UNIFORM COMMUNITY GUIDELINES
(Rules and Standards)

FOR ALL

POT-NETS COMMUNITIES
OF TUNNELL COMPANIES, L.P.

POT-NETS BAYSIDE
POT-NETS SEASIDE
POT-NETS DOCKSIDE
POT-NETS COVESIDE
POT-NETS CREEKSIDES
POT-NETS LAKESIDE

“I like to see a man proud of the
place in which he lives; I like to
see a man live so that his place
will be proud of him.”

- Abraham Lincoln
## TABLE OF CONTENTS

1. STANDARDS OF THE HOME ............................................................................. 1  
   A. FOR ACCEPTANCE .................................................................................. 1  
   B. HEATING ................................................................................................ 1  
   C. ARCHITECTURAL COMPATIBILITY ...................................................... 1  
   D. AESTHETIC COMPATIBILITY ............................................................... 2  
   E. FOR TRANSFER OR RESALE ............................................................... 2  

2. PLACEMENT OF THE HOME, APPENDAGES AND ADDITIONS ............. 2  
   A. PLACEMENT ......................................................................................... 2  
   B. APPENDAGES AND EQUIPMENT .......................................................... 3  
   C. HOMES AND ADDITIONS .................................................................... 3  

3. FUEL TANKS ............................................................................................... 4  
   A. FUEL OIL ............................................................................................ 4  
   B. LIQUID PROPANE ................................................................................ 4  

4. STRUCTURAL MODIFICATIONS & ADDITIONS. ............................................ 4  
   A. ADDITIONS .......................................................................................... 4  
   B. PORCHES/LIVING AREAS ................................................................. 5  
   C. GARAGES ............................................................................................ 5  
   D. CARPORTS ........................................................................................... 6  
   E. SHEDS (DETACHED) AND STORAGE ROOMS (ATTACHED) ............ 6  
   F. RAMADAS ............................................................................................ 6  
   G. DECKS .................................................................................................. 7  
   H. PATIOS .................................................................................................. 7  
   I. STEPS .................................................................................................... 7  
   J. RAMPS .................................................................................................. 7  
   K. GAZEBOS AND PERGOLAS ............................................................... 7  
   L. EXCEPTIONS ........................................................................................ 7  

5. AIR CONDITIONING ..................................................................................... 8  

6. WINDOWS AND DOORS ............................................................................ 8  

7. CONSTRUCTION APPROVAL ..................................................................... 8  

8. FEDERAL, STATE AND COUNTY REGULATIONS ..................................... 8  

9. CONDITION OF THE HOME AND HOMESITE ........................................ 8  
   A. APPEARANCE ..................................................................................... 8  
   B. LAWNs ................................................................................................ 9  
   C. FIRE PITS ........................................................................................... 9  
   D. FIREWOOD ........................................................................................ 9  
   E. HABITABILITY ..................................................................................... 9  
   F. HOMESITE NUMBER/MAILBOXES .................................................... 9  
   G. DRIVEWAYS ........................................................................................ 10
<table>
<thead>
<tr>
<th>Section</th>
<th>Starting Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. TREES, SHRUBS AND OTHER PLANTINGS</td>
<td>10</td>
</tr>
<tr>
<td>A. HOMEOWNER RESPONSIBILITY</td>
<td>10</td>
</tr>
<tr>
<td>B. COMMUNITY MANAGEMENT RESPONSIBILITY</td>
<td>10</td>
</tr>
<tr>
<td>C. DEBRIS DISPOSAL</td>
<td>11</td>
</tr>
<tr>
<td>D. WATERFRONT RESTRICTION</td>
<td>11</td>
</tr>
<tr>
<td>E. TREE WORK REQUEST</td>
<td>11</td>
</tr>
<tr>
<td>F. WORK BY OUTSIDE TREE COMPANY</td>
<td>11</td>
</tr>
<tr>
<td>G. PROHIBITED PLANTINGS</td>
<td>11</td>
</tr>
<tr>
<td>11. FENCES</td>
<td>12</td>
</tr>
<tr>
<td>A. ACCEPTABLE MATERIALS</td>
<td>12</td>
</tr>
<tr>
<td>B. MAINTENANCE JOINT RESPONSIBILITY</td>
<td>12</td>
</tr>
<tr>
<td>C. MAINTENANCE SOLE RESPONSIBILITY</td>
<td>12</td>
</tr>
<tr>
<td>D. FENCE REMOVAL</td>
<td>12</td>
</tr>
<tr>
<td>E. PRIVACY FENCES AND ENCLOSURES</td>
<td>12</td>
</tr>
<tr>
<td>12. CONDUCT</td>
<td>13</td>
</tr>
<tr>
<td>A. HOMEOWNER RESPONSIBILITY</td>
<td>13</td>
</tr>
<tr>
<td>B. ENFORCEMENT</td>
<td>13</td>
</tr>
<tr>
<td>C. GROUNDS FOR LEASE TERMINATION</td>
<td>13</td>
</tr>
<tr>
<td>13. VANDALISM AND CRIMINAL CONDUCT</td>
<td>13</td>
</tr>
<tr>
<td>14. NOISE</td>
<td>13</td>
</tr>
<tr>
<td>15. WEAPONS</td>
<td>14</td>
</tr>
<tr>
<td>16. OCCUPANCY</td>
<td>14</td>
</tr>
<tr>
<td>17. PETS</td>
<td>14</td>
</tr>
<tr>
<td>A. PET CONTAINMENT</td>
<td>14</td>
</tr>
<tr>
<td>B. FEEDING RESTRICTIONS</td>
<td>14</td>
</tr>
<tr>
<td>C. RIGHT TO PROHIBIT</td>
<td>14</td>
</tr>
<tr>
<td>D. COMPLIANCE</td>
<td>14</td>
</tr>
<tr>
<td>18. WILDLIFE</td>
<td>15</td>
</tr>
<tr>
<td>19. BOATS &amp; MARINAS</td>
<td>15</td>
</tr>
<tr>
<td>A. NUMBER OF VESSELS ON HOMESITE</td>
<td>15</td>
</tr>
<tr>
<td>B. VESSEL PLACEMENT ON HOMESITE</td>
<td>15</td>
</tr>
<tr>
<td>C. RENTAL OF BOAT FACILITY</td>
<td>15</td>
</tr>
<tr>
<td>D. WATERCRAFT OPERATION</td>
<td>16</td>
</tr>
<tr>
<td>E. CLEANING FISH</td>
<td>16</td>
</tr>
<tr>
<td>F. MARINA OPERATIONS PLAN</td>
<td>16</td>
</tr>
<tr>
<td>G. IMPROVEMENTS TO PIERS AND DOCKS</td>
<td>16</td>
</tr>
<tr>
<td>H. BOAT LIFTS, JET SKI LIFTS, JET SKI FLOATS</td>
<td>17</td>
</tr>
<tr>
<td>I. WATER AND ELECTRICITY USE</td>
<td>17</td>
</tr>
<tr>
<td>J. INSURANCE &amp; LIABILITY</td>
<td>17</td>
</tr>
<tr>
<td>20. RECREATIONAL FACILITIES</td>
<td>17</td>
</tr>
<tr>
<td>A. FACILITY USE</td>
<td>17</td>
</tr>
<tr>
<td>B. RESTRICTIONS</td>
<td>18</td>
</tr>
<tr>
<td>C. CANCELLATION OF FACILITY PRIVILEGES</td>
<td>18</td>
</tr>
</tbody>
</table>
21. MOTOR VEHICLES ........................................................................................................... 18
    A. VEHICLE ID STICKER................................................................................................. 18
    B. GOLF CARS ............................................................................................................... 18
    C. MOTORBIKES ........................................................................................................... 18
    D. MOTORCYCLES ......................................................................................................... 19
    E. CAMPERs AND RECREATIONAL VEHICLES ......................................................... 19

