The Terraces at Canyon Hills Homeowners Association

MEMO

Date: March 4, 2024

To: The Terrace at Canyon Hills Homeowners Association

From: The Terrace at Canyon Hills Homeowners Association Board

of Directors

RE: TCH Rules and Regulations - Adoption

Dear Homeowner(s),

The Terraces at Canyon Hills Homeowners Association Board of Directors, in consultation with the Association's counsel, has prepared an updated set of the Association Rules and Regulations.

The attached rules were posted for the required 28 day review period per Civil Code 4360. At the Board of Directors meeting held on February 26, 2024, the Board of Directors voted to adopt the attached rules as part of the Terraces at Canyon Hills official rules.

If you have any questions, please reach out to Paige Fields at Powerstone Property Management, pfields@powerstonepm.com.

Sincerely,

The Board of Directors

The Terrace at Canyon Hills Homeowners Association

Powerstone Property Management • 9060 Irvine Center Drive, Suite 200 • Irvine, CA 92618 • (949) 716-3998

The Terrace at Canyon Hills

Rules and Regulations Revised February 2024

THE TERRACE AT CANYON HILLS HOMEOWNERS ASSOCIATION

MEMBERSHIP IN FORMATION

Coast Community Builders, the Developer of The Terrace at Canyon Hills recorded a Declaration of Covenants, Conditions and Restrictions ("CC&R's") establishing property restrictions to enhance the value of the residences and the common areas. The Terrace at Canyon Hills Homeowners Association was created primarily for the purpose of regulating the use and appearance of the community's condominium units and common areas through the enforcement of the recorded restrictions.

Among other things, the CC&R's allow the Board of Directors to adopt Rules and Regulations, including a system of monetary penalties to address violations of the recorded restrictions and the Rules. Please remember that the conduct of all owners, their family members, guests, and tenants are governed by the CC&R's and these Rules and Regulations, in addition to applicable State and Federal laws. If you do not have a copy of the CC&R's, please contact management and a copy will be provided to you upon payment of the applicable fee.

THE TERRACE AT CANYON HILLS HOMEOWNERS ASSOCIATION

MAINTENANCE AND ARCHITECTURAL MATTERS

- 1. Littering of the common area is not permitted. Homeowners are responsible for any debris/trash left by their guests and/or tenants.
- 2. Homeowners under no circumstances may remove existing common area plants. This includes but is not limited to plants in the front of the units.
- 3. Plant material installed by the homeowner (if first approved) is the responsibility of the homeowner to maintain.
- 4. Homeowners may not install plants in the common area or change the irrigation or drainage systems, without prior written approval.
- 5. Residents of the Community shall dispose of trash, garbage, or other waste only by depositing the same into containers provided by the owner. Trash receptacles must have a secure lid and be properly screened from view. Such containers shall be exposed to the view of the neighboring unit when set out for reasonable period of time (not to exceed twenty-four (24) hours before and after scheduled trash collection hours)
- 6. Wheeled toys (e.g., skateboards, tricycles, big wheels, bicycles, etc.) are prohibited from common area landscaping.
- 7. No clothing, household fabrics or other unsightly articles shall he hung, dried, or aired on any portion of the Property, including the interior of any Residence, so as to be visible from other Residences or the street.
- 8. Balconies and decks are for individual use and not intended for storage of any kind within the open areas in decks, balconies and common area courtyards as seen from the common areas. Please only put appropriate items on the patios and deck that are designed for such.
- 9. No one is permitted to borrow or remove any equipment or property from the common area.
- 10. Noncommercial flags and banners may be displayed of on or within a unit that are not more than fifteen (15) square feet in size. Any item attached to the exterior of a unit to hold a flagpole must first receive architectural approval. All nails/screws must be sealed and when removed the hole is to be filled and painted to match.
- 11. Nothing may be attached, removed or modified on the exterior of the buildings without prior architectural approval, as explained in detail within Article XII of the Association's CC&R's. Architectural applications may be obtained through the management company. Further, no owner shall make structural alterations or modifications to the interior of his unit or installations located therein which would have a material effect on another unit without the prior written consent of the Architectural Committee. No owner shall make any improvement or alteration within the boundaries of their unit, which impairs the structural integrity or mechanical systems, or

lessens the support of any portion of the common area.

