

RANCHO OBISPO HOMEOWNERS' ASSOCIATION

RULES AND REGULATIONS

Adopted: _____, 2007

I. INTRODUCTION:

The Rules and Regulations of the Association are intended to govern the details of the operation and the use of the Common Area and to establish restrictions and requirements for the use to prevent unreasonable use of the respective separate units and the Common Area by the Owners. The Rules and Regulations may be amended from time to time by the Board of Directors. These Rules and Regulations are in addition to the use restrictions in your CC&R's, and replace all rules and regulations adopted prior to the date set forth above.

The Rules and Regulations have been designed to encourage Residents to cooperate and to promote the enjoyment and convenience of all. The Rules and Regulations will be interpreted and applied in a reasonable manner.

II. OWNER & RESIDENT RESPONSIBILITIES:

1. Each owner shall keep his separate unit in a good state of preservation and cleanliness.
2. Owners are fully responsible for the actions of their tenants, family members, guests, invitees, and pets and shall be ultimately accountable for all fines and the removal of all violations. Residents shall acquaint their guests with the Rules and Regulations of the Association.
3. Except for emergencies, any complaints, requests or comments by residents or owners must be in writing and signed, and sent to: Board of Directors, Rancho Obispo Homeowners' Association, c/o Farrell Smyth Inc., 21 Santa Rosa Street, Suite 100, San Luis Obispo, CA 93401 (hereinafter "Management").
4. No attachments may be placed on the exterior of a unit without the prior, written approval of Management or the Board of Directors or Architectural

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Review Committee. This includes, but is not limited to, shelving, flower boxes, climbing plants, antennas, awnings, tarps, unsightly objects or debris, or similar items on or around the unit.

VEHICLES & PARKING:

5. Parking is prohibited except in garages or the marked designated spaces of the common areas.
6. No vehicle belonging to any owner, or to an employee, guest or visitor of any owner, shall be parked in such manner as to impede or prevent ready access to any entrance to or exits from the buildings, garages, or parking areas in the complex.
7. No home shall have more than five (5) vehicles parked at it on a regular basis without Board approval.
8. Vehicles shall not be parked across drives, sidewalks, on the wrong side of the street, in front of fire hydrants, alleys, in fire lanes, in emergency access ways, in front of mailboxes, or in front of red curbs. Parking in these areas is strictly prohibited and owners may be subject to fines and/or towing. Short-term use for loading, unloading or washing a vehicle is permitted and the vehicle shall be removed immediately upon cessation or completion of the activity.
9. No automotive repairs, maintenance or restoration are allowed in the common areas, street or driveway unless it is an emergency repair. Driveways shall be kept clean of oil or unsightly spots.
10. Excessively noisy vehicles are not permitted in the complex. "Excessively noisy" will be determined by the Board of Directors by any written complaints received.
11. Commercial vehicles, trailers, campers, RV's, motor homes, boats, utility trailers, non-operative and unregistered vehicles are prohibited from the common areas.
12. Vehicles parked in violation of these Rules & Regulations will be subject to towing at the owner's expense, pursuant to the provisions of California Vehicle Code §22658.

LANDSCAPING:

13. The Association is responsible for maintaining the landscaping located in the common areas.
14. Each owner or resident is required to maintain the landscaping of his/her separate unit in a clean and attractive condition including, but not limited to, the following:
 - a) All lawns must be kept watered, cut, edged and fertilized as necessary to maintain a healthy appearance.
 - b) All plants should be kept free of weeds, and dead plants shall be removed and replaced with like quality.
 - c) Dead trees in the front yard must be replaced.
15. When and if it is determined that landscaping for which the owner is responsible does not meet the conditions previously cited:
 - a) The homeowner will be notified in writing of the problem, of the appropriate steps that are required to correct the problem, and of the time period in which correction action must be taken.
 - b) A hearing will be set by the Board of Directors for the purposes of considering the implementation of fines and/or discipline. The homeowner may be fined in accordance with the fine schedule provided in Rules and Regulations.
 - c) If corrective action is not taken by the homeowner to cure the problem in the time period specified, the Association may arrange to have the landscaping involved brought up to acceptable standards.
 - d) All costs of this corrective action taken by the Association will be levied as a special assessment against the applicable homeowner.