22. TRANSPORTATION WITHIN COMMUNITIES ......................................................... 19
    A. OPERATION OF MOTOR VEHICLES ......................................................................... 19
    B. RESTRICTIONS ......................................................................................................... 19
    C. RIGHT OF WAY .......................................................................................................... 19
    D. PARKING & REPAIRS................................................................................................. 19
    E. RIGHT TO REMOVE .................................................................................................. 20
    F. SPEED LIMIT ............................................................................................................ 20

23. HOUSEHOLD WASTE .................................................................................................. 20
    A. TRASH/RECYCLING SERVICE ................................................................................. 20
    B. TRASH ...................................................................................................................... 20
    C. RECYCLING ............................................................................................................... 20
    D. YARD WASTE ........................................................................................................... 21
    E. BULK ITEMS .............................................................................................................. 21
    F. TRASH CONTAINERS/STRUCTURES ....................................................................... 21

24. COMMERCIAL ENTERPRISES, ADVERTISING, AND SIGNAGE ............................... 21
    A. COMMERCIAL ENTERPRISES ............................................................................... 21
    B. LIMITATION ON HOME-BASED COMMERCIAL ENTERPRISES ......................... 21
    C. ADVERTISING OR SIGNAGE ................................................................................... 22

25. UTILITIES AND SERVICES ......................................................................................... 22
    A. CONNECTION RESPONSIBILITY .............................................................................. 22
    B. ELECTRIC ................................................................................................................. 22
    C. WATER ..................................................................................................................... 22
    D. SEWER ..................................................................................................................... 22
    E. FREEDOM OF CHOICE ............................................................................................. 22
    F. HOUSEHOLD WASTE ............................................................................................... 23
    G. UNDERGROUND UTILITY WORK OR DIGGING ..................................................... 23

26. COUNTY PROPERTY TAX ............................................................................................ 23

27. RIGHT OF ENTRY ........................................................................................................... 23

28. AMENDMENTS TO COMMUNITY GUIDELINES ....................................................... 23

29. ENFORCEABILITY OF COMMUNITY GUIDELINES ............................................... 23
    A. NO WAIVER ............................................................................................................... 23
    B. EXCEPTIONS ............................................................................................................. 24

30. COMPLAINTS UNDER COMMUNITY GUIDELINES ............................................... 24

31. COMMUNICATION BETWEEN RESIDENT AND MANAGEMENT ........................... 24
    A. ADDRESS ................................................................................................................. 24
    B. VARIATIONS ............................................................................................................. 24

32. MISREPRESENTATION OR FALSIFICATION OF OWNERSHIP ............................... 25
33. PAYMENT OF RENT
   A. METHOD AND PENALTY ........................................................................ 25
   B. CREDIT CARDS ....................................................................................... 25
   C. OTHER CHARGES AND FEES ................................................................. 25

34. TRANSFER OF HOME ............................................................................... 25

35. RIGHT TO SELL OR BQUEATH .................................................................. 25

36. DEATH OF A SOLE LESSEE
   A. SALE OF HOME TO THIRD PARTY .......................................................... 26
   B. TRANSFER TITLE TO BENEFICIARY ......................................................... 26

37. EXECUTION SALE, FORECLOSURE OR OTHER JUDICIAL ACTION .......... 26

38. APPROVAL FOR RESIDENCY ..................................................................... 26

39. SALE OF HOME ......................................................................................... 26

40. REMOVAL OF HOME
   A. NOTIFICATION ......................................................................................... 27
   B. HOMEOWNER RESPONSIBILITY ............................................................... 27
   C. HOMESITE RESTORATION ....................................................................... 27
   D. EXPENSES ............................................................................................... 27
COMMUNITY GUIDELINES

These Guidelines constitute the rules and regulations of each Pot-Nets community of Tunnell Companies, L.P. The words “community management”, hereinafter used, will refer to Tunnell Companies, L.P. The word “community”, hereinafter used, will refer to each of the manufactured housing communities identified on the cover page. The word “homeowner”, hereinafter used, will refer to each “signed lessee” on the lease to the homesite. The word “home”, hereinafter used, will refer to a Manufactured HUD Code Home or existing home in the community manufactured prior to June 15, 1976, including any site-built additions (porches, decks, steps, patios, sheds, storage rooms, garages, carports, ramadas, etc.).

The Uniform Community Guidelines are intended to make the communities a comfortable and safe place for you, your family and your guests. Every reasonable effort will be made by community management to ensure the enforcement of these Guidelines and the quiet enjoyment of all homeowners. We thank you for your cooperation.

1. STANDARDS OF THE HOME

A. FOR ACCEPTANCE
   No home will be accepted into the community unless it is, in the sole opinion of community management:

1) one (1) story
2) new Manufactured HUD Code home in good condition
3) attractive in design and color
4) 48 feet or more in length and 14 feet or more in width if a single section
5) 44 feet or more in length and 24 feet or more in width if a multi section
6) with a peaked, shingled roof with a minimum pitch 3/12 and a maximum 5/12 pitch
7) with shutters, or window trim of 4 inches or greater, installed around all windows on all sides of the home
8) with rain gutters and downspouts
9) with a fireplace chimney enclosure (if equipped with a fireplace)
10) architecturally compatible (see standards included in Section 1C)
11) aesthetically compatible (see standards included in Section 1D)

B. HEATING.
   All new homes must be heated by Liquid Propane (LP) gas and/or electricity.

C. ARCHITECTURAL COMPATIBILITY.
   In order to ensure architectural compatibility, all homes shall include:
1) Residential lap, shingle or shake siding that is horizontally installed, and shall be made of vinyl, wood or enameled aluminum
2) Foundation skirting (fascia) of vinyl, cement block, wood or enameled aluminum
3) Fireplace chimney pipes enclosed with material matching the home
4) A peaked, shingled roof with a minimum pitch of 3/12, and maximum pitch of 5/12

D. AESTHETIC COMPATIBILITY.
All homes shall have acceptable exterior colors that are compatible with the surrounding homes, i.e., clay, beige, tan, gray, pewter, cream, almond, white or other neutral colors. Any variance from these colors must be approved by community management. Prior to occupancy of a home, its foundation shall be enclosed by a solid skirting (fascia) in such fashion as to conceal the area under the home from view. The foundation skirting shall be properly ventilated and access panels of sufficient size shall be included to provide access to the utility hook-ups. Skirting materials and color shall complement the home exterior. Foundation skirting shall be kept neat and attractive in appearance (e.g. repair unsightly gaps and holes). The area under the home is to be kept clean without any debris or combustible material present.

E. FOR TRANSFER OR RESALE.
No home may be sold or transferred within the communities unless it is in total compliance with these Guidelines, and is at least 12 feet in width by 44 feet in length. The home must be inspected by community management prior to settlement. All homes and additions (including garages, storage facilities, carports, decks, steps and porches) shall be, in the sole opinion of community management, attractive in appearance. Metal sheds shall be removed before sale or transfer, and any other grandfathered items must be corrected or removed prior to transfer or resale. Buried fuel oil tanks shall be properly removed in accordance with Section 3A.

2. PLACEMENT OF THE HOME, APPENDAGES AND ADDITIONS

A. PLACEMENT.
Homes shall be set on each homesite as specified in the master plan of the community in which it is located in accordance with these Guidelines, and in accordance with community management approval. It must meet the specifications of the manufacturer, Sussex County Planning & Zoning Department and FEMA. The home shall be placed at a finished floor elevation of 30 to 36 inches above grade. However, in no case shall the top of the finished floor exceed 42 inches above grade, unless FEMA requirements dictate a higher elevation. Hitches shall be removed from the home upon installation. Existing hitches will be allowed to remain until sale or transfer, but shall be enclosed and the surrounding area attractively landscaped. The homeowner shall be responsible for any damage to community property or the property of other homeowners resulting from installation of the home.
B. APPENDAGES AND EQUIPMENT.
The placement and use of gas cylinders, oil tanks, trash cans and any other appendages, equipment or paraphernalia, whether specifically named in this paragraph or not, shall be completely subject to these Guidelines. Homeowners may not erect any tents or swimming pools. Children’s wading pools, swing sets and pup tents are acceptable, and must be kept clean and in good repair. Satellite dishes and other digital antennas, preferably 18 inches or less in diameter but not more than 40 inches, will be permitted, provided they are installed in a location that provides the least public view. A satellite dish placed at the front of the home or yard must have prior approval by community management. Only retractable or umbrella type clotheslines will be permitted (in least public view). Solar panels may be installed on the roof of the home (in least public view). The exact location of appendages and equipment must be approved by community management prior to installation. Furniture placed outdoors not designed for outdoor use is not permitted.

