

Aegean Heights Homeowners Association

Rules of Conduct & Responsibility Members, Residents & Guests

Originally approved and adopted at an Executive meeting of the
Aegean Heights Homeowners Association Board of Directors
on February 1, 1988.

Revised May 1995
Revised August 1996
Revised November 2010

Purpose:

Rules, as published herein, are intended to govern personal conduct and the use of common area facilities of the Association in such a manner as to promote harmonious community spirit and enjoyment of amenities of the Association.

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Applicability:

These rules are applicable to all property owners, their families, lessees, resident contract purchasers or guests of any aforementioned persons.

Authority:

The authority for publication of the Rules is contained in Article VIII, Section 1 (a) of the Association Bylaws. Authority for providing penalties for infractions of such Rules is granted in Article VIII, Section 1 (a) and (b) of the By Laws.

Enforcement:

Provision for enforcement is delineated in Article XV, Section 1 of the Declaration of Restrictions (CC&R's) and Article VIII, Section 1 (c) and Article IX, Section 3 (a) of the By Laws.

Due Process:

Protection of the rights of individuals is assured in the enforcement and imposition of penalties through the requirement of Article VIII, Section 1 (b) for notice and hearing afforded offenders of the Rules.

Responsibility:

By the very nature and purpose of a community association, it is the responsibility of each and every member to not only abide by and support the Rules of the Association, but to insure that by their own personal example and the manner in which their families and guests behave that the mutual interests and standards of the community itself are preserved. It is hoped that through knowledge and familiarity with the Rules, enforcement and penalty assessment will be unnecessary. No threat of any such action is intended herein; rather as mature adults with a common interest in our mutual well being, and interest in the protection of our health, safety and welfare, as well as our properties, we will strive to go beyond minimum standards of these Rules in our common interests. In our democratic community, we accept that in some cases Rules are designed for the majority, thus a degree of discrimination may be necessary in isolated situations. In any case where a Rule is felt to be unreasonable, unfair or discriminatory to the detriment of the entire Association, any person to whom the Rules apply is urged to appeal such a Rule to the Board of Directors with the assurance that such an appeal will be promptly studied and acted upon.

The rules published herein are for the most part simplified statements derived from the Declaration of Restrictions and the By Laws, and where conflict occurs, the Declarations of Restriction, By Laws and these Rules take precedence in that order. The publication of the Rules is not intended to distract from your responsibility to be thoroughly familiar with the By Laws and Declarations of Restrictions, but to stimulate your interest to exercise that responsibility.

Priority of Use of Common Facilities:

The common facilities of Aegean Heights are intended for the use of property owner, their lessees or contract residents. Bonafide guests of any of these persons are normally welcome to use the common facilities in the company of their hosts. However, when the number of guests present at any facility interferes with the right of enjoyment to that facility by residents and their families, hosts are expected to take the initiative in tactfully vacating their guests. If necessary, any Director or other authority delegated by the Board of Directors may take appropriate action to limit or exclude guests from a facility in keeping with the stated intent of this priority of use stipulation.

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Association Rules:

Following are the Association Rules. These Rules may be revised from time to time, or amended by resolution of the Board of Directors. When such an amendment or revision is made, revised or additional pages will be distributed to all property owners.

I. Association Membership and Payment of Assessments

- 1) Ownership of property is the only qualification for membership.
- 2) Membership is not transferable except upon sale of property.
- 3) One vote is allowed for each lot owned.
- 4) Owner of each lot is responsible for payment of regular monthly assessment (hereinafter referred to as dues) and for special assessments as levied by the Association, and for interest, attorney's fees and other cost necessitated in collection delinquent dues.
- 5) Voting rights, as well as the right to use the recreational facilities may be suspended if an assessment is 30 days delinquent.
- 6) Regular monthly assessments are due the first of the month and are delinquent if not received by the Association on or before the 15th of the month. A late fee of \$10.00 or 10% of the assessment will be charged on all delinquent accounts. This late fee will be reflected on the owner's next monthly statement.

