

**SERRANO AT
GLENROSE RANCH
HOMEOWNERS
ASSOCIATION
RULES & REGULATIONS**

Adopted: May 24, 2016

**SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
RULES AND REGULATIONS**

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**SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
A PLANNED COMMUNITY
SECTION 1
MEMBERSHIP INFORMATION**

Serrano at Glenrose Ranch Homeowners Association offers many advantages to the homebuyer. In order to protect and preserve these benefits, however, certain limitations and restrictions are placed on members of the Association.

Serrano at Glenrose Ranch Homeowners Association is a California non-profit mutual benefit corporation consisting of those Owners of Lots or Condominiums within the ultimate boundaries of the Association.

The purpose of the Association is to ensure that the Association Property (commonly referred to as common area) and common facilities will be maintained in an attractive manner and will be available for the enjoyment of all Members. Your automatic membership in the Association provides a membership base to share the future costs of maintaining the community.

The attached rules, regulations and policies have been developed with consideration given to providing each Member with the greatest enjoyment of the facilities without infringing on other Members and their rights to quiet enjoyment of their homes and community.

Although these Rules and Regulations support the Covenants, Conditions and Restrictions (herein after referred to as CC&R's) they do not cover the entirety of the document. Please be sure to read the CC&R's carefully. Where there is a conflict between these Rules and Regulations and the CC&R's, the CC&R's shall control.

SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 2
DELINQUENCY POLICY

2.1 Assessments, late charges, interest, collection costs, and any attorneys' fees, are the personal obligation of the owner of the property at the time the assessment or other sums are levied.

2.2 Regular monthly assessments are due and payable on the first day of each month. A courtesy billing statement is sent each month to the billing address on record with the Association. However, it is the owner of record's responsibility to pay each assessment in full regardless of whether a statement is received. All other assessments, including special assessments, are due and payable on the date specified by the Board in the notice imposing such assessment.

2.3 Any payments made shall be first applied to assessments owed, and, only after the assessments owed are paid in full, shall such payments be applied to late charges, interest and collection expenses, including attorneys', trustee or small claims fees, unless the owner and that Association enter into an agreement providing for payments to be applied in a different manner.

2.4 When any regular or special assessment remains unpaid fifteen (15) days past its due date, said assessment may be subject to a late charge not exceeding ten percent (10%) of the delinquent assessment or ten dollars (\$10.00), whichever is greater in accordance with California Civil Code 5650(b)(2), unless the declaration specifies a smaller amount.

2.5 In accordance with California Civil Code 5650(b)(3), the Board of Directors shall impose interest on all sums, including the delinquent assessment, reasonable costs of collection, and late charges, at a rate not to exceed twelve percent (12%) per annum, commencing 30 days after the assessment becomes due, unless the declaration specifies a rate of a lesser amount.

2.6 When any assessment remains unpaid forty-five (45) days past its due date, the Association, through its Management Company, shall mail a Pre-Lien Notification to the owner as required by California Civil Code 5660 by certified and first class mail, to the owner's mailing address of record advising you of the delinquent status of the account, impending collection action and the owner's right to request that the Association participate in the "meet and confer" program or in some form of internal dispute resolution process ("IDR"). The owner will be charged a fee for the pre-lien notification, which shall be charged to the delinquent member's account.

2.7 Within fifteen (15) days from the date of the postmark of the Pre-Lien Notification, a delinquent owner may submit a written request to the Association to meet with the Board to discuss a payment plan for the amount set forth in the Pre-Lien Notification letter. The Board shall meet with the delinquent homeowner in executive session within forty-five (45) days of the date of the postmark of the written request, unless there is no regularly scheduled board meeting within that period. Each request is handled on a case-by-case basis. The Board is under no obligation to grant payment plan requests. Payment plans shall not interfere with the Association's ability to record a lien on an owner's separate interest to secure payment for the owner's delinquent assessments. If the Board authorized a payment plan, it may incorporate payment of ongoing assessments that accrue during the payment plan period. If a payment plan is approved, additional late fees for the homeowner will not accrue while the owner remains

current under the terms of the payment plan. If the owner breaches an approved payment plan, the Association may resume its collection action from the time the payment plan was approved.