C. HOMES AND ADDITIONS.
Homes and home placement require approval by community management prior to delivery. Home additions, whether attached or detached, need approval by community management and Sussex County before beginning construction. Any unauthorized improvements or alterations will not be allowed to remain on the homesite. The home and any additions shall be in compliance with the following setback requirements:

1) From adjacent property lines:
   Home and attached additions and detached garages.......................... 10 ft.
   Sheds or other site-built structures............................................... 10 ft.

2) From neighboring homes and/or structures..................................... 20 ft.

3) From any body of water................................................................. 10 ft.

4) From the road right-of-way (as determined by community management):

   POT-NETS BAYSIDE
   POT-NETS SEASIDE
   POT-NETS DOCKSIDE
   POT-NETS BAYSIDE (HOMESITES E-1 to E-699)........ 10 ft.

   POT-NETS CREEKSIDES
   POT-NETS COVESIDE................................................................. 20 ft.

   POT-NETS LAKESIDE
   POT-NETS BAYSIDE (HOMESITES E-700 to E-1007)… 20 ft.

5) In addition, see Section 4A below.
6) Per Chapter 115 of the Zoning Code of Sussex County Article XXIV, § 115-172, G (4) that “Any manufactured home with its accessory buildings shall not occupy in the aggregate more than thirty-five per cent (35%) of the gross area of the homesite.” Homeowners are hereby put on notice that said federal, county and state regulations are in addition to, and not in lieu of, these Guidelines.

3. FUEL TANKS

A. FUEL OIL.
Fuel oil tanks shall not be installed underground or placed beneath the home or any other structure. They shall be above ground, located at the rear of the home, or behind any structure or addition attached to the home. They shall be screened or shielded from public view on all sides. Buried fuel oil tanks shall be properly removed or “abandoned in place” and filled with slurry before sale/transfer of home. Removal or abandonment in place of underground fuel oil storage tanks must be performed by a State of Delaware certified tank remover. A copy of the tank disposal letter, product disposal letter, soil sample reports and State closure letter must be delivered to community management by the homeowner within thirty (30) days of removal or abandonment. Contact community management for additional information.

B. LIQUID PROPANE.
Liquid Propane (LP) gas tanks may be installed either underground or aboveground, provided that they are securely anchored, electrically grounded and installed according to all applicable fire and building codes. If aboveground, they shall be located at the rear of the home, or behind any structure or addition attached to the home. They shall be screened or shielded from public view on all sides. If belowground, they shall be set back 10 feet from any property boundary, and shall be set back 10 feet from any structure on the homesite.

4. STRUCTURAL MODIFICATIONS & ADDITIONS.

All improvements as noted in the Sections below must comply with all setback requirements in accordance with Section 2C. Each homesite may have only one of the following types of additional structures: one garage, OR one shed, OR one storage room attached to a carport on any site.

A. ADDITIONS.
All additions must be approved by community management (see Section 7) and Sussex County prior to construction. Illustrated construction plans with accurately designated elevations and dimensions shall be submitted for community management’s approval. Any unauthorized additions, improvements or alterations will not be allowed to remain on the homesite. All setbacks must be followed in accordance with Section 2C.
1) The exterior of any addition shall match the exterior of the home, including siding, trim and roof shingles. If the home has metal siding, the addition shall have vinyl, wood, or enameled aluminum siding which is architecturally and aesthetically compatible.

2) The roof elevation of any addition shall not exceed the roof elevation of the home. Shed style roofs that exceed the width of the home are not permitted.

3) All construction shall be completed in a timely manner (not longer than six months from date of approval). Construction materials shall be neatly stored in an area of least public view.

4) The addition can be no longer or wider than the existing home, and cannot exceed 16-feet in width, unless approved by community management.

B. PORCHES/LIVING AREAS.
Homeowners may erect a porch, either open or enclosed, or living area, provided it is:

1) Along the primary side of home – being the side of the home most visible from the road and/or the side of the home used for main access to the home; primary side of the home will be determined solely by community management; and

2) No longer or wider than the home with a 16 foot maximum width; and

   (a) Offset at least three feet from the front of the home (for side porches/living areas); or

   (b) The minimum distance from the road right-of-way (for front porches/living areas). All additions shall be properly maintained and the area under the addition shall be enclosed by a foundation skirting that complements the siding and/or skirting of the home.

3) Porches/Living Areas open to public view may not be used for general storage of household items. Screen panels may be added to a porch without prior community management approval. Plastic shrink film for winterizing may not be installed on the exterior of the windows or doors.

C. GARAGES.
Garages may be attached or detached from the home. Windows are permitted in garage walls. Garages with windows shall have blinds, shades or curtains to shield the interior, and shutters or window trim on the exterior. All garages shall have electric doors. The doors shall also be of residential design, stained or painted a color which complements
the home, and shall be kept closed when not in use. Windows in garage doors shall be factory installed. Exterior lights shall be placed on both sides of the garage door. Concrete floors and aprons are required. Driveway may be the full width of the garage, but at least the width of the garage door. At the road, the driveway must be a minimum of 12 feet wide.

D. CARPORTS.
Community management and Sussex County must approve the style and location of carports before construction. Carports may be enclosed as set forth in Section 4B above. A screened porch or enclosed porch may be constructed under the carport, if the storage room is also under the roof of the carport at the rear. Each homesite may have only one carport with attached storage room, OR one garage, OR one shed. Open carports may not be used for general storage of household items.

E. SHEDS (DETACHED) AND STORAGE ROOMS (ATTACHED).
Community management must approve the style and location of sheds and storage rooms before construction can begin. Recommended design options for attached storage rooms and detached sheds are available from community management. Each homesite may have only one shed, OR one garage, OR one carport with attached storage room. Sheds and storage rooms shall meet the following requirements:

1) If not attached to the main structure, sheds shall be placed in the rear yard or secondary side yard. They shall be placed no less than 10 feet from any property line and meet all other setback requirements.

2) Sheds or storage rooms shall not be more than 14 feet in length, 14 feet in width, and the height shall not exceed the height of the home. The shed or storage room base must be enclosed, unless placed upon a hard structural surface, such as concrete or asphalt. They shall have a shingled A-frame roof and be in the same style, siding material and color as the home. If a home has metal siding, the shed shall be of wood or vinyl.

3) The shed or storage room doors and windows shall be positioned to allow the least public view. All windows shall have shutters, or window trim of 4 inches or greater. All doors must remain closed when not in use.

4) Prior to sale or transfer of the home, sheds made of metal shall be removed.

F. RAMADAS.
A ramada (a pitched roof over the home and any additions) will be permitted for single-wide homes. One half of a pitched roof will not be permitted. The pitch of the home’s roof may be extended to the peak of the ramada’s roof, but may not exceed the elevation brought about by a roof pitch that exceeds 5/12, or is less than 3/12.
G. DECKS.
Decks shall be constructed at or below the floor level of the home. All decks shall: (1) comply with all County and State building codes, (2) be above ground level, (3) be enclosed along the underside of the perimeter if not at ground level, and (4) include 36-inch high railings if the deck floor is 30-inches or more above grade. Railings and exposed portions shall be made of vinyl, composite wood, or of wood, which shall be stained, painted, or treated regularly with a wood preservative. All decks must be enclosed below the floor.

H. PATIOS.
Patios constructed less than 12 inches above grade may be made of wood, concrete, composite wood or pavers, and do not require railings. All raised patios must be enclosed below the floor.