** A first notice of past due assessment will be prepared and mailed on assessments thirty (30) days past due. A charge for the assessment letter processing will be made against the delinquent member's account at that time. An interest charge at an annual rate of ~~12%~~ 10% will be assessed against all outstanding delinquent accounts thirty (30) days or more past due including delinquent assessment amounts, late charges and collection costs. Such interest charges shall continue to be assessed each month until the account is brought current. At sixty (60) days past due a notice of intent to lien letter shall be sent to the delinquent member with continued administrative charges and interest levied.

At seventy (70) days past due a lien package shall be prepared and send to the Association's designated attorney or collection service. An administrative fee for such preparation shall be charged. Additionally, attorney fees, lien filing fees and such related expenses shall be charged to the delinquent member's account. Interest charges shall continue as noted.

- 7) Owners whose dues are delinquent, or their tenants, may be denied the privileges of use of Association Recreation Facilities and lose voting rights until dues are current.
- 8) Owners whose dues are delinquent will be assessed a \$10.00 or 10% late charge as per Sec. 6.
- 9) Property of members who are delinquent may be liened.
- 10) When property is liened, additional collection costs incurred in process are added to and become part of the total delinquency. The lien will not be released until all of these charges are paid in full.

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- 8) Boats, campers, trailers and trailer vehicles, motor homes, commercial vehicles, RVs, and similar types of vehicles (referred to as "Prohibited Vehicles") cannot be parked in the streets, common parking areas, or driveways. All such Prohibited Vehicles must be in the garage with the garage door closed or must be parked off-site. If one or more of these types of Prohibited Vehicles is parked in the garage, it may require the resident to park one or more of his or her Qualified Motor Vehicles out of the subdivision before parking in a designated common area parking space, as the requirement for at least one Qualified Motor Vehicle to be parked in the garage must still be met before parking any Qualified Motor Vehicle in the common area designated parking areas.
- 9) No commercial vehicles may be kept in the subdivision except for the temporary parking of legitimate service vehicles providing services to the resident. No such vehicles shall be parked within the project after 6:00 p.m. except for emergencies
- 10) Except as required by the California Vehicle Code, all vehicles, except emergency vehicles, must yield the right of way to exiting from driveways and/or garages.
- 11) Non-commercial vans and pick-ups with camper shells, no more than 12" higher than the cab, are deemed to be Qualified Motor Vehicles for purposes of these Rules.

IV. Operation and Repairs of Vehicles

- 1) Riding motorbikes or motorcycles other than on surfaced roads is prohibited.
- 2) General maintenance of vehicles may only be performed on the confines of the garage.
- 3) Vehicle annoyance is prohibited. This includes speeding, excessive engine noise, squealing of tires, music from car stereos and noise from automotive repairs.
- 4) All vehicle traffic is governed by State Law on public streets, the speed limit on all private streets is 15 MPH.

V. Enforcement

- 1) Removal of Vehicles – All vehicles or other equipment parked or stored in violation of these Rules will be subject to citation, tow or such other action by the Board as it may deem necessary. All costs incurred in the removal of such vehicles and equipment, including but not limited to, towing and storage expenses and attorney's fees, if applicable, will be charged to the owner of the unauthorized vehicle involved.
- 2) The association, acting through the Board, reserves the right to issue citations or other warnings when appropriate, but the issuance or failure of issuance of such warnings shall not affect the validity of these Association Rules and shall not constitute a condition precedent to the removal of any vehicle parked, stored, or maintained in violation hereof.

VI. Common Area Landscaping

- 1) Residents and their guests and invitees are not permitted to dispose of trash, grass clippings, or other forms of debris on the common area.
- 2) Residents and their guests and invitees shall not destroy ground cover by making paths. This applies particularly to planted areas.

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- 3) Residents and their guests and invitees, are strictly prohibited from climbing up, sliding down, or riding down any planted slope in Aegean Heights.
- 4) The responsible owner or owners shall be required to pay to repair or restore landscaping of affected areas if damage is caused by the owner or the owner's family members, guests, tenants or invitees. This determination can be made even if other persons, known or unknown, may have contributed to the damage.

