If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

SUNDANCE

COMMUNITY GUIDELINES

INTRODUCTION

Welcome to Sundance!

Sundance is a condominium Project. Because attached living is a unique experience that relies on the mutual cooperation of all to be successful, the Sundance Owners Association ("Association") created these community guidelines ("Community Guidelines"). Inside you'll find practical rules, regulations and guidelines that are intended to help foster a harmonious, enjoyable and safe environment for all Sundance Residents.

These Community Guidelines detail basic guidelines that, if observed, help ensure that the structures and grounds of Sundance remain in good condition and that neighbors treat each other with respect and consideration.

These Community Guidelines constitute the "Association Rules" contemplated by the Declaration. All owners, Residents and their guests are required to follow these Community Guidelines as a means of acting on behalf of the greater good of the Project and its well being.

Bear in mind that these Community Guidelines are always subject to the Declaration of Covenants, Conditions and Restrictions of Sundance ("Declaration"), and the Bylaws of Sundance Owners Association ("Bylaws"). The Board of Directors has the power to revise these rules, regulations, guidelines, policies and procedures set forth in these Community Guidelines from time to time. If you would like to contribute suggestions for these Community Guidelines, please submit them in writing to the Association Management Company for consideration by the Board. In the event of any conflict between these Community Guidelines and the Declaration or the Bylaws, the provisions of the Declaration or the Bylaws (whichever applies) shall prevail.

Please read these Community Guidelines carefully, and be sure your family, guests and tenants fully understand and follow the rules, regulations and guidelines set forth below. If you have questions, please contact the Association Management Company:

OMNI Community Management, LLC 9807 Fair Oaks Blvd Fair Oaks, CA 95628

As you read through these Community Guidelines, you will encounter defined terms, identifiable by their initial capital letters. Except as the context otherwise requires, these defined terms have the same meaning as set forth in the Declaration.

THE ASSOCIATION

The purpose of the Association is to operate, manage and maintain the Sundance Project for the benefit of the Owners. Common sense and consideration for your neighbors are the keys to its success.

The Board of Directors governs the Association, and meets regularly to make decisions pertaining to those matters for which the Association is responsible. Homeowners will be notified of the date, time and location of all meetings of the Members and the Board. If you are interested in becoming involved in the Association, please contact the Association Management Company.

Residents of Sundance are encouraged to work together to build a harmonious Project. If any disputes between individual Owners should arise, the parties are encouraged to try to resolve them on their own.

To report problems related to the Association Property or Common Area (such as landscape, sewer, street problems, etc.), please contact the Association Management Company.

COMMUNICATION AND VOLUNTARY COOPERATION

As a condominium Project, Sundance calls for mutual cooperation, common sense and consideration of neighbors. To facilitate harmony within the Project, all Residents, tenants and their guests must comply with the rules and guidelines set forth in these Community Guidelines and the Governing Documents. If you believe that a rule or restriction is unfair, you may try to change it by serving on the Board, participating in a committee, etc.

Sundance Owners Association welcomes communication from its members. Please feel free to call or write to the Association Management Company, the Association's liaison, to discuss any questions or issues.

MAINTENANCE AND INSPECTION OBLIGATIONS

Both Owners and the Association have maintenance and inspection obligations. Owners should consult their Owners' Maintenance Manual, applicable warranties and other manufacturers' maintenance schedules and recommendations for specific maintenance requirements. As set forth in the Declaration, a portion of the Owners' maintenance and inspection obligations require Owners to implement commonly accepted maintenance practices to prolong the life of the materials and construction of the Residential Units.

Similarly, specific maintenance and inspection requirements for the Association are set forth in the Association Maintenance Manual, applicable warranties and other manufacturers' maintenance schedules and recommendations. The Association is also required to implement commonly accepted maintenance practices to prolong the life of the materials and construction of the Common Area and Association Property.

SEVERABILITY

If any of the provisions of these Community Guidelines are held to be invalid, the remainder of the provisions shall remain in full force and effect.

ENFORCEMENT OF GOVERNING DOCUMENTS

If there is a violation of the Association's Governing Documents, including these Community Guidelines, then a member may submit a Violation Complaint Report to the Association Management Company. A copy of the form is attached to these Community Guidelines. No member complaint can be acted upon unless there is supporting documentation, i.e., the written complaint.