I. STEPS.
All exterior doors shall have steps. Steps must adhere to the 10 foot setbacks with the exception outlined in Chapter 115 of the Zoning Code of Sussex County Article XXIV, § 115-172 G (7) – Steps with related landing not exceeding 28 square feet of homesite coverage, may project 4 feet into the required setbacks. Landings shall not exceed 5 feet in width or 7 feet in total length. Roof overhangs shall not exceed the width of the landing. Acceptable materials include poured concrete, pavers, composite decking or treated wood. Loose cement blocks, open metal framing with wooden treads, or single piece fiberglass composite stair units are not permitted. All steps shall be permanent, enclosed and painted, stained or treated regularly with a wood preservative. All steps with three or more risers shall have at least one railing.

J. RAMPS.
Ramps are only permitted in situations where one or more residents has a disability which affects mobility, which must be verified by community management. Permanently installed ramps must be constructed to ADA standards, must use materials and colors which are complementary to the main structure, and must be enclosed underneath. Temporary ramps may be permitted on a case-by-case basis, for a defined limited duration. All ramps, permanent or temporary, must be reviewed and approved by community management prior to the installation.

K. GAZEBOS AND PERGOLAS.
Must be approved by community management.

L. EXCEPTIONS.
Community Management may make exceptions to these Guidelines on a case-by-case basis, based upon individual site conditions and homesite layout.
5. **AIR CONDITIONING**

Central air conditioning condensing units shall be placed on sturdy concrete slabs or wooden platforms in the least public view, and not installed on the primary side of the home. The installation of window or wall air conditioning units will not be permitted. If operable, existing grandfathered window units will be allowed to remain until the sale or transfer of the home. Existing window and wall units shall be supported by brackets attached to the home and shall not be propped up or supported from the ground.

6. **WINDOWS AND DOORS**

All windows and doors are to be maintained in good condition; broken panes and torn screens are to be replaced immediately. Plastic shrink film for winterizing may not be installed on the exterior of the windows or doors. All blinds, curtains and other window coverings must be in good repair and neat and attractive in appearance.

7. **CONSTRUCTION APPROVAL**

Construction upon the homesite or alterations to the exterior of the home may be undertaken only upon written approval by community management prior to the beginning of construction. Requests for construction approval shall be submitted in writing using the “Application for Approval of Property Improvement” form, and shall include illustrated construction plans with accurately designated elevations and dimensions. The homeowner is responsible for obtaining any required building permits from Sussex County Planning and Zoning and meeting all FEMA requirements. Any unauthorized improvements or alterations will not be permitted to remain on the homesite. Construction Approval remains valid for six (6) months, and extensions will be considered on a case by case basis.

8. **FEDERAL, STATE AND COUNTY REGULATIONS**

Homeowners agree to comply with all Federal, State and County laws, including the rules and regulations issued by the Sussex County Planning and Zoning Commission. These Guidelines are subject to Chapter 115 of the Zoning Code of Sussex County. Also see Section 2C(6).

9. **CONDITION OF THE HOME AND HOMESITE**

A. **APPEARANCE.**

Each home and homesite and storage space shall be, in the sole opinion of community management, clean, free of clutter and neat and attractive in appearance. Home and homesite maintenance is the responsibility of the homeowner. Areas or portions of the
home/homesite which can be directly viewed from the street, common areas, or other homesites will constitute public view and shall be adequately landscaped. Failure to maintain the physical condition or appearance of the home, homesite, or storage space is just cause for termination of the lease. Home and homesite includes porches, steps, decks, patios, sheds, storage rooms, garages, carports, ramadas, lawns, gardens, ponds, etc.

B. LAWNS.
Lawns shall be maintained to the edge of the road surface. Failure to maintain the lawn (grass, leaf removal, shrubs, etc.) will result in written notice from community management to do so within a specified time. If homeowner fails to comply with the notice by the deadline, community management, at its discretion, will maintain the lawn and bill the homeowner for services rendered. Leaves and other yard waste shall be collected and placed in the yard waste container and placed at the edge of the roadway the night before the scheduled pick-up. Please see YARD WASTE Section 23D.

C. FIRE PITS.
Propane fueled, “chiminea” style and commercially built fire pits up to 48 inches in diameter will be permitted. Uncontained campfires and bonfires are strictly prohibited. Site constructed fire pits will be permitted only upon written approval by community management prior to the beginning of construction. Requests for construction shall include illustrated construction plans with accurately designated placement and dimensions. All fires shall be a safe distance from any structures, vehicles, fuel tanks, trees, etc. Smoke from wood-burning exterior fires shall not be a nuisance to neighboring homeowners. Burning of leaves or other yard debris is strictly prohibited.

D. FIREWOOD.
Firewood is to be stored at the rear of the home in a neat and attractive manner and out of public view.

E. HABITABILITY.
The home shall be habitable and kept in a safe and sanitary condition. All homes are to be kept free of fire hazards and combustible materials.

F. HOMESITE NUMBER/MAILBOXES.
The 911 address number and the homesite number of the occupied homesite shall be placed so that it is visible from the street. All individual mailboxes, where permitted, shall be maintained by the homeowner and kept neat and attractive in appearance. Private mailboxes shall be 41 inches to 45 inches above ground level, and 12 inches from the edge of the road.
G. DRIVEWAYS.
All driveway surfaces shall be of asphalt, poured concrete, concrete pavers, decorative stone, or crushed shells. Dirt driveways are not permitted.

All newly installed driveways must have minimum construction standards of 4 inches aggregate base, and surfaced with a minimum of 2 inches Type C asphalt, or 2 inches decorative gravel or shells.

Driveways shall be at least the width of the garage door. Driveways greater than 42 feet in length, shall have one curved edge which reduces the driveway width to 12 feet at the street. Driveways must be set at least 5 feet away from any side-yard property line. Driveways must be large enough to contain a minimum of 2 parking spaces.

Any driveway improvements or extensions cannot change the drainage pattern along the road. Additions or enlargement of driveways must have community management approval before construction starts. Homeowner is responsible for all driveway maintenance and repairs from either surface or sub-surface damages, to include settling and heaving from frost or tree roots.

10. TREES, SHRUBS AND OTHER PLANTINGS

A. HOMEOWNER RESPONSIBILITY.
If a tree is under 25 feet in height or has a main stem/trunk less than 6 inches in diameter the responsibility and expense of trimming, pruning, cutting or removing trees and limbs on and from any homesite shall be that of the homeowner. Trees and shrubs shall be trimmed or removed when overgrown or dead.

B. COMMUNITY MANAGEMENT RESPONSIBILITY.
If a tree is at least 25 feet in height, or has a main stem/trunk greater than 6 inches in diameter, the responsibility and expense for maintenance, care and removal if necessary of trees on any homesite, including common areas shall be that of community management. Such maintenance, care and removal means those steps required to maintain a live and healthy tree condition per standard horticultural practices in accordance with American National Standards Institute. Any damage caused to any home or other property from falling limbs or trees shall be without recourse to Pot-Nets Communities. Community management, at community management’s own expense, may trim or remove trees, shrubs or limbs on the homeowner’s homesite which present a safety risk in reference to vehicular traffic, street lighting, community infrastructure, bulkheads or signage or which would impede community management’s maintenance or construction. Community management may trim or remove trees, shrubs or limbs on the homeowner’s homesite which obstruct views of bays, marshes, marinas, other water features or community open space from adjacent or neighboring properties.
C. DEBRIS DISPOSAL.
Regardless of the size and height of the tree, it is the responsibility of the homeowner to remove leaves, needles, pine cones, sap, pods, seed containers, invasive roots and any such material normally produced by any tree as part of its life cycle. See Section 23D for proper disposal of yard waste, which includes tree and bush debris.

D. WATERFRONT RESTRICTION.
No trees, bushes, etc. will be planted on a waterfront homesite within ten feet of the bulkhead, or in any location that would obstruct views of bays, marshes, marinas or other water features, from adjacent or neighboring properties.