VII. Maintenance of Private Areas

- 1) All landscaping, including shrubs, trees, grass and other plantings shall be maintained in a neat and orderly condition.
- 2) Each owner is responsible to maintain, repair and keep his/her property in good condition. Front areas must be landscape; 60 days is allowed from date of violation notice, or recording of deed. The Association has the right to hire it done and to bill you for material and services.
- 3) Non-commercial signs smaller than 9 square feet and flags and banners smaller than 15 square feet may be displayed within a resident's separate interest. No signs, flags or banner may be displayed in the common areas without the advance written consent of the Board of Directors. A maximum of two "For Sale" or "For Rent" signs may be displayed in a resident's separate interest provided they are no larger than 18" x 24". None of these signs may be attached to the buildings, fences or walls.
- 4) All rubbish, trash and waste must be in covered sanitary containers that are screen and concealed from view.
- 5) Trash containers set out on the street or sidewalk for pick up may not be left thereon for more than 24 hours, either full or empty, and in any event must be removed by midnight of the day of the pick up.
- 6) Residents who have received three or more letters in violation of trash can rules in a moving 12 month period will be fined \$50 for the fourth and subsequent violations.
- 7) With prior notification, property owners must allow maintenance workers to enter or cross their property in order to maintain common areas or zero lot line walls.
- 8) While view protection is not a right, owners can increase the value of their property, as well as the values of all other homes in the community, by considering views and view blockage when designing or maintaining landscaping and/or architectural additions.

VIII. Property Usage

- 1) Residences may be used only as single family dwellings and only for residential purposes
- 2) No business or commercial usage can be conducted on the property.

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- 3) No residents, or their guests or children, shall play on the private streets in such a manner and to the extent that they obstruct traffic or create a danger to themselves or others or make excessive noise or create a nuisance.
- 4) No skateboard ramps are permitted on private streets because of insurance liability.
- 5) No activity that is offensive or annoying or a nuisance to any other resident is permitted on common areas or on any lot.
- 6) No radio stations may operate from any lot or residence.
- 7) No skateboarding and/or disturbing noises after 9:00pm.

IX. Architectural Control

** Review Article VIII of your CC&R's for Architectural Control. In addition the Architectural Committee has set out additional information for your benefit. All architectural decisions must be presented to the Board with suggestions from the committee, but final approval or disapproval must come from the Board.

- 1) The committee will consider only written requests, in triplicate.
- 2) If a proposal is rejected, the applicant is free to request that the committee reconsider its position and is encouraged to present new or additional information, which might clarify the request or demonstrate its acceptability. Final appeal may be made to the Board of Directors.
- 3) All written requests should include all information necessary for the committee to take action. Necessary data would include height, width, length, size, shape, color and location of the proposed improvement. Photographs or sketches of similar completed projects would aid the committee's consideration.
- 4) Exterior lighting shall not be directed in such a manner as to create annoyance to the neighbors.
- 5) Satellite dishes and antennas allowed under the Federal Telecommunications Act of 1996 may be installed only within a resident's separate interest. This means that all satellite dishes must be pole mounted. Advance consent is not needed when residents comply with this regulation. Satellite dishes may not be installed in or on any common area nor can holes be drilled into any common area without the express written consent of the Board of Directors.
- 6) Approval of any project by the committee does not waive the necessity of obtaining the required County permits.
- 7) Obtaining a County permit does not waive the need for committee approval.
- 8) All exterior additions, changes, property dividers, light fixtures, air conditioning units and underground sprinklers systems must be approved by the Architectural Control Committee.