Upon receiving the first written complaint, a "courtesy reminder" will be sent to the member complained about, if appropriate. If the violation is not cured, then upon receiving a second written complaint regarding the violation, a second violation letter will be sent. The second violation letter will advise that if the violation is not corrected, the Board will schedule a hearing for the Owner to address the Board regarding the alleged violation at which monetary fines and penalties may be imposed, and may include the revocation of membership rights. If there is a third written complaint, then the Board will approve the matter for handling, and a due process hearing will be scheduled. Failure to correct a violation may also result in legal action, the cost of which will be the Owner's responsibility.

GENERAL RULES FOR COMMON AREAS

It cannot be stressed enough that all Owners and their tenants be thoughtful and considerate of their neighbors. General rules of good conduct should be observed at all times. The following are general guidelines you, your tenants and guests must observe at Sundance:

- 1. <u>Safety and Noise</u>. Please use common sense and courtesy in regard to voice levels, unnecessary noises and boisterous conduct. This includes, but is not limited to, televisions, radios and/or other sound emitting devices. Keep the volume at a reasonable level at all times so other Residents are not disturbed. Between the hours of 10 p.m. and 8 a.m., the volume must be significantly reduced to keep from disturbing other Residents.
- 2. <u>Damage Caused by Owner.</u> Owner will be responsible for and bear all costs of repairs and/or replacement for any damage to the building, recreational facilities, equipment, or any other Association Property or Common Area, if it is determined that the damage was caused by the Owner, its lessees, guests, employees or contractors. The Board reserves the right to deny use of any Association facility to any Member or its guests and tenants at any time.
- 3. <u>No Obstruction</u>. Obstruction of the sidewalk, Private Streets or entranceways throughout the Property is not permitted. No one may store or place anything in the Common Area or the Association Property (other than the Exclusive Use Balcony Areas and the Exclusive Use Patio Areas). This includes, but is not limited to potted plants, signage, pictures, paintings, items of furniture, etc. The Association will not be responsible for any damage to, or loss of, any personal property left in any Common Area or Association Property.
- 4. <u>Antennas and Signs</u>. Antennas or signs must be installed in accordance with the Architectural Guidelines.
- 5. <u>Association Property</u>. Owners may not borrow or remove any equipment or property belonging to the Association.
- 6. <u>Solicitation</u>. All Owners of Residential Units are prohibited from distributing or causing to be distributed any advertising, pamphlet, free newspaper or any other printed matter on or in any portion of the Property or resident cars. This includes door-to-door solicitation, electioneering, etc. Owners may not permit their families, employees, agents, visitors, licensees to solicit either.
- 7. <u>Skateboards</u>. Riding skateboards, scooters or rollerblades is not allowed on any Association Property, including on the Private Streets.
- 8. Smoking. Smoking is not allowed on any portion of the Association Property.
- 9. <u>Outside Drying or Laundering</u>. No exterior clothesline shall be erected or maintained or hung on Exclusive Use Balcony Areas or Exclusive Use Patio Areas and there shall be no exterior drying or laundering of clothes, towels or any other items on any Exclusive Use Patio Area, Exclusive Use Balcony Area or Association Property.

CONDUCT AFFECTING INSURANCE

Please refer to Article 11 of the Declaration for additional information regarding Association and Owner insurance requirements. If you have further questions, please contact the Association Management Company.

Nothing shall be done or kept in any Residential Unit, the Exclusive Use Patio Areas, the Exclusive Use Balcony Areas, the Common Area or the Association Property that will increase the rate of insurance without the approval of the Association.

No Owner shall permit anything to be done or kept in his or her Residential Unit, or in the Common Area or Association Property, which could result in the cancellation or suspension of insurance or which would be in violation of any law.

An Owner who is responsible for an increase in the rate of insurance on the Common Area or Association Property shall be personally liable for the cost of the additional insurance premiums.

USE RESTRICTIONS

1. <u>Residential Use</u>. The Condominiums shall be used for residential purposes only. Please refer to Sections 7.1, 7.2 and 7.3 of the Declaration for more information regarding residential use restrictions.