E. TREE WORK REQUEST.
Homeowner may request tree work as described in Section 10B above by completing a Tree Work Request Form from the Pot-Nets Office. All Tree Work Request Forms will be reviewed by a certified arborist and will be prioritized for completion in order of the urgency of the work requested. Tree Work Requests may be denied if the work requested is determined to be cosmetic in nature; however, if the condition of the tree changes, the homeowner may submit a new Request Form.

F. WORK BY OUTSIDE TREE COMPANY.
Homeowners may elect to have trees removed, or other work performed, at their own expense by a licensed and insured tree service company. Homeowners must obtain permission from community management before having any tree work performed. The outside tree company must meet in advance with community management to discuss the scope of work proposed.

G. PROHIBITED PLANTINGS.
Due to their invasive and/or noxious properties, the following species (and cultivars) of trees, shrubs and plants are restricted and may not be planted on any homesite. The following list is not all-inclusive and may be updated at any time at the discretion of community management. Additional information about invasive species can be found at www.DelawareInvasives.net:

Trees:
Callery Pear (Pyrus calleryana)

Shrubs:
Burning Bush (Euonymous alatas)
Japanese Barberry (Berberis thunbergii)

Plants:
Purple Loosestrife (Lythrum salicaria)
Bamboo (Bambusoidae)
Maiden Grass (Miscanthus sinensis)
The following sub-species/cultivars of Maiden Grass (Miscanthus sinensis) are permitted:

- Autumn Light
- Dixieland
- Kirk Alexander
- Little Kitten
- Morning Light
- Rigoletto
- Siberfeil
- Strictus
- Variegatus
- Yaka Jima

11. FENCES

A. ACCEPTABLE MATERIALS.
Fencing on homesites shall be of wood split-rail type and may not exceed 36 inches in height. Split rail fences shall be kept in their natural color, and may not be painted or coated with anything other than sealer/preservative. Wire fencing may be installed on the interior side of a split rail fence, provided that the wire does not extend above the top rail of the fence. Vinyl or composite fences are prohibited.

B. MAINTENANCE JOINT RESPONSIBILITY.
Repair, maintenance and replacement of said fencing shall be the joint and several obligation of the homeowner and their adjoining neighbors who share the fence along a side or rear homesite boundary. Homeowner and their adjoining neighbors must mutually agree to the type and method of work to be performed, and an equitable sharing of costs.

C. MAINTENANCE SOLE RESPONSIBILITY.
In the event that said fence is not on a common boundary, but is clearly located to one side of said boundary, then the repair, maintenance and replacement of said fence shall be the sole responsibility of the homeowner upon whose homesite the fence is located.

D. FENCE REMOVAL.
A fence may not be removed if it is located on the rear boundary of a homesite, or on the boundary of Pot-Nets Community open space.

E. PRIVACY FENCES AND ENCLOSURES.
Privacy fences, trash can enclosures, or enclosures around utility boxes may be installed by homeowners in certain situations, which may not exceed 60 inches in height. In these cases, the location must be adjacent to the home, and the length, material, style and color of the fence or enclosure must be pre-approved by community management. Homeowner shall notify Miss Utility of any digging work, in accordance with Section 25G.
12. CONDUCT

A. HOMEOWNER RESPONSIBILITY.
Homeowners will be responsible for the conduct of, and for any damages caused by themselves, their children, other household residents, their guests and/or pets. Any violation of these Guidelines by the aforementioned has the same effect as a violation by the homeowner. Drunkenness, immoral conduct, disorderly conduct or any other activity that disrupts the right of others to peaceful enjoyment of the communities, endangers others or causes any property damage is considered a violation of these Guidelines.

B. ENFORCEMENT.
The Pot-Nets security officers and lifeguards have the authority to enforce facility rules, these Guidelines, and may deny any homeowner or guest access to any swimming pool, beach, sport court or other amenity. Verbal harassment or physical assault of any Pot-Nets staff member, including but not limited to security officers, lifeguards, maintenance and administrative staff, will be considered a violation of these Guidelines.

C. GROUNDS FOR LEASE TERMINATION.
Repetitive conduct violations are grounds for termination of the lease agreement per Title 25, Ch. 70, § 7010A (b) (1) of the Delaware Code. Community management reserves the right to refuse entry to anyone from entering the communities. Homeowners will not invite or allow any person access to their home who has been barred from the community.

13. VANDALISM AND CRIMINAL CONDUCT
Any lease may be terminated if the homeowner, or any person in the household of a homeowner is found guilty of vandalizing any home, homesite, amenity or other community property, or is convicted of violating any of the criminal laws of the State of Delaware or the Federal Government.

14. NOISE
Homeowners will not interfere with the safe and peaceful enjoyment of other homeowners. No excessively loud parties will be allowed at any time.

Homeowners will play music and TVs at normal volume (which will be determined at the sole discretion of community management), and will control all noise in consideration of their neighbors.
15. WEAPONS

No firearms, pellet or BB guns, paintball guns, bows & arrows, swords and large knives, or martial arts weapons of any kind may be openly carried, displayed or discharged in any of the communities. All weapons must be carried, or stored in the home, in accordance with all applicable state laws.

16. OCCUPANCY

NO RENTING OR SUB-LEASING. No homeowner may assign, rent, sub-lease or otherwise turn over his or her home, leased homesite, storage or boat facility for the use and enjoyment of third parties, including the homeowner’s children, relatives or friends, either with or without monetary compensation. The use of each home, leased homesite, storage or boat facility, or any other facility or amenity, shall be limited to the personal use and enjoyment of the homeowners, their children, relatives and friends when the homeowner is also present. This section does not apply to homes owned and managed by the community owner, which are used for purposes of sales and marketing promotions for the community.

17. PETS

A. PET CONTAINMENT.

Pets shall be kept on a leash when away from the homesite. When walking a pet, whether on the homesite or elsewhere in the community, the owner is responsible for picking up all pet waste. No pets will be permitted to be tied outside unattended. Dog houses and dog pens are not permitted. Pets are not allowed at the pools, on the beaches or boardwalks, with the exception of registered service animals. Pets will only be allowed if they do not cause a nuisance to other homeowners. Pets running loose may be caught by community management and turned over to the appropriate authorities.

B. FEEDING RESTRICTIONS.

Homeowners may not feed waterfowl, wildlife or other animals that are not their pets, with the exception of Registered Colony Care Givers for the feral cat population under the Pot-Nets Catnippers (Trap Neuter Release) Program.

C. RIGHT TO PROHIBIT.

Community management reserves the right to prohibit exotic pets, or other undomesticated animals, which may be dangerous to the community. Noisy, unruly, dangerous or uncontrollable pets will not be allowed to remain in the community.

D. COMPLIANCE.

Failure to comply with these Guidelines may result in removal of the animal from the community.
18. WILDLIFE

One of the benefits of coastal living is the abundant wildlife indigenous to the area. Homeowners can expect to encounter deer, foxes, squirrels, skunks, raccoons, opossums, snakes, geese, ducks, seagulls and many other animals. Community management is not responsible for nuisances caused by wildlife on your homesite.

19. BOATS & MARINAS

A. NUMBER OF VESSELS ON HOMESITE.

Storage of boats and/or personal watercraft (jet skis) on the homesite are limited to the following:

- One boat, with or without trailer, of any length.
- An additional boat, with or without trailer, the combined length of which cannot exceed 18 feet in length;

OR

- One boat, with or without trailer, of any length.
- One or two jet skis (both on the same trailer), the combined length of which cannot exceed 18 feet in length.

B. VESSEL PLACEMENT ON HOMESITE.

Boats must be stored or parked on the homeowner’s homesite, in the area which provides least public view. All boats and watercraft must be currently registered with the State, and must display a current State registration sticker. Boats and watercraft stored on the homesite must not obstruct the view of vehicular traffic or block access to utilities. Non-motorized watercraft (kayaks, canoes, etc.) must also be stored in the area which provides the least public view.