2.8 If an owner fails to pay the amounts set forth in the Pre-Lien notification and fails to request IDR within thirty (30) days of the date of the Pre-Lien notification, the Board shall decide, by majority vote in an open meeting, whether to record a Notice of Delinquent Assessment (Lien) for the amount of any delinquent assessments, late charges, interest and/or costs of collection. This lien shall be recorded in the office of the County Recorder and mailed to the delinquent member. A fee for the lien processing work and a fee for the preparation and mailing said Notice of Delinquent Assessment by the Agent, Trustee or Attorney employed by the Association, shall be charged to the delinquent member's account. The lien may be enforced in any manner permitted by law, including without limitation, a small claims judgment, judicial or non-judicial foreclosure.

2.9 The decision to foreclose on a lien must be made by a majority of the Board of Directors in an Executive Session meeting and the Board of Directors must record their votes in the minutes of the next open meeting of the Board. The Board must maintain the confidentiality of the delinquent owner(s) by identifying the matter in the minutes by only the parcel number of the owner's property. Prior to initiating any foreclosure sale on a recorded lien, the Association shall offer delinquent homeowners the option of participating in IDR or Alternative Dispute Resolution ("ADR").

2.10 After thirty (30) days from recording the Notice of Delinquent Assessment, the Association may turn the members account over to the Association's Attorney or Trustee to enforce the lien by proceeding with judicial or non-judicial foreclosure sale when either (a) the delinquent assessment amount totals One Thousand, Eight Hundred Dollars (\$1,800.00) or more, excluding accelerated assessments and specified late charges and fees or (b) the assessments are delinquent for more that twelve (12) months. However, upon review of the Association Member's delinquent account, the Board may decide to take small claims court action. The Association is authorized under California law to charge the owner reasonable costs of collection for any action utilized.

2.11 "IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION".

2.12 An owner is entitled to inspect the Association's accounting books and records to verify the amounts owed on their account pursuant to California Civil Code 5205. If it is determined that the owner has paid the assessments on time, the owner will not be liable to pay the charges, interest, and costs of collection associated with collection of those assessments.

2.13 Owners have the right to provide a secondary address for mailing for purposes of collection to the Association. An owner may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, the Association shall only be required to send notices to the indicated secondary address from the point the Association receives the request.

2.14 Prior to recordation of the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and costs of collection, including attorneys' fees, must be paid in full to the Association. The mailing address for overnight payments of assessments is 16775 Von Karman, Suite #100, Irvine, CA 92606 unless the account has been turned over to

the association's trustee or attorney, then the homeowner would need to call said party for the full amount owed and their correct mailing address.

2.15 The foregoing policies and practices shall remain in full force and effect until such time as they may be changed, modified, or amended in their entirety, by a duly adopted Resolution of the Board of Directors of Serrano at Glenrose Ranch Homeowners Association. This policy is subject to change upon thirty (30) day written notice.

**SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 3
COMMON AREA RULES AND REGULATIONS**

- 3.1 Use of Association Property shall be subject to the provisions of the CC&R's and the Rules and Regulations, and to any limitations imposed by any other Association Documents.
- 3.2 The Community is subject to all federal, state and local requirements of the National Pollutant Discharge Elimination System ("NPDES") adopted pursuant to the Federal Clean Water Act. No Owner may dispose of hazardous waste, substance or material into any storm drain or other drainage device located anywhere within the Community. Homeowners are required to add sandbags to their lots as necessary to prevent any storm water/mud run-off from their lots to the common areas, both pre and post-construction. Homeowners shall maintain and replace sandbags as necessary until yard installation is complete. The following are prohibited:
- Washing, hosing or rinsing of driveways, sidewalks or hardscape into the street.
 - Washing, hosing or rinsing of vehicles into the street.
 - Washing, hosing or spilling of any hazardous materials into the street.

Note: The above can be done provided run-off is diverted into landscaped areas.

**SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 4
TENANT RULES AND REGULATIONS**

- 4.1 The Owner shall have the responsibility to acquaint their tenants and guests with the CC&R's and Rules and Regulations of the Association.
- 4.2 For the purpose of these Rules and Regulations, a tenant shall be defined as anyone in possession of an Owner's residence in exchange for any sort of consideration, or at the sufferance of the Owners.
- 4.3 The rental of any guest or caretaker units (except to family members of the Owner of the respective Lot upon which such unit is located) is expressly prohibited.
- 4.4 If an Owner does not reside in his Residence and has delegated his right of enjoyment of the recreational facilities to their tenant who occupies the Residence they shall not be entitled to the use and enjoyment of any recreational facilities located on the Association Property during the term of such delegation/lease.

SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 5
PARKING RULES

- 5.1 Article VIII, Section 8.2 of the CC&Rs shall govern parking use restrictions. The following parking rules are in addition to the parking use restrictions in Article VIII, Section 8.2 of the CC&Rs.
- 5.2 All persons parking or stopping their vehicle at or on Association property do so at their own risk. The Association is not responsible for any damage or injuries sustained as a result thereof.
- 5.3 Owners shall keep garages readily available for parking of permitted vehicle at all times and shall not store any goods or materials therein or use any portion of the garage for a workshop or other use which would prevent said Owner from parking the number of vehicles therein for which said garage was originally designed and constructed by Declarant.
- 5.4 Certain groups of Lots in the Community may share a Common Driveway that provides physical access only to the Driveway Group. The Owners of Lots in a Driveway Group shall each have perpetual semi exclusive easements for vehicular and pedestrian access, ingress and egress over the Common Driveway such Driveway Group. There shall be no parking on or obstruction of the Common Driveways by residents and/or their guests.
- 5.5 All California, local vehicle, City of Highland and San Bernardino County Fire codes, and posted speed limits will be enforced.
- 5.6 All vehicles parked on the streets must be parked in the direction of the flow of traffic.
- 5.7 Vehicles shall not extend into a sidewalk or impede access over any common area.
- 5.8 Vehicles shall not be parked in front of mailboxes or in any manner which may obstruct access to a mailbox by the U.S. Postal Service.
- 5.9 No trailer, motor home, recreational vehicle, commercial vehicle, boat, camper, U-Haul type vehicle or truck larger than one (1) ton may be parked within the Association (except for temporary parking of any such vehicle) for a period not to exceed four (4) consecutive hours for loading and/or unloading purposes.
- 5.10 No person shall operate an automobile, motorized scooter, moped, motorized razor, golf cart, motorcycle, all-terrain vehicle or any other type of motor vehicle within the Association without a valid driver's license, or a California learner's permit, provided that all conditions imposed on such license or permit are satisfied.
- 5.11 Vehicles parked in a marked fire lane, within 15 feet of a fire hydrant, in a parking space designated for handicapped parking without proper authority, or in a manner which interferes with any entrance to, or exit from, the community or an Owner's separate interest shall be subject to tow, at Owner's expense, without notice.

- 5.12 All drivers operating a vehicle within the community shall abide by all posted traffic control signals and signs, including, but not limited to, all posted speed limits, stop signs, and crosswalks. All persons driving within the Association shall exercise caution and reasonable driving conduct when operating a vehicle. All drivers must be aware that children and those accompanying children cross the streets within the community for ingress, egress and access to and from their respective homes and Common Area facilities.
- 5.13 All persons driving within the Association shall abide by California Vehicle Codes pertaining to school buses. When a school bus is stopped for the purpose of unloading or loading students, regardless of whether the red lights are flashing or any stop signal arm is activated, all approaching vehicles from all directions must stop until all students are loaded or unloaded and the school bus begins to move again.
- 5.14 Contractors shall not leave vehicles or equipment on streets overnight.
- 5.15 Owners shall, at all times, be responsible for their tenant's, guest's, or contractor's compliance with all of the provisions of the Governing Documents and shall be responsible for all parking and traffic violations of their tenants, guests and contractors.
- 5.16 The Association may tow any vehicle which violates these Rules and Regulations, including, but not limited to, any vehicle parked in a "no parking lane" or other area designated or posted "no parking."
- 5.17 The Board may levy a fine for each individual parking or traffic violation, in accordance with the Association's enforcement and fine policy.

SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 6
PET RULES

- 6.1 Problems associated with animals, including noise disturbances and defecation should be directed to San Bernardino County Animal Control at (800) 472-5609.
- 6.2 No animals, including dogs, cats, birds and other domesticated animals, are permitted in any pool area or common facilities at any time.
- 6.3 All owners must obey the City of Highland's "Leash Law" that requires dogs that are not on their own property be on a 6 foot or shorter leash, held by a person who can completely control the dog at all times.
- 6.4 All pet owners will be responsible for cleaning up and properly disposing of their pets waste.
- 6.5 These rules are in addition to the animal restrictions in Article VIII, Section 8.7 of the CC&Rs.

SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 7.1
SIGNAGE RULES

Sub-Index

7.1 General

7.2 For Sale Signs

7.3 Open House Signs

- 7.1.1 No sign or billboard of any kind shall be displayed to the public view on any portion of the Serrano at Glenrose Ranch Homeowners Association Property except for signs used by Declarant (or by a Merchant Builder with Declarant's consent) in connection with the development of the community and sale or lease of Lots and/or condominiums.
- 7.1.2 In accordance with Section 712, 713 and 4705 of the California Civil Code, an Owner may display on his/her Lot or Condominium or on real property owned by others with their consent, or both, signs which are reasonably located, in plain view of the public, are of reasonable dimensions and design, do not adversely affect public safety, including traffic safety, and which advertise the property for sale, lease or exchange, or advertise directions to the property or the Owner's or agent's telephone number.
- 7.1.3 All signs shall comply with the City of Highland Municipal Codes regarding signs and any other applicable governmental ordinances.
- 7.1.4 Signs erected in common areas not complying with the rules will be removed by a representative of the Association.
- 7.1.5 All Owners shall comply with the following Serrano at Glenrose Ranch Homeowners Association "For Sale" and "Open House" Sign Regulations as well as the requirements of Article VIII, Section 8.4 of the Declaration.

SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 7.2
“FOR SALE” SIGN REGULATION

Article VIII, Section 8.4 of the Master Declaration and the City of Highland regulates all signs in Serrano at Glenrose Ranch Homeowners Association. Consistent with these regulations, the Board of Directors has approved the following standards for “For Sale” signs. Homeowners listing their homes with a real estate agent are responsible for ensuring that the agent complies with these standards. Signs deviating from these standards may be moved without notice from the common area. These regulations shall also apply to “For Lease” signs.

- 7.2.1 Residents (or their agents) wishing to advertise "For Sale" for purposes of selling their property must use a standard sign with restrictions on type, design, location, and quantity.
- 7.2.2 Signs are to conform to the following specifications:
 - (a) The total sign area shall be contained within a 12" x 18" area.
 - (b) The top of the sign shall not exceed 4' above ground level.
- 7.2.3 The sign must be professionally prepared on weather-resistant material.
- 7.2.4 Only one sign is permitted per dwelling unit. Brochure boxes, attached riders, sold signs, flags, banners, balloons and promotional paraphernalia are prohibited. Additionally, only the brokerage firm name or “For Sale by Owner” with the owner’s or agent’s address & phone number may be included on the sign.
- 7.2.5 The sign may be placed no further away from the dwelling unit than half the distance between the dwelling and the sidewalk. No sign shall be attached to the ground by means other than a conventional single vertical stake which shall not exceed 2" x 3" in diameter. Posts, pillars, frames, or similar arrangements are prohibited.
- 7.2.6 Signs are not permitted on Serrano at Glenrose Ranch Homeowners Association property except that a maximum of one "Open House" directional sign per change of direction may be placed at street intersections. However, in no case may there be more than one "Open House" directional sign per corner.
- 7.2.7 Developer is exempt from these restrictions during the entire sales phase.
- 7.2.8 Property owners who fail to comply with this policy will be subject to enforcement in accordance with the Enforcement Policy.

SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 7.3
"OPEN HOUSE" SIGNAGE ON COMMON AREAS

Article VIII, Section 8.4 of the Master Declaration and the City of Highland regulates all signs in Serrano at Glenrose Ranch Homeowners Association. Consistent with these regulations, the Board of Directors has approved the following standards for "Open House" signs. Homeowners listing their homes with a real estate agent are responsible for ensuring that the agent complies with these standards. Signs deviating from these standards may be moved without notice from the common area.