2. <u>Exclusive Use Balcony and Patio Areas.</u>

- (a) The installation of any tiles or flooring material on Exclusive Use Balcony Areas and Exclusive Use Patio Areas is strictly forbidden, as it will alter drainage patterns. Carpet, artificial turf or other material that can trap water next to the surface of the Exclusive Use Balcony Area or Exclusive Use Patio Area is also prohibited.
- (b) Existing drainage patterns on Exclusive Use Balcony Area and Exclusive Use Patio Areas must be maintained and all drainage systems must be kept free of debris and free flowing. Changing the drainage pattern may cause damage to the Project's buildings and structures.
- (c) Potted plants must have a tray placed underneath the pot to prevent water spillage onto the Exclusive Use Balcony Area or Exclusive Use Patio Area. Such trays, and any other device designed to hold water, must be raised above the surface of the Exclusive Use Balcony Area or Exclusive Use Patio Area in order to allow sufficient air flow beneath such tray or device.
- (d) Potted plants shall not be placed in a position on any Exclusive Use Balcony Area or Exclusive Use Patio Area which will block any drains or obstruct drainage patterns.
- (e) No hanging screens, plants, banners, wind chimes or other objects may be hung from a fence or Exclusive Use Patio Area, except as permitted by the Board.
- (f) No Owner shall use any Exclusive Use Balcony Area or Exclusive Use Patio Area for storage purposes, except that the storage of bicycles is allowed.
- (g) Exclusive Use Balcony Areas and Exclusive Use Patio Areas must be kept clean and tidy.
- 3. <u>Alarms</u>. Any alarm installed in a Residential Unit shall be the type of alarm which is monitored by a certified alarm company.
- 4. <u>Barbecues</u>. All types of Barbecues, including briquets, are currently not allowed in the Project, including on any Exclusive Use Patio Area or Exclusive Use Balcony Area.
- 5. <u>Waterbeds and Aquariums</u>. No waterbeds or aquariums holding more than 30 gallons of water shall be permitted in any Residential Unit. Each Owner acknowledges that substantial damage to other Residential Units, Common Area and/or Association Property may occur as a result of a violation of this restriction and that the Owner causing such damage would be responsible for all damage.

- 6. <u>Vibrations and Noise</u>. No Owner shall attach to the walls or ceilings of any Residential Unit any fixtures or equipment which will cause vibrations or noise or unreasonable annoyance or damage to the Owners of the other Residential Units or to the Common Area or Association Property.
- 7. <u>Window Coverings</u>. Temporary window coverings in a design and color that does not conflict with the surrounding Improvements (but excluding aluminum foil, newspapers, or any other contrasting material) shall be permitted for a maximum period of sixty (60) days. Only curtains, drapes, shutters or blinds may be installed as window coverings. No aluminum foil, reflective materials, paint, newspaper, sheets or similar covering shall be applied to the windows or doors of any dwelling. All window coverings shall be of a neutral color harmonious with and not conflict with the color scheme of the exterior wall surface of the Condominium.
- 8. <u>Basketball Standards</u>. No basketball standards or fixed sports apparatus shall be attached to any portion of the Condominium.

SWIMMING POOL

- 1. Pool hours are daily, 8:00 am—10:00 pm
- 2. NO LIFEGUARD IS ON DUTY! Lifeguard or supervisory service is not provided at any time. Anyone using the recreational facilities shall do so <u>at their own risk, responsibility and liability</u>.
- 3. Recreational facilities are reserved for full-time Residents in the Project and their guests. Owners who have rented or leased their Property are not entitled to use the recreational facilities. Residents must accompany their guests at all times when using the recreational facilities.
- 4. Anyone not abiding by the posted rules may be asked to leave the pool area by any member of the Association or employee of the Association Management Company.
- 5. Children under the age of 14 years are not allowed in the pool area unless accompanied by an adult 18 years of age or older.
- SAFETY EQUIPMENT HAS BEEN PROVIDED FOR EMERGENCY USE ONLY.
- 7. All incontinent persons (whether infants, toddlers, children or adults) must wear a diaper, plastic pants, and a swim suit while using the pool.
- 8. Appropriate bathing attire must be worn.
- 9. No surfboards, boogie boards, beach balls, floating or inflatable devices will be permitted in the pool.
- 10. No pets of any kind are permitted in the pool area.
- 11. No glass or sharp objects are allowed in the pool area.
- 12. Diving is not permitted in any areas of the pool.
- 13. No running, pushing or boisterous activity is permitted in or around the pool area.
- 14. No cans, foreign objects, foreign substances (bubble bath, soap, beverages, etc.) non-floating objects (such as rocks, marbles, coins and the like) or pool furniture are to be thrown into the pool.
- 15. No throwing of tennis balls, baseballs, footballs, basketballs, or frisbees is allowed in and around the pool.