C. RENTAL OF BOAT FACILITY.

Boat slips and private docks are rented on an annual basis, from January 1st through December 31st. Homeowners who rent boat slips and private docks shall be required to abide by the terms and conditions of the Resident Boat Slip Rental Agreement, and the Pot-Nets Marina Operations Plan, for the marina in which they keep their watercraft.

Boat slip rental agreements automatically renew each year, unless community management is notified of cancellation in writing by the homeowner. Assignment of available boat slips and docks will be made on a first-come first-served basis.
Community management reserves the right to relocate any boat to a different slip for any reason, which would generally be for the maintenance and repairs of piers and bulkheads, or other emergency situation.

Any boat docked in a boat slip or private dock must be registered with Pot-Nets Communities, and must provide current contact information for the boat owner and a designated emergency contact person. All boats must display a current Pot-Nets registration sticker as directed. Any boat placed into any slip without Pot-Nets authorization, or without displaying a Pot-Nets registration sticker, may be towed at the sole expense and risk of the boat owner.

All boats must be removed from the Slips and Docks between January 1st and March 31st, in order to not obstruct ice clearing operations.

Daily boat slip rentals are available to guests of any homeowner, and can be arranged at the Pot-Nets Office.

D. WATERCRAFT OPERATION.
All watercraft (including boats and jet skis) will be operated according to the rules and regulations of the Delaware Department of Natural Resources and Environmental Control (DNREC). No person shall operate any watercraft at any speed greater than “Slow – No Wake” speed while in a Pot-Nets Communities lagoon or marina. No person shall operate watercraft in any restricted areas (river and bay beachfront) at any speed greater than “Slow – No Wake” speed, unless watercraft is over 100 feet away from all docks, piers and boat launching areas. Watercraft must operate 300 feet from all people and swimmers in the water. Any violations should be reported to the Division of Fish and Wildlife Enforcement Section (Marine Police).

E. CLEANING FISH.
No permanent fish cleaning facilities or structures can be placed or located on or near boat slips, docks, lagoons or community waterways. Cleaning of fish is permitted only at the homeowner’s homesite. Fish heads, and other waste from cleaning fish, shall not be thrown into the lagoons or other waterways, but shall be sealed in plastic bags and disposed of with the household trash.

F. MARINA OPERATIONS PLAN.
Homeowners who rent boat slips and private docks shall be required to abide by the terms and conditions of the Pot-Nets Marina Operations Plan, for the marina in which they keep their watercraft. A copy of the most current version of each plan is available for review at the Pot-Nets Office.

G. IMPROVEMENTS TO PIERS AND DOCKS.
Homeowners who rent boat slips and private docks may install mooring hardware (cleats, whips, lines, grab bars, weights, etc.) upon the dock pilings at their own
risk. All mooring hardware is to be neat and tidy in appearance, and shall create no risk of damage to other boats. No modification may be done which compromises the integrity of the existing pier/dock structures. Do not cover the boardwalk, catwalks or pilings with carpet, fire hose, or any other material other than white rubber for marine use. Community management reserves the right to remove non-compliant mooring hardware.

H. BOAT LIFTS, JET SKI LIFTS, JET SKI FLOATS.
Homeowners may install boat lifts, jet ski lifts and jet ski floats, only after receiving written approval from BOTH community management and DNREC. The homeowner will be responsible for obtaining all DNREC permits, and for paying all DNREC permit application fees. Please inquire with community management before starting this process.

I. WATER AND ELECTRICITY USE.
Water and electricity may be available in the marina, and may be used by the homeowner for brief durations to perform maintenance upon their boats. Water is shut off during the winter months to prevent pipes from freezing and breaking. Water and electricity availability at the marina is not guaranteed, and is not part of the price of the boat slip. Homeowners who rent private docks may install water and electricity service at their docks at their own expense and risk, upon receiving written approval from community management.

J. INSURANCE & LIABILITY.
The boat is to be placed in the slip entirely at the homeowner’s risk. Pot-Nets will not be responsible for damage or theft of property or possessions. The homeowner shall agree to be personally liable for all injuries and damages caused by them or their boat to the marina facility, and for all damages caused to other boats. Community management encourages boatowners to purchase a liability insurance policy to cover personal injury and damages.

20. RECREATIONAL FACILITIES

A. FACILITY USE.
The use of all recreational facilities and amenities within Pot-Nets Communities is limited to homeowners and their guests. All guests shall be accompanied by a homeowner when using community facilities. It is the responsibility of the homeowner to pay all applicable fees and to ensure that their guests observe all applicable rules and regulations. Rules and regulations for each facility are posted and/or are available from community management, and are subject to change. Homeowners must supervise children using community facilities such as playgrounds, pools and waterfront areas. Use of all facilities by homeowners and their guests are at their own risk.
B. RESTRICTIONS.
Bathing, swimming or ice skating in lagoons, lakes or ponds is not permitted. Golf cars, bicycles, roller blades, skateboards, scooters and pets are not allowed on beaches or boardwalks.

C. CANCELLATION OF FACILITY PRIVILEGES.
Late payments of rent or other financial obligations may lead to cancellation of pool privileges and inability to rent facilities.

21. MOTOR VEHICLES

A. VEHICLE ID STICKER.
Homeowners are required to affix an identification sticker/tag as directed on any resident vehicle to be used in the communities. These may be obtained at the Pot-Nets Office.

B. GOLF CARS.
Golf cars must be operated in accordance with the Golf Car Safety Brochure, must be registered with Pot-Nets Communities, and homeowners must permanently mount assigned tag to the rear of the golf car. Tag deposits, if any, will only be refunded upon the return of the tag. Golf cars with gasoline engines are not permitted. Golf cars may be operated between 6:00 A.M. and midnight and may be operated after dusk only if they have adequate working headlights permanently mounted on the golf cars.

1) Drivers of golf cars shall be fourteen years of age or older, unless accompanied by an adult, and must have a photo ID. Photo IDs for operators between the age of fourteen and sixteen may be obtained free of charge at the office. No one under the age of sixteen shall be allowed to operate a golf car after dusk. There may not be more than four people in the golf car at one time and all passengers must be seated when the vehicle is in operation. Golf cars are to be operated in a safe and attentive manner and should be restricted to golf car pathways, when possible.

2) Any violation of the above will cause Security to take corrective action. The first two minor violations will elicit written warnings, with the third leading to the cancellation of golf car privileges. Wantonly irresponsible or reckless behavior involving golf cars may result in the immediate cancellation of golf car privileges.

C. MOTORBIKES.
The operation of gas-powered motorbikes, motor scooters, minibikes, trail bikes, off-road vehicles, all-terrain vehicles and other vehicles of this nature is not allowed in the communities. Such vehicles may only be stored out of public view at the homeowner’s homesite. Push scooters and small motorbikes, if motorized, must be electric, used only during daylight hours and the rider/operator shall be fourteen years of age or older, unless accompanied by an adult.
D. MOTORCYCLES.
Motorcycles must be quiet in operation. The homeowner must be the registered owner and operator of the motorcycle. The motorcycle must be titled, registered and tagged by a state motor vehicle administration, as well as registered with Pot-Nets Communities. The Pot-Nets identification sticker must be affixed to the left side of the motorcycle, and be visible to a security officer. Homeowners can travel by motorcycle to and from their residence only by the most direct route. Homeowners may not ride around the community, and cannot do repairs or tune-ups at the homesite. Guests with motorcycles will not be permitted to enter the community, but may leave them at an area designated by community management, at the sole risk of the guest.

E. CAMPERS AND RECREATIONAL VEHICLES.
No campers, motor homes, travel trailers or recreational vehicles (RVs) will be allowed in the communities. Guests arriving in these vehicles may park temporarily in the area behind the Security Office in Pot-Nets Bayside, at the sole risk of the Guest, if community management is given twenty-four hours’ notice. Homeowners’ campers, motor homes, travel trailers, or recreational vehicles may be parked at the homesite for 36 hours in preparation for a trip, and for 36 hours upon return from a trip, as long as community management is notified. In no case may any camper, motor home, travel trailer or recreational vehicle be parked at the homesite for more than 72 cumulative hours in any single 7-day period.