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- 9) Drainage is a major problem. Therefore any landscaping, cement work, masonry work or anything that might disturb the existing drainage of slopes or lot grading requires the prior approval of the committee.
- 10) Paint – all colors must blend in with the existing exterior colors and must have prior approval. The areas in question: exterior walls, trim, door, fences, patio covers, garage doors and rain gutters. Anyone who does not abide by the decision of the Board will have the choice of rectifying or paying for the painting to be redone including labor and the cost of paint.
- 11) Fences - height, location, material, and paint must have prior approval of the board. The fence material must blend in with the existing exterior. The fencing material must be of wood, black wrought iron or brick that blends into the exterior or brick that has been covered with stucco to blend with the existing walls. All wooden fences may be stained or left in their natural state on the inside of the lot. Those not adhering to the rules may be fined, pay for labor to rectify or the Association may provide labor and material and charge the offender, if the fence is changed it is then the sole responsibility of the homeowner to maintain the new fence.
- 12) Patio Covers – no plastic or metal may be used to make a patio cover. Rough redwood or natural wood may be used. It may be stained to match the trim or stucco.
- 13) Enclosure of the walkway in the “D” plan must have prior Architectural approval.
- 14) Gates – Gates must blend into the existing exterior walls. They may be made of redwood, natural wood or black wrought iron. Wood may be painted the color of the house, stained or left natural.
- 15) Planters – All planters must have prior approval and be of a design and material that would blend into the architectural theme. The height of exterior planters should not exceed 8 inches in height.
- 16) Town homes only – Garage door and doors – The maintenance of the doors is the responsibility of the homeowner.

X. Use of Tennis Courts

- 1) Tennis etiquette is to be observed at all times
- 2) Rubber soled shoes, such as tennis shoes or deck shoes that will not mark or damage the court surface, must be worn at all times.
- 3) Skateboards and other wheeled devices are not permitted inside the tennis court enclosure
- 4) No food or glass of any kind is allowed in the tennis courts.
- 5) Children under 6 years of age are not allowed on the courts unless accompanied by a responsible adult 18 years of age or older.
- 6) Courts are to be used for tennis only.
- 7) Players are encouraged to play doubles, when possible, during prime times.

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- 8) Members, residents or guests must observe posted court rules.
- 9) Association planned tennis tournaments must be scheduled 2 weeks in advance and have preference over open play.
- 10) Care shall be taken not to damage the facility, particularly the court surface and nets.
- 11) The last person leaving the court shall make sure all gates are locked and, at night, that all lights are turned off.
- 12) No person may be involved in consecutive play unless a court is open.
- 13) Tennis hours are restricted to the period between sunrise and 10:00pm.

XI. Use of Swimming Pool and Related Facilities

- 1) Pool hours are restricted to the period from 8:00am to 10:00pm from April 1st through September 30th and 8:00am to 8:00 pm from October 1st through March 31st.
- 2) No member, resident, or guest is permitted in the pool area other than during regular pool hours. Member violators may be subject to suspension of use privileges. Non-member violators may be subject to arrest as trespassers.
- 3) Children under fourteen (14) years of age entering the pool area must be accompanied by a responsible adult. There shall be one such adult for each three persons under 14, or parent with immediate family. Such adult or parent shall remain at the pool area until all persons under 14 years of age, entering in their company, have left the pool enclosure. Member violators may be subject to suspension of use privileges. Non-member violators may be subject to arrest as trespassers.
- 4) Glass of any kind shall not be permitted in the pool area or on the deck surrounding the pool
- 5) No one shall enter the pool area except through the gates by use of a key. The gate will be re-locked upon entering or leaving the pool area.
- 6) No object made of metal or plastic may be worn in the hair, unless covered by a bathing cap.
- 7) No items of any kind, except life saving devices, are allowed in the pool at any time.
- 8) Playing ball or throwing Frisbees on the pool deck is prohibited.
- 9) Swim apparel must be worn by people using the pool. Street clothing, T-shirts and "cut-offs" are prohibited.
- 10) Unsanitary practices, such as blowing nose, spitting or urinating in the pool are not allowed.
- 11) No guests are allowed unless a member or delegate (i.e. family members, tenants or resident contract purchasers) is present.