- 16. No wheeled toys or vehicles including skateboards, roller blades, roller skates or bicycles are allowed in the pool area.
- 17. Radios, cassette players, or CD players must be battery operated and should be kept at a minimum level. The noise level must be kept to your personal area only so as not to disturb others.
- 18. Each Resident is responsible for placing any litter and debris in the trash receptacles prior to leaving the pool area.
- 19. Adjustment of any control regulating the pool lights or other common services is PROHIBITED. Upon arrival of the pool maintenance crew, pool users are asked to temporarily vacate the pool area until cleaning and service is completed.
- 20. The pool area is to be entered through the gates only. Climbing over a fence to enter or exit the pool area is strictly prohibited.
- 21. Gates are to remain closed and locked at all times. Access keys or combination locks will be provided to every Residential Unit. The lending of keys to non-owners for use of the pool area is strictly prohibited.
- 22. The Association reserves the right to limit, on a reasonable basis, the number of guests using the recreational facilities at any given time. Individuals or groups must not occupy the pool to the effective exclusion of others.
- 23. It is recommended that individuals do not use the facilities alone. The "buddy" system is recommended for all swimmers at all times.
- 24. Persons with open cuts, wounds or rashes may not use the pool. Anyone having a skin disease, sore or inflamed eyes, nasal or ear discharge or any communicable disease may not use the pool.
- 25. Intoxicated persons are prohibited from using or being in close proximity to the pool.

SPA

There is one spa that Owners may use. Use of the spa is on a first-come, first-served basis.

- 1. Spa hours are: Daily, 6:00 a.m. to 10:00 p.m.
- 2. Cellular phones, radios, cassette players or CD players must be battery operated and headsets must be worn.
- 3. Children under the age of fourteen (14) may not use the spa unless accompanied by an adult Resident 18 years of age or older.
- 4. Hot water immersion while under the influence of alcohol, narcotics, drugs or medicines may lead to serious consequences and is not recommended. Long exposure may result in nausea, dizziness or fainting.
- 5. All persons using the spa do so at their own risk.

ANIMALS

1. All owners must comply with City and County laws and regulations with regard to control and health of pets. All dogs and cats shall have a current license and identification tag. Loose, unattended

dogs, cats or other animals without a license or identification tag may be reported to the local Animal Control for pickup.

- 2. Each Residential Unit may have a maximum of two (2) domestic pets. Fish in aquariums holding no more than thirty (30) gallons of water (or more as provided in the Architectural Guidelines) and birds inside birdcages may also be kept as household pets, so long as they do not result in unreasonable annoyance and are not obnoxious to other Residents.
- 3. Pets must be kept on a leash or in an enclosure such as a carrying case at all times while on the Association Property. Pets must be under the Owner's control when outside living enclosures. Owners are responsible for any damage to person or property caused by his/her pet.
- 4. Fecal waste deposits made by pets on any Common Area or Association Property, including landscaped areas, sidewalks and Private Streets must be promptly cleaned up by the owner of the pet. Waste must be put in a tightly sealed plastic bag before being disposed of. Any damage caused by a pet shall be repaired/replaced at the pet owner's expense. This includes, but is not limited to, grass, plants, carpet, stained stucco, claw marks, etc.
- 5. No animal shall be bathed, at any time, within any Common Area (except Exclusive Use Patio Areas) or Association Property.
- 6. Pets are not allowed in the recreational facilities or on landscaped areas at any time. Dogs shall not be tied to trees or any exterior building structure or left unattended on the lawn.
- 7. Pets must not be left outside unattended Exclusive Use Balcony Areas and Exclusive Use Patio Areas. Pets must be kept within the Condominium when the Owner is away or cannot attend to them. Barking dogs on Exclusive Use Balcony Areas, Exclusive Use Patio Areas or inside a Residential Unit will not be tolerated. Any pet which makes noise disturbing to a neighbor must be confined within its Owner's Residential Unit in a place from which this noise cannot be overheard.
- 8. Each person bringing or keeping a pet in the Project shall be fully liable to other Owners and their guests for any damage to persons or property caused by the pet.
- 9. If, after notice and a hearing, the Board finds that a pet is dangerous or creates a nuisance, the Board may require the pet to be removed from the Project within seven (7) days.
- 10. Human assistance animals, e.g. seeing eye dogs, are exempt from rules that interfere with their duties. Notice of any exemption claimed by a resident should be sent in writing to the Board in a timely manner.