22. TRANSPORTATION WITHIN COMMUNITIES

A. OPERATION OF MOTOR VEHICLES.
All homeowners and their guests are subject to Delaware traffic laws. Any person operating a motor vehicle within any community shall have a state driver’s license. Any vehicle which is not properly licensed, or in the condition required under the laws of the Division of Motor Vehicles of the State of Delaware, cannot be operated within any community. Vehicles with inadequate or malfunctioning muffler systems will not be permitted in the community.

B. RESTRICTIONS.
All modes of transportation are restricted to roadways or golf car pathways. Homeowners and their guests will not park or operate motor vehicles (including golf cars) on the beaches, walkways, or turf and landscaped areas of any community.

C. RIGHT OF WAY.
Right of way prioritization on pathways: Pedestrians, bicycles, electric scooters, and then golf cars.

D. PARKING & REPAIRS.
Cars, trailers and other vehicles shall be parked only in designated parking areas, and not on the street, lawns or unoccupied homesites. Inoperable, unsightly or unregistered
vehicles shall be removed from the community. No major repairs or overhauling of
cars is permitted in any community. No parking of buses, truck tractors, truck trailers,
construction equipment or other oversize commercial vehicles (i.e. box trucks, tow
trucks, etc.) will be permitted on homeowner’s homesite. Ungaraged vehicles which
are covered are subject to inspection by community management to ensure that they are
currently registered.

E. RIGHT TO REMOVE.
As permitted by law, community management reserves the right to remove vehicles
parked in violation of these Guidelines, and further reserves the right to remove
inoperable vehicles without current license plates. All vehicle removal expenses
incurred shall be paid by the homeowner and/or the vehicle owner.

F. SPEED LIMIT.
The universal speed limit is twenty-one (21) miles per hour, unless otherwise posted,
when driving in and around any community. All traffic signs, and other applicable
State traffic laws shall be obeyed.

23. HOUSEHOLD WASTE

A. TRASH/RECYCLING SERVICE.
Community management agrees to enter into a single contract with a competent waste
collector to service the communities, as provided in Title 25, Ch. 70 § 7006 (b) (13) (b)
of the Delaware Code. It is agreed that a single contract with community management,
instead of individual contracts with each homeowner, will reduce the number of service
vehicles in the communities and will reduce the danger for pedestrian traffic.
Community management will charge a proportionate share of the total waste collection
fee to each homeowner, along with the annual rental fee.

B. TRASH.
All household trash shall be bagged and placed in the residential trash cart provided by
waste collector. Carts are to be placed at the edge of the roadway not more than two
days prior to the scheduled pick-up. All household waste shall be disposed of in
accordance with the regulations of the Delaware Solid Waste Authority. Common area
trash and recycling containers are not to be used for the disposal of household trash or
bulk items.

C. RECYCLING.
All recyclable glass, plastic and paper material shall be bagged and placed in the single
stream recycling cart provided by waste collector. Carts are to be placed at the edge of
the roadway not more than two days prior to the scheduled pick-up.
D. YARD WASTE.
Leaves, branches, pine needles, grass clippings, plant prunings, Christmas trees and other organic yard debris shall be collected and placed in the yard waste recycling cart provided by waste collector, and placed at the edge of the roadway the night before the scheduled pick-up. Additional yard waste that does not fit in the cart must be contained in paper bags (no plastic bags), or may be put out in string-tied bundles not exceeding 50 pounds and 4 feet in length. Burning of leaves or other yard debris is strictly prohibited.

Raking, blowing or dumping of leaves or other yard debris onto vacant lots, or common ground, is strictly prohibited.

E. BULK ITEMS.
Bulk items (including furniture, appliances, oversized items, etc.) will be governed by the “Bulk Items Procedures and Rates” issued by the waste collector serving the communities. Homeowners should call (302) 945-9664 for pricing and to schedule a bulk pick-up for the second or fourth Thursday of each month. Bulk items shall be bundled and placed in front of the homeowner’s homesite not more than three days prior to scheduled pick-up.

F. TRASH CONTAINERS/STRUCTURES.
All trash/recycling carts shall be stored in a location that provides the least public view. Structures for housing trash/recycling carts will not be permitted along the street or front facing side of a homesite.

24. COMMERCIAL ENTERPRISES, ADVERTISING, AND SIGNAGE

A. COMMERCIAL ENTERPRISES.
In an effort to provide unique and enjoyable experiences for the benefit of homeowners, their guests and the general public, the Pot-Nets communities contain various commercial enterprises. These existing and proposed enterprises may be owned and operated either by community management, or by third-party business owners, and may not be subject to these same Uniform Community Guidelines.

B. LIMITATION ON HOME-BASED COMMERCIAL ENTERPRISES.
Commercial enterprises conducted from the home require the written consent of community management.

No solicitation will be permitted in the communities without written consent of community management.
C. ADVERTISING OR SIGNAGE.
No advertising or signage (including notices, “take one boxes”, posters, banners or announcements) will be allowed on any home, homesite or community building without consent of community management. A single “For Sale” sign may be put inside a window after written notice of intention to sell has been given to community management (see Section 39).

25. UTILITIES AND SERVICES

A. CONNECTION RESPONSIBILITY.
Utility connections to the home (electricity, gas, water, sewer, telephone, cable TV, etc.) are the sole responsibility of the homeowner. Homeowners must comply with each utility service provider’s connection instructions. Homeowners shall be responsible for any malfunction between the point of connection and the home.

B. ELECTRIC.
The point of connection for the electric service is the meter box. Any outage of electricity shall be taken care of by the homeowners through their electrician and/or the electric service provider, Delaware Electric Cooperative (855-332-9090).

C. WATER.
The point of connection for the water is the water meter pit. Homeowners are responsible for the water service line between the water meter pit and the home. Long Neck Water Company requires 24 hours’ notification to activate or deactivate the home water supply. Homeowners are required to contact Long Neck Water Company (302-947-9600) between 8:30 and 4:30, Monday through Friday (calls will be accepted for emergencies at any time). All homes should have a separate shut-off valve under the home which should be operated by the homeowner.

D. SEWER.
The point of connection for the sewer is the “final clean-out” access point located in the front or rear yard. Sewer clogs between the source point (i.e. toilet or sink) and this clean-out are the sole responsibility of the homeowner. Sussex County Engineering Department (302-855-7379) is responsible to remove clogs which occur after the clean-out, unless at homesites within Pot-Nets Lakeside and at Pot-Nets Bayside lots E-35 through E-40, E-60 through E-88, E-700 through E-1007, and M-11 through M-14, where Inland Bays Preservation Company (302-945-9300) is responsible to remove clogs.

E. FREEDOM OF CHOICE.
Homeowners shall have freedom of choice in the purchase of other utility services such as telephone, cable television, satellite television, internet service, oil delivery or propane gas delivery.
F. **HOUSEHOLD WASTE.**
   For household waste collection, see Section 23.

G. **UNDERGROUND UTILITY WORK OR DIGGING.**
   Prior to performing underground utility service work, or digging of any kind for any purpose, the homeowner shall notify Miss Utility at (800-282-8555), or at www.missutility.net, at least 48 hours prior to any digging. Homeowner will be responsible for any damage to underground utilities caused by failure to notify Miss Utility in a timely manner.

26. **COUNTY PROPERTY TAX**

   The homeowner is responsible for paying Sussex County property taxes to the County as billed upon the home and improvements thereto. Homeowners may contact the Sussex County Treasury Department (302-855-7760) regarding property taxes.