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- 12) Dangerous practices prohibited: pool users may not run on the deck, climb on, sit on, or jump from fences or other structures, dive, horseplay or wrestle on decks, ladders or in the pool or in dressing rooms. Skateboards or any wheeled vehicles are prohibited within the pool enclosure at all times.
- 13) All members will be responsible for the actions of their children or guests. Member violators may be subject to suspension of use privileges. Non-member violators may be subject to arrest at trespassers.
- 14) The Association reserves the right to expel from the pool and pool area persons under the influence of alcohol, narcotics or for non-observation of pool rules.
- 15) No animal (pets) are allowed within the pool enclosure at any time.
- 16) Parents must accompany all children in the wading pool area.
- 17) Only pre-school children are allowed in the wading pool
- 18) All incontinent persons using either pool must wear diapers and plastic pants or other protective clothing that will prevent water contamination.
- 19) No loud music is allowed in the pool area.
- 20) No profanity is allowed in the pool area.
- 21) Pool parties exceeding ten people in attendance requires prior board approval.

XII. Use of Recreation Building (Clubhouse)

- 1) No animals (pets) are allowed in the Recreation Building.
- 2) No glass containers are to be taken into the pool area in conjunction with authorized activities in the Recreation Building.
- 3) Rough or boisterous conduct, profanity, gambling or immoderate use of alcohol, such as may be offensive to others present, may be grounds for expulsion and suspension of privileges.
- 4) Any Association Director or appointed representative so authorized by the Board of Directors has the authority to enforce prescribed rules. **IT IS THE RESPONSIBILITY OF EACH MEMBER TO REPORT INFRACTIONS OF THE RULES TO A BOARD MEMBER OR OTHER AUTHORIZED PERSON.**
- 5) Private parties require a \$200.00 cleaning deposit and any damages will be assessed to the homeowner(s). The deposit will be refunded upon satisfactory inspection following use.
- 6) For regularly scheduled unofficial activities, the \$200.00 will be a one-time deposit.
- 7) All meetings and activities in the Recreation Building must be with the Recreation Center Coordinator, whose phone number shall be conspicuously posted on the entry doors to the building.

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- 8) Anyone vandalizing the Recreation Building will be referred to the appropriate law enforcement agency for prosecution and may be subject to suspension of privileges. Should there be damage or extraordinary maintenance resulting from a scheduled use of the facility, the member responsible for the activity is responsible for costs incurred.
- 9) Under no circumstances will alcoholic beverages be sold in conjunction with any authorized activity at the Recreation Building.
- 10) Loitering on or about the Recreation Building and the general recreation area, including the parking area, is prohibited.
- 11) Special arrangements for large group use of the Recreation Building shall be completed at least two weeks before the date of use.
- 12) Notice of any group use will be posted in the Recreation Building at least two weeks before the date of such use.
- 13) Hours for parties will be from 8:00am until 10:00pm, Sunday through Thursday and 8:00am-Midnight on Friday and Saturday.
- 14) Use of the clubhouse has a \$100 usage fee and a \$500 damage deposit.

XIII. Pet Rules

- 1) All dogs are to be leashed at all times while outside on the common areas of the Association. Unleashed animals outside are subject to being turned over to the county pound.
- 2) Any pets creating a nuisance for residents are subject to action by the Board of Directors, which may include, but is not limited to fines.
- 3) Pet waste on private and common area is a nuisance and a health problem and will not be tolerated; the Board of Directors will take action against violators.

XIV. Enforcement

Enforcement of these Rules and Regulations will be done in accordance with the Association's Enforcement Policy and Fine Schedule, attached to these Rules as Exhibit "A".

Disclaimer:

Failure of the Association to enforce any of its Rules, Bylaws or Declaration of Restrictions shall not constitute a waiver of the right to enforce the same thereafter.

No intent is contained in any published regulatory documents of the Association to imply that those regulations are exclusive in the Rules that apply to its members. No set of Rules can encompass every conceivable situation or occurrence. Laws of constitutional governments, law of precedent and the unwritten laws of exception responsible behavior are fully applicable to each member of the Association. Recommendations for further amplification of necessary Rules to promote the health, safety, and welfare and to protect the life and property of members of the Association will be welcomed and given full consideration for incorporation herein.

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11) Failure to cure a prolonged delinquency will result in foreclosure sale of the property.

II. Tenants and Guests

- 1) The owner is accountable for the conduct of his family, tenants, and guests. The cost of any damage caused by tenants, guests, or family members will be assessed to the owner.
- 2) A copy of the Rules should be provided by the owner of the property to their renters. If not provided by the owner, the Association can provide the Rules to the renter at a cost to the owner.