- 12. No homeowner may modify or repair any portion of the common areas without written approval from the Architectural Committee. Any such Board approved modification to the common area will become the responsibility of the homeowner unless the Association assumes such concerns.
- 13. Windows may not be covered with aluminum foil, newspapers or other material not designed for use as a window cover.
- 14. Roller-blading, skateboarding, roller-skating and scooters are strictly prohibited within the community.
- 15. Sunshades are not allowed on the decks/patios without prior approval.

HOLIDAY DECORATIONS

- 1. Holiday decorations are permitted from Thanksgiving until January 15th. Nails or screws may not be installed in the wood shingles/siding and/or trim.
- 2. Decorations for other holidays are permitted fourteen (14) days before and fourteen (14) days after the holiday. Nails or screws may not be installed in the wood shingles/siding and/or wood trim.

TENANT RULES AND REGULATIONS

- 1. The homeowner shall have the responsibility to acquaint their tenants and guests with the Rules and Regulations of the Association and the CC&R's.
- 2. For the purpose of these Rules and Regulations a tenant shall be defined as anyone in possession of a member's unit in exchange for any sort of consideration, or at the sufferance of the homeowners.
- 3. No owner shall be permitted to lease his unit for transient or hotel purposes. No owner may lease less than the entire unit. Every lease shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration and the Bylaws and that failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be required to be in writing.

PET RULES

- 1. Dogs or cats are not allowed to be unattended in the common area. All dogs must be maintained on a leash held by a person capable of controlling the animal when not in owner's unit. In order to prevent damage to the landscaping, dogs are not permitted to be tied up within the common area. Dogs may not be walked in the common area behind units from sunset to sunrise.
- 2. Cats must be confined indoors at night.
- 3. Local County and/or municipal animal ordinances will be strictly enforced (i.e., licensing, vaccines, leash laws, etc.).
- 4. Each homeowner is responsible for removing defecation of their dog, cat or other animal from the property of the Association.

- 5. Excessive dog barking or other animal noise will be deemed a nuisance.
- 6. Each homeowner will be held responsible for any damage to the common areas due to his/her pet. In addition, each homeowner will be responsible for any damage to the property of another due to his/her pet, either by financial reimbursement or corrective action to be determined by the Board of Directors.
- 7. The Board of Directors shall have the right to prohibit keeping any animal in the Association which constitutes, in the opinion of the Board, a nuisance to owners of condominiums within the property.

POOL/SPA RULES

- 1. No glass objects are allowed in the pool or spa area.
- 2. Use of pool facilities and common areas are a privilege which is enjoyed by all owners or occupants, however, consideration of others concerning noise is also important.
- 3. California State Law requires that no person under 14 years of age be allowed to use the pool, unless accompanied by an adult. Children under the age of 14 years are not allowed to use the spa. All persons use the pool and spa at their own risk.
- 4. Conduct, by an owner or occupant, which deprives any other owner or occupant use of the pool, spa or common area shall not be allowed.
- 5. No soap/bath oils/etc. allowed in the spa or pool.
- 6. No diving is permitted.
- 7. No running, pushing, or boisterous play will be permitted.
- 8. Radio/stereo units will not be permitted without the use of ear phones so as not to annoy other persons using the recreation facilities or living in the surrounding units.
- 9. No pets, skateboards, bicycles or musical instruments are allowed in the pool or spa area.
- 10. Only persons dressed in proper swimming attire that is suitable to be in water and not frayed to avoid clogging any filters are allowed in the pool and spa
- 11. Persons using the barbecue must make sure it is turned off and the sink and counter is left clean.
- 12. All trash must be placed in the trash containers.
- 13. Pool hours are from 6:00 AM to 10:00 PM.