MOVE-IN

Owners should choose their moving company carefully! Each Owner is fully responsible for any damage done to the Common Area or Association Property during the move. Because of this liability it is important that the moving company carry its own insurance for such damage.

Please instruct the moving company to call the Association Management Company a minimum of seven (7) working days in advance.

Owners who wish to move in without using a professional moving company may do so provided they meet all the requirements of the moving companies, i.e., accompanying the Association's Representative on walk-throughs before and after the move.

THE MOVING COMPANY MUST PROVIDE PROTECTIVE COVERING FOR THE HALLWAY FLOORS DURING THE MOVING PROCESS. IT IS THE MOVER'S RESPONSIBILITY TO INSURE THAT THESE ARE IN PLACE PRIOR TO BEGINNING THE MOVE. IN THE ABSENCE OF PROTECTIVE COVERINGS, ALL ITEMS MUST BE WRAPPED IN MOVING BLANKETS.

NO MOVES WILL BE PERMITTED IF THE PROTECTIVE COVERINGS ARE NOT FULLY IN PLACE.

AFTER MOVING IN

BOXES AND PACKING MATERIALS

At the end of the move, the hallways must be cleared of all debris incurred during the move.

All trash and debris must be carried off-site on a daily basis by the moving company. The trash dumpsters inside the garage may not be used for disposal of debris incurred during the move. Please contact the Association Management Company for further details.

Any Owner who disregards this regulation by leaving packing materials and boxes in the hallways will be required to cover the cost of having a contractor remove this nuisance and fire hazard.

MODIFICATION OF RESIDENTIAL UNITS

All Owners must comply with the Architectural Guidelines prior to modifying a Residential Unit. To the extent permitted under Civil Code Section 1360, each Owner may modify his or her Residence and the route over the Association Property leading to the front door of his or her Residence, at his or her sole expense, to facilitate access to his or her Residential Unit by persons who are blind, visually impaired, deaf or physically disabled, or to alter conditions which could be hazardous to such persons. Upon moving out of a Residential Unit, the Owner shall be obligated to remove any modifications and restore the area to its original condition. If an Owner fails to do so, the Association may do so on the Owner's behalf and the Owner shall be liable to reimburse the Association for all of its costs and expenses.

FIRE SAFETY DEVICES

Each Owner must maintain the smoke detector installed in his or her Residential Unit. As part of this maintenance, you must replace all smoke detector batteries regularly.

ASSIGNED PARKING

- 1. <u>Assigned Garage or Parking Space.</u> Owners will be assigned the right to use either a garage or an assigned space (or both). All Owners must park their vehicles only in their designated assigned garage or parking space.
- 2. <u>Visitor and Resident Parking</u>. Any Invitee of an Owner shall park his or her vehicle in the driveway of that Owner, or on a street or guest parking space within the Project that is designated for guest parking. Guest vehicles may not be stored or parked in the guest parking spaces or driveways for more than forty-eight (48) consecutive hours.
- 3. <u>Fire Lanes and Parking Restrictions</u>. There shall be no parking in any marked fire lanes. Parking of motorcycles, mopeds and bikes is prohibited on sidewalks.
- 4. <u>Vehicle Maintenance</u>. No repairs, restorations, or any mechanical maintenance of any motorized vehicle, boat, trailer, aircraft, or other vehicle or equipment shall be conducted in the Project, including on the Private Streets, driveways and garage entrances, with the exception of minor or emergency automobile repairs. All authorized vehicles, motorcycles, mopeds and bicycles within the Project must be operable and possess a current license and registration.