III. Vehicle Parking Restrictions

- 1) Townhouses – Families with one or two vehicles shall keep their vehicles parked within the garage at all times when not in use. If there are more than two vehicles in the family, residents may park in the marked parking spaces for up to 72 hours, so long as there are two vehicles parked in the resident's garage when using such parking spaces.
- 2) Private Streets- There is no parking on the private streets in the subdivision except in designated marked parking areas. As provided in the California Vehicle Code, vehicles may never be parked in or protruding into a fire lane. A vehicle may not be parked so that it blocks, obstructs, or hinders pedestrian use of any sidewalk.
- 3) Guest Parking – Posted "Guest" parking spaces are reserved for legitimate guests' vehicles only and parking in these spaces is limited to 6 hours in any 24-hour period. Residents may not ever park in "Guest" parking spaces.
- 4) Patio Homes – Garages must be kept clear so as to enable at least one Qualified Motor Vehicle to park in the garage with the garage door closed. A "Qualified Motor Vehicle" is a standard automobile, motorcycle, van, pick-up or SUV). Residents must park at least one Qualified Motor Vehicle in the garage before parking any Qualified Motor Vehicle outside, either in the driveway or on the streets. If a residence has more than two Qualified Motor Vehicles, the excess Qualified Motor Vehicles may be parked in designated, marked parking spaces for up to 72 consecutive hours, but only after at least one Qualified Motor Vehicle is parked inside the garage. Note that the vehicles listed in Rule 8 below do not qualify as Qualified Motor Vehicles.
- 5) Garage Doors – Garage doors are to be kept closed except for ingress and egress from the garage.
- 6) Driveways
 - a. Townhouse Homes – No parking is permitted on any common or shared driveway or driveway apron at any time. Vehicles may be parked on driveway aprons, provided that no part of the vehicle protrudes into the street, blocks any other resident's ingress or egress to their garage, or blocks any sidewalk.
 - b. Patio Homes – Parking is permitted on individual driveways only when the parked Qualified Motor Vehicle does not extend over a common or shared driveway or over a street or sidewalk and only after at least one Qualified Motor Vehicle has been parked in the garage.
- 7) Inoperable unused (stored) and unregistered vehicles must be kept in garage at all times.

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**EXHIBIT "A"
ENFORCEMENT POLICY AND FINE SCHEDULE
FOR VIOLATIONS OF THE ASSOCIATION'S GOVERNING DOCUMENTS
OF
AEGEAN HEIGHTS HOMEOWNERS ASSOCIATION**

1. **Applicable Documents.** *The policies stated below apply to violations of any of the Governing Documents of Aegean Heights Homeowners Association ("Association"), including the Articles of Incorporation; Bylaws; Covenants, Conditions, and Restrictions ("CC&R's"), or Rules and Regulations ("Rules").*
2. **Actions Prior to Initiation of Formal Disciplinary Process.** *The Board of Directors ("the Board"), an Owner of a separate interest ("Member"), or any resident of the Association has the authority to request in any reasonable manner that a Member, resident, tenant, or invitee thereof cease or correct any act or omission which appears to be in violation of the Governing Documents of the Association. Complainants are encouraged to attempt such informal resolution before the formal process is initiated. However, if a Member or resident cannot or will not initiate informal resolution, or if the informal resolution is not successful, the following procedure will apply.*
3. **Written Complaint.** *Disciplinary proceedings will be initiated upon the receipt of a written complaint ("Complaint") from any Member or resident to the Board or its designated agent on an Association complaint form or by letter, setting forth, in ordinary and concise language, the acts or omissions with which the alleged offender ("Respondent") is charged. Complaints may also be initiated directly by any member of the Board of Directors or by the management agent. Although it will not invalidate the Complaint if the following are missing, the Complaint should include the specific provisions of the CC&R's or Rules which the Respondent is alleged to have violated, and should consist of more than charges phrased in the general language of such provisions. The Complaint should contain as many specific and supporting facts as are available, such as time, date, location, person(s) involved, and other relevant details so that the Complaint may be evaluated and investigated by the Board. Complaints initiated by a member of the Board of Directors or management agent may be in any form which provides a record of the Complaint. A copy of the Complaint will not be provided to the Respondent except as required by law.*
4. **First Notice.** *Upon the filing of the Complaint, to the extent the Board deems appropriate, the Board shall reasonably investigate the Complaint to verify that, if true, the allegations constitute violation(s) of the Governing Documents. If so (and if the Board, in its sole discretion, determines that enforcement is appropriate in the case in question), the Board shall send a written First Notice (warning letter) to the Respondent, summarizing the Complaint and requesting compliance with the Governing Documents. Such First Notice shall be served by certified mail, return receipt requested; by first-class mail; or by personal delivery to the owner of record and, if appropriate, to the resident tenant. No penalty shall be assessed to the owner in this First Notice. If compliance occurs as a result of sending this First Notice, the Board need take no further action on the Complaint. In situations where the Board of Directors, in its sole discretion, determines that the alleged offense is sufficiently serious including, but not limited to, threats against persons or property, dog bites, in-progress architectural modifications, and outrageous conduct, the Board can authorize the omission of the First Notice and proceed directly to the actions described in Paragraph 5, hereof, or other enforcement actions authorized by the Governing Documents.*
5. **Second Notice.** *If the violation described in the First Notice is not corrected within fifteen (15) days, or if the violation is repeated, a second notification letter will be sent to the offender ("Second*