SIGNAGE RULES

- 1. Noncommercial signs and posters larger than nine (9) square feet shall not be displayed on or in a unit without the written approval of the Board.
- 2. Only one "Real Estate for Sale, Lease, or Rent" signs may be displayed in a unit.
- 3. No signs shall be erected or displayed in the common area (including, but not limited to, Exclusive Use Common Area), except signs authorized by the Board.
- 4. Unauthorized signs in the common area will be removed from the property. Note: All signs must conform to the requirements of all applicable governmental ordinances.

PARKING RULES

- 1. Parking in the fire lanes is strictly prohibited and subject to immediate towing at the expense of the vehicle owner.
- 2. Residents must use their garages for the parking of their vehicles per the CC&R's of the Association.
- 3. Residents are not permitted to park in guest parking spaces without prior approval from the Board of Directors. Extenuating circumstances (e.g., unplanned garage repairs or other emergency situations preventing a resident from utilizing their garage) may require residents to temporarily park in guest parking when advance notice to the Board is not possible (i.e., unforeseen situation occurs outside of normal business hours). In such cases, the resident shall safe-list their vehicle with the Association's parking patrol company and contact the Management Company with a resident request for temporary use of a guest parking, and provide the following information:
 - Brief explanation of reason for request
 - Daytime contact information
- 4. Requests are subject to verification by the Board and may be denied at any time.
- 5. Driveways are denoted in the Condominium Plan for each unit. Not all driveways allow for parking; some are only for ingress and egress. The entire profile of vehicles parked in approved driveways located in front of attached garages may not extend further than the curb or the denoted line (whichever is shorter). The entire profile of vehicles parked in approved driveways in front of the center, detached garages, may not extend beyond the denoted lines.
- 6. Vehicles shall be parked completely inside garages with the door closed. Garages that are found open will be noted by the parking patrol company and a warning letter may be sent by the Management Company.
- 7. All vehicles parked in an approved driveway or guest parking space must be parked entirely within the marked boundaries or denoted lines of the parking space.
- 8. No vehicle parked in an approved driveway or guest parking space shall be parked in any manner that unreasonably interferes with or impedes ready vehicular access to any other approved driveway or guest parking space.
- 9. Vehicles must be parked head-in in **all** designated guest parking spaces (except those spaces that are parallel to the roadway).
- 10. For the safety of all, one-way traffic signs must be strictly adhered to by residents, visitors and their guests.

- 11. The speed limit for all vehicles within the Association shall be 10 (ten) miles per hour.
- 12. The electricity in the auxillary garages is for your garage door openers and safety lighting. The electricity is not permitted to be used for electric vehicles and appliances.

WHAT ABOUT GUEST PARKING?

The parking patrol company will monitor all vehicles parked in **guest** parking daily.

Any guest in parking spaces marked "guest" must be safe-listed (i.e., allowed to park in guest parking) with the Association's parking patrol company when parked anytime between midnight 12:00am and 6:00am.

A safe-listed vehicle is cleared for parking from the time on the day requested until noon following the last day of safe-listing.

A guest may be safe-listed at the request of a resident for up to eight (8) days in a 30- day rolling window not to exceed twelve (12) days in a rolling 60-day period. Furthermore, residents may only safe-list a guest if the resident is fully utilizing all of their own parking spaces.

Safe-listing a vehicle does not guarantee that the guest will have a space; guest parking is subject to availability.

Safe-listing for guests staying longer than eight (8) days in any consecutive thirty (30) day period is at the discretion of the Board of Directors only and must be requested in advance so please plan ahead.

Abuse of the Safe-listing program by a resident may result in suspension of guest parking privileges.

WHAT TYPE OF WARNING PROCESS IS IN PLACE?

Vehicles parked in guest parking without a safe list confirmation number will be subject to the following actions:

First Offense: Citation*
Second Offense: Citation*
Third Offense: Citation*
Fourth Offense: Towing **
Subsequent Offenses: Towing **

Violations will be tracked and remain valid for 1 year from date of issue; prior violations will continue to count during this 1 year period.

WHO DO I CALL IF MY VEHICLE IS TOWED?

Laguna Beach Police: (949) 497-0701 or Patrol One (714) 541-0999

^{*} Written citation to be placed on the vehicle.