- 7.3.1 Residents (or their agents) wishing to advertise "Open House" for purposes of selling their property must use a standard sign with restrictions on type, location, and quantity.
- 7.3.2 Signs are to conform to the following specifications:
 - (a) The total sign area shall be contained within a 12" x 18" area.
 - (b) The top of the sign shall not exceed 4' above ground level.
- 7.3.3 The Owner of the sign shall identify the sign as his/hers with their initials in an area no larger than 2" x 3".
- 7.3.4 A maximum of one sign (in total) per change of direction may be placed at street intersections. At a four-way intersection there are four corners where only four signs may be placed.
- 7.3.5 Signs may not remain on common areas overnight.
- 7.3.6 Brochure boxes, attached riders, flags, banners, balloons and promotional paraphernalia are prohibited. Additionally, only "Open House" and a directional arrow may be included on the sign.
- 7.3.7 "Open House" signage may be posted on Saturdays and Sundays only and at a frequency of two weekends per month maximum.
- 7.3.8 The Owner of the property for sale is solely responsible for adherence to these and all other Serrano and Glenrose Ranch Homeowners Association Rules and policies.
- 7.3.9 Property owners who fail to comply with this policy will be subject to enforcement in accordance with the Violation Enforcement Policy.

SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 8
CONTRACTOR GUIDELINES

Association members are responsible for the actions of any contractor they hire to perform work in the Community and to ensure that any contractor hired adhere to the following:

- 8.1 Contractor shall abide by all traffic safety rules and signs, posted and otherwise. The Association is a family community – watch for children playing.
- 8.2 Vehicles and other equipment must be parked in such a manner so as not to block traffic or access to fire hydrants, driveways, streets or mailboxes.
- 8.3 Contractors shall not leave vehicles, equipment, trash, construction debris or material on streets overnight.
- 8.4 Contractors shall adhere to all Local Ordinances in the performance of work.
- 8.5 Portable toilets are not allowed unless approved by the Board in writing.
- 8.6 Dumpsters shall be maintained in a neat and sanitary manner on the residential lot during construction. Materials shall be placed so that they are not visible outside of the dumpster. A regular dumping service shall be retained a minimum of once per week. Dumpsters are not permitted in condominium communities, on shared driveways, streets, or on association maintained property.
- 8.7 Community landscaped areas and sidewalks shall be protected during construction. The Association will repair any damage to the common area caused by any construction activity and will either back-charge the lot owner or will deduct the cost thereof from the construction/clean up deposit. For major remodels, the Association reserves the right to require screened fencing, which includes the use of a six foot chain link fence and frontage gate secured by a dark green mesh behind the sidewalk, which shall be maintained in good condition and all construction materials must be kept behind the fence.
- 8.8 If lumber or other packaged material is unloaded in the street, street access must not be blocked and safety warning devices must be used while the material is being unloaded. The maximum length of time that material can be stockpiled in the street is four (4) hours. Unpackaged material, such as sand or soil, may not be unloaded in the street. Stockpiling in the street is prohibited.
- 8.9 No construction equipment, materials, debris or trash shall be allowed to accumulate or be stored on the properties.
- 8.10 Contractors shall not bring or use alcohol or recreational drugs on site.
- 8.11 Contractors shall not bring dogs on site. Contractors shall only be allowed to bring onto the properties persons who are working with contractor on the construction project.

- 8.12 Contractors must take all necessary safety precautions and shall erect and maintain barriers, lights, signs and other safeguards to give adequate warning to everyone on or near the site of dangerous conditions associated with their construction activity.
- 8.13 All construction activity must comply with local governmental codes/permits as well as plans approved by the Association's Architectural Committee.
- 8.14 At the end of the work day, the streets must be left broom clean. All debris (i.e. paper, bottles, cans and litter) must be removed from the job site on a daily basis. Street washing is strictly prohibited.
- 8.15 Contractors shall not play radios or other musical appliances so that the sound extends across the lot property lines. Contractors shall minimize noise impacts from generators or other construction equipment.
- 8.16 Contractors must perform work in accordance with Best Management Practices and the Master Water Quality Management Plan (i.e. Erosion and sediment controls must be in place. Washing must be confined to the lot area. Materials may NOT be discharged into the storm drain).
- 8.17 Any contractor violating these rules may be subject to immediate denial on entry into the community until a hearing can be held to address the violation with the responsible owner.

SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 9
POOL RULES

9.1 Pool Facility Hours shall be as posted.

9.2 Reservations

❖ Individual homeowners may not reserve pool area facilities for exclusive use.