27. **RIGHT OF ENTRY**

   Community management shall have the right to enter the homesite to inspect, repair or make alterations or additions to the homesite or the utilities situated on the leased homesite, or for the purpose of protecting the community. Community management may enter the homesite at all reasonable times consistent with the provisions of Title 25, Ch. 70 § 7006 (a) (13) (h) of the Delaware Code as applicable, but not in such a manner or at such time as to interfere unreasonably with the homeowner’s quiet enjoyment. Community management shall have no right to enter a home, unless the homeowner’s prior written consent has been obtained or, if such written consent is not obtained, to prevent imminent danger to the occupant(s) of the home, to other residents of the community or to community property.

28. **AMENDMENTS TO COMMUNITY GUIDELINES**

   Community management reserves the right, from time to time, to amend or supplement these Guidelines and to adopt and promulgate additional Guidelines applicable to the leased premises. Homeowner agrees to comply with all amended Guidelines upon proper notification from community management, consistent with the requirements of Title 25, Ch. 70 § 7019(c) of the Delaware Code.

29. **ENFORCEABILITY OF COMMUNITY GUIDELINES**

   **A. NO WAIVER.**
   Any failure of community management to enforce one or more of these Guidelines shall not constitute a waiver of any of the Guidelines, either in whole or in part. The
judgment of community management shall be final. If a violation notice is issued by community management, the homeowner is responsible for correcting the violation(s) within the specified time. Failure or refusal to correct the violation, or repeated violations of these Guidelines, may lead to termination of the lease, in accordance with the requirements of Title 25, Ch. 70 § 7010A (b) (2) of the Delaware Code. Federal, State and County laws, rules and regulations must be complied with by the homeowner. Such laws, rules and regulations may be more restrictive than these Guidelines.

B. EXCEPTIONS.
Community Management may make exceptions to these Guidelines on a case-by-case basis, based upon individual site conditions, homesite layout or other extenuating circumstances.

Prior exceptions for “grandfathered” conditions (e.g. window air conditioners, shed placement on homesite) will be rescinded by community management upon the sale of the home, and said conditions must be removed or otherwise brought current to the standards contained within these Guidelines.

30. COMPLAINTS UNDER COMMUNITY GUIDELINES

Any homeowner who has a complaint about another homeowner violating these Guidelines shall submit his or her complaint in writing to community management. Said complaint shall be signed and dated by the complaining party. Upon receipt of a valid complaint, a violation notice of these Guidelines may be issued to the offending party. All complaints will be kept confidential, until and unless the matter proceeds before a Court of competent jurisdiction.

31. COMMUNICATION BETWEEN RESIDENT AND MANAGEMENT

A. ADDRESS.
Homeowner will advise community management in writing within thirty (30) days of any change in the homeowner’s address, email address and telephone number. Homeowner should furnish community management with the name, address, email address and telephone number of a contact person to be notified in the event of an emergency.

B. VARIATIONS.
Any variations from these Guidelines shall be communicated to community management for approval.
32. **MISREPRESENTATION OR FALSIFICATION OF OWNERSHIP**

Misrepresentation or falsification by a homeowner as to the ownership of any home on a homesite, and/or boat in a rented boat slip or private dock, shall constitute grounds for termination of the lease held by the homeowner. This shall apply if the lease is in the fabricator’s name alone or in his name and “others”, even though the “others” may be innocent parties to the deception.

33. **PAYMENT OF RENT**

A. **METHOD AND PENALTY.**

Rents shall be paid by cash, personal check, cashier’s check, or money order. If a check is returned because of insufficient funds, the homeowner will be charged a returned check fee. A 5% penalty fee (or the then maximum penalty fee under Delaware Law) will be charged for failure to pay the total homesite rent and other charges or fees due from the homeowner to Pot-Nets within five (5) days after the due date.

B. **CREDIT CARDS.**

Rents may also be paid using either Visa, MasterCard or Discover credit cards as an alternate payment channel. All credit card transactions will have a convenience charge added to the total.

C. **OTHER CHARGES AND FEES.**

Any other charges and fees payable to Pot-Nets and relating to the home or homesite shall be deemed to be rent and will be collectible as rent. Failure to pay or repeated late payments of rent shall constitute legal grounds for termination of the lease.

34. **TRANSFER OF HOME**

The right to occupy a home on a leased homesite is not unconditionally transferrable with the sale or transfer of title to the home. No home may be transferred to a third party unless it is in total compliance with these Guidelines.

35. **RIGHT TO SELL OR BEQUEATH**

Homeowner shall have the right to sell or bequeath his home to a third party, and assign or devise his interest in the lease to said third party, if the third party and the home are approved by community management, and the landlord’s right to purchase has been waived or expired. The third-party purchaser may choose either to transfer the existing lease (if dated after 1972) for the remainder of the term or may execute a new lease.
36. DEATH OF A SOLE LESSEE

A. SALE OF HOME TO THIRD PARTY.
Upon the death of a sole lessee, the estate can either sell the home “By Owner”, or list the home for sale with Pot-Nets Homes or an outside brokerage. After any prospective buyer has qualified to become a Pot-Nets lessee, the buyer shall enter into a lease with Pot-Nets.

B. TRANSFER TITLE TO BENEFICIARY.
Members of the decedent’s family, or other beneficiaries, can apply to become Pot-Nets lessees. After their completion of the application process, and approval for residency has been granted, community management can assist with the process to transfer the home’s title into the name of said beneficiary, as well as with executing a new lease.

37. EXECUTION SALE, FORECLOSURE OR OTHER JUDICIAL ACTION
As the result of an auction sale, execution sale, foreclosure or other judicial action, the new owner of the home shall have no rights as a homeowner until and unless community management and the new owner enter into a lease in the general form which is then being offered by community management to members of the general public. Homeowners who have not entered into a lease with community management will be deemed to be trespassing and may be evicted from the community.

38. APPROVAL FOR RESIDENCY
Before leasing a homesite, prospective homeowners must apply for and be approved for residency. The application process shall include completion of various rental application forms, authorization for community management to perform credit and criminal background checks, and payment of a non-refundable application fee.

Anyone occupying a home without having obtained community management approval will be deemed to be a trespasser and may be evicted from the community. Community management reserves the right to reject any applicant based on false or misleading statements.

39. SALE OF HOME
Homeowners may only list their home for sale with an agency, or “For Sale by Owner,” after notifying community management in writing of their intent to sell the home. Every home listed for sale must be inspected by community management for compliance with these Guidelines. Violations of the Guidelines shall be corrected before the home is sold or
transferred. Upon reaching an agreement of sale, the seller shall request a settlement date from community management at least three (3) weeks in advance of desired settlement date.

Prospective purchasers shall be required to complete the application process for residency.

40. REMOVAL OF HOME

A. NOTIFICATION.
In all situations, homeowners shall give community management at least thirty days written notification before removing the home from the homesite.

B. HOMEOWNER RESPONSIBILITY.
The removal of a home prior to the expiration of the lease does not release the homeowner from any responsibilities, obligations or liabilities contained in the lease. All rents and all applicable charges due to community management shall be paid in full prior to the removal of the home and the termination of the lease.

C. HOMESITE RESTORATION.
Rent shall continue to accrue upon the homesite until community management has accepted the homesite is in a clean and neat condition as follows: any improvements or installations placed on the homesite, including, but not limited to decks, sheds, porches, tie-downs, anchoring systems, awnings, carports, etc., shall be entirely removed. Only concrete slabs, trees or shrubs may remain on the homesite following the removal of a home. All utility services, including but not limited to electric, gas, sewer, water, telephone, television must be physically disconnected in coordination with the utility service providers.

D. EXPENSES.
Any expenses incurred by community management in repairing or restoring the homesite to its original condition will be charged to the homeowner. The homeowner shall be solely responsible for any damages to property belonging to the community or other residents, resulting from the removal of the home from the homesite. Community management assumes no responsibility in the event that a retailer, financial institution or other secured party removes the homeowner’s home from the community.
For questions regarding any of these Uniform Community Guidelines (Rules and Standards) please call the Pot-Nets Office at (302) 945-9300. More information about Pot-Nets, and a selection of Forms for Homeowners’ use and illustrations relating to certain sections of these Guidelines can be found at www.potnets.com.