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Notice"). The Second Notice will advise the offender that a hearing before the Board of Directors will be held. The Second Notice will provide a general summary of the allegations in the Complaint; the date, time, and location of the hearing; a statement that the Respondent may attend the hearing and address the Board; and may also contain the penalties that may be assessed at the hearing. The Board shall fix a hearing date and mail or serve the Second Notice on the Owner of the separate interest at least ten (10) days, but not more than forty-five (45) days, prior to the date of the hearing. The Second Notice shall be served by certified mail, return receipt requested; by first-class mail; by personal delivery; by electronic mail; by facsimile transmission; or by any combination thereof. The Respondent shall have the right to attend the hearing with any material witnesses, and may offer evidence and/or make representations to the Board subject to the provisions of Section 6 below. If the Respondent wishes to attend the hearing but cannot conveniently attend on the date scheduled or wishes a postponement for any other cause, the Respondent may request a continuance of the hearing. Any such request must include the reasons therefore. The decision of whether to grant the continuance shall be made by the Board, and its decision shall be final. If a continuance is granted, the Respondent will be given notice of the new hearing date. If a continuance is not granted, the hearing shall proceed in accordance with Section 6 below. Whether or not the Respondent wishes to attend the hearing, he or she may deliver to the Board a written statement, setting forth the Respondent's answer to the allegations in the Complaint. If the Respondent submits a written response, it must be delivered to the Board of Directors, or the Board's authorized representative, at least seventy-two (72) hours prior to the hearing. This will ensure that the Board has the opportunity to consider the response prior to any decision on the Complaint being made.

6. Hearing.

- a. Neither the Complainant nor the Respondent is obliged to be in attendance at the hearing, although such attendance is encouraged. All hearings will generally be held in executive session, although the Board reserves the right to schedule the hearing in open session. If requested by the Respondent, the hearing will be conducted in executive session. The executive session will normally be held on the same day as a regular open meeting of the Board or may be postponed to such date and time as the Board shall determine. Any request for the hearing to be held in executive session must be submitted to the Board in writing at least four (4) days in advance of the hearing to allow the executive session to be properly noticed and scheduled. If the notice required by this paragraph is not given, the hearing will be held as determined by the Board.
- b. At the beginning of the hearing, or at any appropriate time during the hearing, the Board will explain the rules and procedures by which the hearing is to be conducted. The Board is entitled to exercise its discretion as to the specific manner in which the hearing will be conducted. Technical and specific rules of evidence or procedure will not generally be applicable to the hearing except that the Board shall have full discretion to impose specific rules where it considers such rules to be appropriate and to refuse to admit evidence not reasonably relevant to the issues. Formal questioning of witnesses by the Respondent will generally not be permitted.
- c. The Board will consider any written or oral statements of the parties and witnesses together with such other information and/or evidence then before it which the Board reasonably determines to be material and relevant.
- d. Should the Respondent and/or Owner of the separate interest fail to appear at the hearing and fail to submit a written statement in defense of the allegations, the Board may consider such failures to be an admission of the allegations.
- e. The Respondent, Respondent's counsel and any relevant witnesses will be entitled to attend the hearing, but when the hearing is held in executive session, may be excused after presentation of the evidence. The Board reserves the right to deliberate the issue and reach its decision out of the presence of the Complainant or the Respondent or any representatives or witnesses.