- 5. <u>Noise.</u> No one shall race engines, honk horns, spin wheels, permit engines to idle excessively or otherwise create unnecessary noise with motor vehicles or the sound and automotive speaker equipment. All motor vehicles must have adequate muffler and exhaust systems.
- 6. <u>Prohibited Vehicles</u>. No boat, golf cart, mobile home, commercial vehicle, recreational motor home, trailer of any kind, truck larger than one-half ton pick-up truck or which has a mounted camper shell which protrudes from the truck from either side or from beyond the rear gate or above the cab ceiling shall be parked anywhere within the Project with the exception of emergency vehicle repairs, commercial deliveries and temporary parking to load or unload a vehicle. Temporary means no more than four (4) hours at any one time. No dismantled or wrecked vehicle or equipment shall be parked, stored or deposited within the Project.
- 7. <u>Towing</u>. Any vehicles parked in any manner that obstructs free traffic flow, constitutes a nuisance or creates a safety hazard or in violation of these rules may be towed away at the vehicle owner's expense. Owners should contact the Association Management Company or the appropriate party as designated by the Association Management Company, who shall be responsible for taking appropriate action, including, if necessary, calling the towing company. The Association is NOT obligated to provide any notice (including, but not limited to, a letter mailed to the Owner or a notice posted on the vehicle) to a vehicle owner and/or an Owner before the vehicle is towed and/or an Owner is fined or penalized due to violations of these rules.
- 8. <u>Speed and Lights.</u> All drivers must maintain safe and proper speeds and observe a maximum speed of 15 miles per hour while driving in the Project.
- 9. <u>Oil Leaks.</u> Excessive oil leaks and stains caused by a user's vehicle within an Assigned Parking Space or Assigned Garage will be subject to fines and/or the cost of clean up and repairs. Please monitor the condition of oil catching and absorbing materials underneath your vehicle to prevent excessive staining. Preventative maintenance of your vehicle will help to alleviate this issue.
- 10. <u>Car Alarms.</u> Should a car alarm continue to go off, the Association Management Company or the Association may, at the Owner's expense, hire a locksmith and take whatever action necessary to stop the noise. Vehicle alarms that do not automatically go off after an interval are not allowed. The arming and/or disarming of vehicle security alarms and other security devices shall not disturb Residents of the Project.

ODOROUS MATTER, OFFENSIVE CONDUCT & NUISANCES

No person shall discharge into the Project's sewer system or storm drain any toxic or noxious matter in such concentrations as to be detrimental to or endanger the public health, safety, welfare, violate any law, subject any Owner to liability under state and federal law for any clean-up or cause injury or damage to neighboring property or business elsewhere on the Project.

HOLIDAY DECORATIONS

- 1. <u>Acceptable Timeframe.</u> The acceptable timeframe for winter holiday decorations is from the day after Thanksgiving until January 10th. All other decorations must be displayed no more than fifteen (15) days prior to the day of the holiday, and must be removed within ten (10) days after the holiday.
- 2. <u>Location.</u> Holiday decorations must only be displayed from inside the Residential Unit.
- 3. <u>Wreaths</u>. During the holidays, a wreath on an over-the-door hanger may be displayed on main entry doors provided that it does not harm their finish.

- 4. <u>Damage.</u> Each Owner is liable to the Association for any damage to the Common Area or Association Property (including holes, tape marks, abrasions, etc.) caused by that Owner or his or her guests, tenants, Invitees or any resident of his or her Residential Unit.
- 5. <u>Lights.</u> All holiday lighting must have a "UL" or comparable rating. Please ensure that lights do not disturb other Owners.

RENTAL OF CONDOMINIUMS

An Owner shall be entitled to rent the Owner's entire Condominium, or a portion thereof, for a term of not less than thirty (30) days. The Owner shall be responsible for all actions of the lessee and subject to the following guidelines:

- 1. <u>Association Management Company Notification</u>. All Owners who rent their Condominiums shall submit names and contact numbers for their tenants and the Owners to the Association Management Company.
- 2. <u>Written Lease or Rental Agreement</u>. Any rental or leasing agreement shall be in writing, shall provide that the lease or rental is subject to the Governing Documents and shall provide that any failure to comply with any provision of the Declaration or the Governing Documents shall be a default under the terms of the lease agreement. A copy of any lease agreement shall be provided to the Association.
- 3. <u>Compliance with Governing Documents</u>. A copy of the Governing Documents, these Community Guidelines and the Architectural Guidelines shall be provided by the Owner to each tenant or lessee. The leasing Owner shall, at all times, be responsible for their tenant's or lessee's compliance with all of the provisions of the Governing Documents pursuant to the occupancy and use of the Condominium.
- 4. <u>Association Amenities</u>. Use privileges for amenities, Association Property and Common Area transfer to the lessee or tenant. An Owner shall have no personal use privileges upon leasing their Residential Unit.
- 5. <u>No Hotel, Timeshare, etc.</u> No Residential Unit may be rented for hotel, motel or transient purposes or for any other purpose inconsistent with the Declaration.

SIGNS

Owners displaying signs within the Project are subject to the parameters set forth in the Architectural Guidelines.

