaches that occur during their ownership, but not from before or after. Landowners can sue to obtain an injunction to prevent the breach of these restrictions, or to enforce them, in addition to any damages they may be legally entitled to be awarded. If the Association or any landowners fail to enforce any of these restrictions, that shall not be a waiver of the right to enforce them in the future. **#13**

Section 14 permits the Developer to assign or transfer any or all of the rights, powers, reservations, or privileges set out in the Declaration, and as noted in paragraph 7, above, the Developer did so in 1974.