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7. **Decision.** After all evidence and/or representations have been presented to the Board, the Board shall vote upon the matter. The decision may be made at the conclusion of the hearing, or may be postponed to no later than fifteen (15) days thereafter. A written decision will be mailed to the Respondent as soon as practicable thereafter, but in no event more than fifteen (15) days after the hearing. Disciplinary action, if any is imposed, and unless otherwise ordered by the Board, shall become effective no fewer than five (5) days after the Board's decision is mailed to the Respondent. All decisions of the Board shall be final unless the Board, in its sole discretion, agrees to rehear the matter due to the availability of new evidence or information of an overriding nature.
8. **Appeal.** All requests for rehearing or appeal must be made by the Respondent in writing and must be received by the Board within sixty (60) days of the date of the notice of the Board's decision. The request for an appeal hearing must include a summary of the new evidence to be presented or the reasons why the Board's previous decision should be overturned. Upon receipt of a request for an appeal, the Board will suspend all fines or other imposed penalties until the appeal is heard by the Board.
9. **Fine Schedule.** The following fine schedule shall apply where the Board finds a violation has occurred and, in its sole discretion, determines to assess a fine.

1st Offense (except those below)	\$50.00 maximum fine
Hazardous/Dangerous Activities	\$250.00 maximum fine
Unauth. Architectural Mod.	\$500.00 maximum fine, plus daily fine plus removal
2nd Offense	\$100.00 maximum fine
Hazardous/Dangerous Activities	\$400.00 maximum fine
Unauth. Architectural Mod.	\$1,000.00 maximum fine, plus daily fine plus removal
3rd & Subsequent Offenses	\$200.00
Hazardous/Dangerous Activities	\$500.00 maximum fine
Unauth. Architectural Mod.	\$2,000.00 maximum fine, plus daily fine plus removal
Continuing Offenses	\$20.00 per day maximum for each day the violation exists
Parking Offenses	The fine schedule listed above, plus the vehicle is subject to immediate tow

The fines listed above are maximum amounts per violation, and are in addition to any actual costs, damages, or expenses, including attorney fees, incurred by the Association in obtaining compliance with the Governing Documents. If circumstances warrant, the Board may impose lesser amounts, and may suspend imposition of all or any portion of a fine for up to one year from the date of the hearing. Offenses for separate rules will each start at the first offense stage and progress to higher levels as appropriate.

In addition to assessment of a fine, the Board may suspend the Respondent's voting rights and Association privileges as outlined in the CC&R's, Bylaws, and Rules for up to thirty (30) days per

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violation. In the case of delinquent assessments, the Board will not assess additional fines but may suspend voting rights and other Association privileges.

10. **Rules Committee.** Any of the rights, duties, and actions outlined in this policy permitted or required to be performed by the Board may, at the discretion of the Board, be delegated to a Rules Committee composed of fewer than all of the directors, the management agent, or other authorized agent.

11. **Legal Action.** In appropriate circumstances, such as in the need for immediate action against an owner or resident in violation of the Governing Documents or in dangerous, hazardous or threatening situations, the Board of Directors, in its sole discretion, may bypass the above enforcement policy and refer the matter directly to legal counsel for such legal actions for injunctive or declaratory relief or monetary damages as may be necessary and lawful under the Governing Documents and California law.

This Rules Enforcement and Fine Schedule was adopted by the Board of Directors at its meeting held on the ____ day of _____, 2010.

Secretary