

Exhibit 1

FERN GARDEN

RULES AND REGULATIONS  
(House Rules)

The purpose of these Rules and Regulations is to protect all occupants of the project from annoyance and nuisance caused by improper use of the condominium units and also to protect the reputation and desirability thereof by providing maximum enjoyment of the premises. The units in the Fern Garden consists of 24 apartment units, herein referred to as "APARTMENTS." These Rules and Regulations may be amended by the Association of Apartment Owners, as provided in the By-Laws of said Association (Note: In the event that certain sections hereof have been extracted, either in whole or in part, from the By-Laws, amendment thereof will require amendment of the By-Laws).

The full authority and responsibility of enforcing said rules may be delegated to a managing agent by the Board of Directors of the Association of Apartment Owners. All occupants, tenants and their guests shall be bound by these rules and by standards of reasonable conduct whether covered by these rules or not.

I. OCCUPANCY

1. Occupancy is limited to not more than two persons per bedroom contained in each apartment.
2. A residential apartment shall be used only as a single family residence and shall not be used for business or other purposes.
3. The absentee owner, at his expense, should have an agent, friend or maid conduct periodic inspections

of his closed apartment, assuming responsibility for the contents thereof.

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4. No livestock, poultry or other animals whatsoever shall be allowed or kept in any part of the project except dogs, cats and other household pets in reasonable number as determined by the Board of Directors may be kept by the apartment owners and occupants in their respective apartments, but shall not be kept, bred or used therein for any commercial purpose nor allowed on the grounds or any other common elements in the project except in transit; provided, that any such pet causing such a nuisance or unreasonable disturbance to any other occupant of the project shall be permanently removed therefrom promptly upon notice given by the Board of Directors or Managing Agent. All pets must be registered immediately with the Managing Agent.

5. An apartment owner shall be responsible for the conduct of his children at all times, ensuring their behavior is neither offensive to any occupant of the project nor damaging to any portion of the common elements.

## II. TEMPORARY OCCUPANCY

1. Subject to the terms of the Declaration and the By-Laws of the Association, an apartment owner may lease his apartment or make it available to friends, but the person or persons leasing, renting or living in the apartment shall abide by the House Rules, and the owner shall assume responsibility for the occupants' conduct. The owner must notify the manager of the names and length of anticipated occupancy of lessee(s), rentee(s) or guest(s) and must deliver to lessee(s), rentee(s) or guest(s) a copy of these House Rules, and if required by the Board of Directors, must obtain prior approval of the Board of any such lessee, rentee or guest.

2. An apartment owner shall be responsible for the conduct of his lessee(s), rentee(s) or guest(s) and shall, upon request of the Board of Directors or Managing Agent, immediately abate and remove, at his expense, any structure, thing or condition that may exist with regard to the occupancy of his apartment by his lessee(s), rentee(s) or guest(s) contrary to the interest and meaning of the provisions hereof; or, if the apartment owner is unable to control the conduct of the lessee(s), rentee(s) or guest(s) to conform with the interest and meaning of the provisions hereof, he shall, upon request of the Board of Directors or Managing Agent, immediately remove such lessee(s), rentee(s) or guest(s) from the premises, without compensation for lost rentals or any other damage resulting therefrom.

3. Owners shall be responsible for designating a local agent to represent their interest if their residence is outside of Hawaii or if they will be absent from the apartment for more than thirty (30) days. Such owners shall file with the Board of Directors their out-of-town address and telephone number and the telephone number of their agent.

### III. COMMON AREAS, BUILDINGS AND CARPORTS

1. The sidewalks, walkways, driveways and parking areas must not be obstructed or used for any purpose other than ingress and egress or parking.

2. Each owner shall be responsible for the care and maintenance of the entry lanai adjacent to his apartment. It is intended that the exterior of the building shall present a uniform appearance and, to effect that end, the Board may require the painting of walls and ceilings of all or part of any building and regulate the type and color of paint to be used. The Board is authorized to contract

for said painting and to make payment therefor out of the maintenance fund.