NOISE, NUISANCE & CONDUCT:

16. Owners shall not cause or permit any disturbing noises or objectionable odors to be produced upon or to emanate from their separate unit. No noxious or offensive activities shall be carried on within any separate unit or any common area, nor shall anything be done that may be or become an annoyance or

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nuisance to any other owners, residents, or their tenants, guests, visitors, or employees, or that shall in any way interfere with the quiet enjoyment of each of the owners.

17. No activities shall be carried on within any separate unit or any common area which will or may cause any increase in the Association's insurance premiums or result in the insurance being cancelled.
18. Trash cans and recycle containers must be stored where they are not visible to others from the street. No trash, debris, rubbish of any kind may be accumulated or stored outside your residence or anywhere on the common areas.

PETS:

19. It is the duty and responsibility of each resident and guest to clean up after his/her animals that have defecated on any portion of the common area. Do not allow your pets to defecate or urinate on other residents' property.
20. Residents are liable for any liability that may occur involving their pets or their guest's pets.

OCCUPANCY/RENTAL:

21. All rental properties are required to have a Business Tax Certificate with the City of San Luis Obispo.
22. No more than five (5) adults are permitted to live in a home per San Luis Obispo City Ordinance High Occupancy Residential Use Regulation. Garages are intended for parking. The use of the garage for living or sleeping purposes is in violation of San Luis Obispo City Ordinance.

III. RULES ENFORCEMENT & FINES PROCEDURE:

1. Unit owners are fully responsible for the actions of their tenants, family members, employees, guests, visitors, invitees, and pets.
2. Violations of these Rules & Regulations or other Association governing documents may be reported by any member of the Association by a writing,

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signed by the complainant, directed to the Board of Directors, Rancho Obispo Homeowners' Association, c/o Farrell Smyth Inc., 21 Santa Rosa Street, Suite 100, San Luis Obispo, CA 93401. The name of the complainant will be known only by the Board of Directors and Management Company, unless disclosure is required as part of a court proceeding.

3. Upon receipt of any complaint, the Board of Directors or Management Company must verify the complaint by visual inspection and signed statement, photograph, or other recording.
4. Upon verification of the complaint, the Board of Directors or Management Company, at the Board's request, is authorized to initiate the rules enforcement procedure.
5. If the reported violation is determined by the Board or Management to be accurate, a written notice will be sent to the owner responsible for the violation. The notice will include:
 - a) a reference to the rule being violated;
 - b) a description of the violation;
 - c) a request to comply within fifteen (15) days; and
 - d) a reference to the procedure that describes the subsequent steps that will occur before further disciplinary action is taken.
6. If after fifteen (15) days, the violation is not cleared or is repeated, a second notice will be sent to the responsible owner notifying him/her that a hearing will be held. The letter will include:
 - a) the date, time and place of the hearing;
 - b) the nature of the alleged violation; and
 - c) a statement that the responsible owner has the right to send a letter, send a representative, or appear in person at the hearing and present evidence in their defense.
7. The hearing will be held in executive session unless the responsible owner requests otherwise. At the hearing, the Board of Directors will generally present the facts of the violation to the owner. The owner will be given reasonable time to dispute the reported violation. The owner may present

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witnesses or other evidence, but he/she must do so within the time provided.

8. Within fifteen (15) days of conclusion of the hearing, the owner will be given written notice of the Board's decision, and said decision will be binding on the Association and the owner.
9. If it is determined at the hearing that a violation has occurred, a fine will be levied or other disciplinary action taken in accordance with the Association's approved fine schedule.
10. If the owner does not pay the fine within thirty (30) days, additional fines will be levied in accordance with the Association's approved fine schedule.
11. **If the total amount of fines for one or more violations of an owner reaches or exceeds \$500, the Association is authorized to pursue legal action. The owner will also be liable and responsible for any legal or other related expenses. The Association may pursue injunctive relief for the violation at any time after the first fine is levied.**