^{**} Vehicle may be towed at owner's expense after 96 hours from the issuance of the first citation.

THE TERRACE AT CANYON HILLS HOMEOWNERS ASSOCIATION

ENFORCEMENT PROCEDURE

A. Basic Policy on Fines

The objective of this Enforcement Policy shall be to promote and seek *voluntary* compliance by Owners and tenants with the Association's Governing Documents. The term Governing Documents as used in this Policy means the Association's Rules and Regulations, Bylaws, and the CC&R's.

B. Violation Letter

Reports of alleged violations of the Association's Governing Documents may be made to the Association's management company by any Member, including any Member serving on an Association committee. Such a report shall constitute a "complaint" and should preferably be in writing. The "complaint" should clearly state the facts and circumstances regarding the alleged violation. Action may also be taken as a result of an oral report (presented by telephone or in person), and under such circumstances appropriate file documentation concerning the complaint shall be generated and maintained for future reference.

A courtesy letter shall be sent by management, requesting the Owner's voluntary cooperation. Such notice shall describe the non-complying condition, and request that the owner correct the condition within a reasonable time specified in the notice. If the courtesy notice does not bring about voluntary compliance the Association may, as described herein, encourage the Owner's compliance through the use of such remedies as are deemed appropriate by the Board and available in law or in equity, including but not limited, the imposition of fines and monetary penalties subject to the notice and hearing conditions set forth in this Policy, and/or the pursuit of arbitration or legal action.

C. Violation Hearing Letter

Should the violation letter be unsuccessful in remedying the noted infraction, the Board of Directors may impose a fine after the owner is offered an opportunity to be heard on the matter. The violation hearing letter shall be sent at least ten (10) days before the hearing and contain the following information:

- i. A brief description of the alleged violation and, in the event the correction of the alleged violation requires actions such as the installation, removal, repair, replacement, reconstruction, or maintenance of improvements, the date by which such violation is to be corrected by the owner;
- ii The disciplinary and/or corrective action and/or penalties, such as levying of a fine which has been imposed in accordance with the Fine Schedule set forth below; and
- iii. Notification that the Member shall have an opportunity to be heard by the Board of Directors to explain why a fine and/or corrective action and/or penalties should not be imposed. In the event the owner does not attend the hearing or a rescheduling of the hearing as may be agreed to by the Member and the Board for good cause shown,

such Member shall be deemed to have waived his right to a hearing and his right to object to the disciplinary and/or corrective actions and/or penalties as may be imposed by the Board. The Member shall receive no less than ten (10) days prior written notice of the hearing date. The violation letter shall be deemed delivered two (2) business days following the letter's deposit into the mail, provided it is sent by first class mail or certified mail sent to the last address of the Member shown on the records of the Association.

Such hearing shall be conducted according to such reasonable rules and procedures as the Board shall adopt which shall provide the Member with the right to present oral or written evidence and witnesses on his behalf.

The decision of whether it is appropriate or necessary for the Association to initiate enforcement or disciplinary action in any particular instance beyond the fining process shall be within the sole discretion of the Association's Board of Directors. The Board shall provide the Member notice of its decision within fifteen (15) days following the hearing.

D. Alternative Dispute Resolution ("ADR")

The Association shall comply with the ADR requirements of California Civil Code Section 5930 and any applicable requirements of the Governing Documents, before bringing any civil action or suit to enforce the Association's Governing Documents.

THE TERRACE AT CANYON HILLS HOMEOWNERS ASSOCIATION FINE SCHEDULE

TYPE OF VIOLATION	FIRST OFFENSE	NON- COMPLIANCE- FOLLOWING VIOLATION NOTICE	CONTINUING NON- COMPLIANCE
Failure to comply with, or violation of the Governing Documents	Violation Letter	Hearing Notice to the owner to discuss the violation and a possible \$50.00 fine.	Continuing non-compliance will result in further fines of \$100.00 for each month the violation continues, with invitations to hearings. In the alternative, or in addition to fines, the Association may, at any stage, proceed with legal action or arbitration, as appropriate.