3. Any unsightly or disturbing item or items creating a fire hazard within any carport shall be removed upon the request of the Managing Agent or the Board of Directors. Appropriate banners commemorating holidays or festivals may be displayed from entries, windows or carports on holidays.

4. Textile items, including towels, bathing apparel and clothing, brooms, mops, cartons, etc. shall not be placed in carports or in windows so as to be in view from outside the building or from the other apartments.

5. The throwing of firecrackers and the explosion of any fireworks anywhere on the grounds or within any building is expressly prohibited.

6. All garbage deposited in the rubbish enclosure must be wrapped.

#### IV. PARKING AREAS

1. No cars may be parked or left unattended in the driveway areas adjacent to the apartment building.

2. Owners washing, cleaning or polishing cars in the driveway areas shall clean the area thoroughly before leaving.

3. Repairs of a motor vehicle, boat, surfboard or other equipment shall not be permitted in the driveway areas or parking areas.

#### V. PLANTING AREAS.

1. Planting areas shall be used by the owners thereof only for any lawful purpose.

2. No permanent structure shall be built or constructed in the planting areas.

#### VI. NOISE

1. Avoid excessive noise of any type at any time.

Consider other residents at all times.

2. Radios, T.V.'s, Hi-Fi's, etc. must be played at reduced volume after 10 p.m. and early in the morning.

3. When guests are leaving at night, it is requested that noise be kept at a minimum.

4. Excessive noise at any time should be reported to the Board of Directors or Managing Agent who will take appropriate action.

#### VII. BUILDING MODIFICATIONS

1. No structural changes of any type shall be permitted either within or without an apartment except in accordance with the By-Laws.

2. No awnings, shades, windbreaks, or any other thing which is visible from the outside of any building, etc. shall be installed.

3. No signs, signals or lettering shall be inscribed or exposed on any part of any building, nor shall anything be projected out of any window or off any entry lanai.

4. No radio, T.V. antenna shall be erected or maintained outside the physical confines of an apartment.

5. No additions or alterations to the original design of the apartment will be permitted which are visible from the exterior of the building.

#### VIII. GENERAL

1. Maintenance personnel shall not be asked to do work within the area of any apartment or asked to leave the premises for any reason.

2. No solicitation or canvassing will be allowed in the building at any time.

3. All garbage and trash shall be wrapped by each apartment owner and placed by him or her in the trash

collection boxes.

4. Each apartment owner is responsible for the improvement and maintenance of his or her own lanai within his or her apartment.

5. Owners shall file their name, address, phone number and signature with the Manager.

6. Each apartment owner shall observe and perform these House Rules and ensure that his licensees and invitees also observe and perform these House Rules. Apartment owners will be responsible for their guests' observance of all House Rules as set forth herein. In the event expenses are incurred due to violations of House Rules by guests or licensees, the Owner shall be responsible for payment of same.

IX. THE VIOLATION OF ANY HOUSE RULES ADOPTED BY THE ASSOCIATION OF APARTMENT OWNERS OF FERN GARDEN SHALL GIVE THE BOARD OF DIRECTORS OR ITS AGENT THE RIGHT TO:

1. ENTER THE APARTMENT IN WHICH, OR AS TO WHICH, SUCH VIOLATION OR BREACH EXISTS AND TO SUMMARILY ABATE AND REMOVE, AT THE EXPENSE OF THE DEFAULTING APARTMENT OWNER, ANY STRUCTURE, THING OR CONDITION THAT MAY EXIST THEREIN CONTRARY TO THE INTENT AND MEANING OF THE PROVISIONS HEREOF AND THE BOARD OF DIRECTORS OR THE MANAGEMENT FIRM SHALL NOT THEREBY BE DEEMED GUILTY IN ANY MANNER OF TRESPASS; OR

2. TO ENJOIN, ABATE OR REMEDY BY APPROPRIATE LEGAL PROCEEDINGS, EITHER AT LAW OR IN EQUITY, THE CONTINUANCE OF ANY SUCH BREACH, AND ALL COSTS THEREOF, INCLUDING ATTORNEYS' FEES, SHALL BE BORNE BY THE DEFAULTING APARTMENT OWNER.