TRASH DISPOSAL

No garbage, trash, rubbish, or other waste material shall be kept or permitted within the Project except in garbage cans, trash containers or other waste receptacles located in the Project provided for the use of all Owners and Residents. Owners of the Residential Units in the podium building shall place their garbage in the trash chutes and the Owners of the townhome Residential Units shall place their trash in the waste receptacles located within walking distance of their Residential Unit.

WATER DAMAGE

Owners leaving their Residential Units for extended periods must turn off the water supply to avoid damage that could be caused by leaks in their absence. Owners will be responsible for any damage caused in their absence.

Washing machines must be placed upon a pan to capture water, in the event of a leak. In the event of a leak or damage caused by the washing machine to the Owners Residential Unit or other Residential Units, the Owner of the Residential Unit shall be responsible.

Owners must comply with the recommendations regarding mold in the Owner Maintenance Manual.

PROJECT GUIDELINES BASICS

- 1. Always be considerate of neighbors.
- 2. Know that the intent of the Association is to operate, manage and maintain the value of the Project for the enjoyment of all.
- 3. Remember always that if you want to make any modifications or changes to the Residential Unit, contact the Association Management Company for Architectural Guidelines and the forms that must be submitted before undertaking any modifications.

PROCEDURES FOR ENFORCEMENT OF THE COMMUNITY GUIDELINES

The Board of Directors is authorized to impose monetary penalties and to temporarily suspend certain membership privileges and impose other appropriate discipline for failure to comply with the Declaration, Bylaws, Community Guidelines or Architectural Guidelines. Enforcement of the Governing Documents depends on the participation and cooperation of all Owners, lessees and guests of the Owners.

1. Reporting of Violations.

- a. Violations may come to the attention of the Association through written complaints by Owners or through visual observations by one or more Board members or by the Association Management Company.
- b. All complaints must be submitted in writing to the Board of Directors in care of the Association Management Company, with the complainant's name, address and telephone number, in order for action to be taken regarding an alleged violation.
- c. Each complaint must cite the name, date, time and nature of the violation and provide a factual statement supporting the charges of the alleged violation.
- d. Complaints will be held in confidence to the extent permissible by law, however, if requested by the Board, it is the responsibility of the person filing the complaint to appear before the Board of Directors to be heard regarding the alleged violation.

2. Violation Notification.

- a. <u>First Notice</u>. Upon observation of a violation or receipt of a written complaint, the Board may direct the Association Management Company to send a violation letter. The Association Management Company will send a written "friendly reminder" (the "**First Notice**") to the offending Owner of record at the Owner's last known address and, if the Residential Unit is rented, to the tenant. The First Notice will describe the general nature of the alleged violation and request correction of the violation by a stated date.
- b. <u>Second Notice</u>. If the violation is not corrected by the date set forth in the First Notice, the Association Management Company will send a second formal written notice of violation (the "**Second Notice**") to the offending Owner of record at the Owner's last known address and, if the Residential Unit is rented, to the tenant. The Second Notice will again describe the nature of the alleged violation and

request correction of the violation by a stated date. The Second Notice will also advise that, if the violation is not corrected, the Board will schedule a hearing for the Owner and/or tenant to address the Board regarding the alleged violation at which monetary fines and penalties may be imposed, including the revocation of membership rights.

- c. <u>Third Notice The Notice of Hearing.</u> If the violation is not corrected by the date set forth in the Second Notice, the Association Management Company will send a formal written notice of hearing to the Owner/tenant scheduling a Board hearing on the violation and advising the Owner/tenant that monetary fines and penalties may be imposed (the "**Third Notice**" or "**Notice of Hearing**"). The Notice of Hearing shall be delivered personally or mailed by first class mail, certified or registered mail, return receipt requested, to the offending Owner at the last known address listed with the Management Company, and to the tenant at the tenant's address within the Project, at least ten (10) days before the proposed date of hearing on the alleged violation. The notice shall contain the following:
 - i. an explanation in clear and concise terms of the nature of the alleged violation;
- ii. a reference to the provision(s) of the Governing Documents which the Member is alleged to have violated; and
 - iii. the date, time and place of the hearing.

The Notice of Hearing may also include the amount of any monetary penalties which may be imposed at the hearing if the violation is not corrected, and the amount of any additional monetary penalties which may be imposed at the hearing for the continuation and/or repetition of the violation and shall include a description of other penalties which may be imposed, including, without limitation, the membership rights which may be revoked by Board decision at the hearing.

3. <u>Hearing Procedures.</u>

- a. If the violation is not corrected before the scheduled hearing, the Board will hold a hearing on the date and at the time and place set forth in the Third Notice (the "Hearing"). The Hearing will be held regardless of whether the Owner and/or tenant attends the Hearing, and an appropriate monetary fine and other penalties may be imposed, including, without limitation, the revocation of membership rights in accordance with the Governing Documents. Any determination made by the Board is binding notwithstanding the absence of the Owner and/or tenant.
- b. At the Hearing, the Owner will be given an opportunity to present facts and/or arguments disputing the alleged violation and/or against the imposition of any penalty or disciplinary action. If an accused Owner and/or tenant fails to take the opportunity to be heard, the Board will decide the case on the facts presented in the written complaint(s) or on other pertinent oral or written evidence presented to the Board.
- c. The Board will make a determination as to whether a violation was committed. If the Board determines that a violation was committed, the Board can impose reasonable monetary penalties and/or discipline against the Owner as provided for in the Declaration.
- d. If the Owner or tenant has corrected the violation, the Board will not impose any monetary fines or penalties and will close the complaint or violation procedure. If the Owner or tenant continues to be in violation, the Board will determine what sanctions are appropriate.
- e. If the Board imposes discipline, the Board shall provide the Owner a written notification and explanation of the suspension, fine or conditions of the disciplinary action either in person, or by delivery of first class mail, within ten (10) days following the action.
- 4. Suspension of Privileges And Monetary Penalties.

Should the Board find an Owner (and/or his or her guests, Residents, or tenants) in violation of the Governing Documents, after reviewing the evidence presented at a hearing, pursuant to the guidelines set forth in the Association's Declaration and Bylaws, the Board may in its discretion levy any or all of the following penalties and sanctions:

- a. Monetary fines;
- b. Suspension of an Owner's (and/or his or her guests, Residents or tenants) right to use the recreational facilities;
- c. Suspension of an Owner's (and/or his or her guests, Residents or tenants) membership rights and privileges;
 - d. Suspension of an Owner's right to vote on all Association business;
 - e. Removal of any non-conforming structure or improvement; and
- f. Special Assessment against an Owner for any costs incurred by the Association, including attorney's fees and costs, with respect to the violation.

5. Fine Schedule.

The Board may impose monetary penalties in accordance with the adopted (graduated) fine schedule stated below, be automatically imposed for each month or for each portion of a month that the violation continues without the need for further hearings on the violation.

First Fine:

\$50.00

Second Fine:

\$100.00 maximum

Third Fine:

\$200.00 maximum

Subsequent Fines/Legal Action:

Per Decision of the Board

All fines, including Special Assessments representing the attorneys' fees and costs incurred by the Association in enforcing the Governing Documents, shall be a charge against the Owner of the Residential Unit. Any and all fines shall be billed to the Owner's account for the Association.

The Association reserves the right to use any avenue of the legal system to enforce the Governing Documents against an Owner, including the collection of any fines imposed against an Owner for violating the Governing Documents.

ATTACHMENTS

Violation Complaint Report Form

SUNDANCE OWNERS ASSOCIATION VIOLATION COMPLAINT REPORT

Name:
Address:
Daytime Phone Number:
DETAILED DESCRIPTION OF INCIDENT (Please give as much information as possible such as date, time, name and address of person(s) involved, damage, location, license # or anything else which may be pertinent):
If possible, give name and phone number of any potential witness:
1.
2.
3.
Were any photographs taken? Yes No By whom? Attach all photographs to this form or forward to the Association as soon as possible. Include photographer's name and date photographs were taken, and the names of any individuals present.
I HAVE MADE THE ABOVE STATEMENTS BASED ON MY PERSONAL KNOWLEDGE AND NOT UPON WHAT HAS BEEN TOLD TO ME. I WILL COOPERATE WITH THE ASSOCIATION AND ITS ATTORNEYS TO PROVIDE ADDITIONAL STATEMENTS OR AFFIDAVITS, AND IN THE EVENT A HEARING OR TRIAL IS NECESSARY, I WILL APPEAR TO TESTIFY AS A WITNESS.
Signature Date Signed
Printed Name
Oliver Management, Inc.
7806 Madison Avenue. Suite 150

Fair Oaks, CA 95628-3588 (916) 965-8964

06/07/06