9.3 Pool Manager

❖ Any problems should be reported immediately to management.

9.4 General Pool Facility Rules

9.4.1 Owners are permitted to host no more than six guests in the pool area at any given time provided the resident sponsors and their guests are courteous of the neighbors and control noise.

9.4.2 Use the pool at your own risk. The Association assumes no responsibility for any accident or injury in connection with such use or for any loss or damage to personal property. This also applies in the event that a pool monitor is staffed on the premises.

9.4.3 If Owner elects to rent or lease his/her dwelling unit and gives right of access to pool area facilities to Lessee, the Owner relinquishes his/her access rights.

9.4.4 Use of the pool facilities and common area is a privilege which is enjoyed by all Owners or occupants, however, consideration of others concerning noise is also important.

9.4.5 Conduct by an Owner or occupant which deprives any other Owner or occupant use of the pool or common property shall not be allowed.

9.4.6 Pool Furniture is available on first come, first serve basis and may not be taken out of the pool area for any reason at any time.

9.4.7 Owners are not permitted to bring additional furniture and/or equipment into the pool area.

9.4.8 Guests may make use of the swimming pool only when accompanied by the resident host. Guests not accompanied by a resident host is a violation of these rules and any unaccompanied guest(s) may be requested to leave the premises.

9.4.9 All swimmers must shower before entering the pool and must wear a bathing suit (no ragged-edged garments are allowed.) Showers are only for persons using the facilities and not for individual personal hygiene not related to use of the facility.

9.4.10 **Swim diapers and plastic pants, specifically for pool use, must be worn in the pool by all users with incontinence issues and children who wear diapers.**

- 9.4.11 Any individual with a condition or disease which may be transmitted through pool water or open sores will not be permitted to use the pool facilities.
- 9.4.12 For shoulder length hair or longer, it is recommended that hair be tied back, braided or cap worn (hair clogs the drains).
- 9.4.13 The following rules shall apply:
- i. No running or "horse play" on pool deck.
 - ii. No "horse play" in the swimming pool.
 - iii. No ball/Frisbee or object throwing.
 - iv. No gum in pool area.
 - v. No skateboards/bicycles/tricycles/skates/roller blades/scooters or the like inside fenced area.
 - vi. No toys in pool area.
 - vii. No glass bottles or other glass containers/objects inside fenced area.
 - viii. No pets or animals inside fenced area.
 - ix. No unduly loud or disturbing noise inside the fenced area.
 - x. No radios/playback sound devices without headsets inside the fenced area.
 - xi. No diving from benches, tables or other facility structures inside the fenced area.
 - xii. No rafts, inflatable toys, or diving rings during busy periods, which shall be at the discretion of the lifeguard (if staffed) or roving patrol. Lifejackets are always allowed.
 - xiii. No "boogie boards".
 - xiv. **No smoking.**
 - xv. No pool furniture in the pool.
 - xvi. Anyone urinating or defecating in the pool is subject to immediate removal from the pool and pool area and imposition of appropriate discipline, after notice and hearing, which may include suspension of privileges to use pool area facilities, monetary penalties and charging residents with all costs of draining and cleaning of pool. Residents are also subject to discipline, including but not limited to, imposition of fines, for such actions by themselves or their guests.
- 9.4.14 Any damage to equipment or furnishings must be reported promptly. Members responsible for the damage will be required to immediately reimburse the Association for losses related to the damage.
- 9.4.15 The "buddy system" is recommended to be used by all swimmers at all times. For safety no one should swim alone.
- 9.4.16 All gates must remain closed and locked at all times.
- 9.4.17 Any resident or resident's guest caught jumping the fence to any gated facility will be asked to leave the facility for the day and a letter will be sent to the homeowner. Non-resident violators will be turned over to the police as trespassers.
- 9.4.18 Violation of these rules may result in a verbal warning, time-out period, ejection for the day or suspension of privileges.

**SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 10
TOT LOT RULES**

- 10.1 Tot Lot hours are as posted.
- 10.2 Children under 12 should be supervised by parents/guardians/persons over 18 at all times.
- 10.3 Use of Association Property shall be subject to the provisions of the CC&R's and the Rules and Regulations, and to any limitations imposed by any other Association Documents.
- 10.4 The Tot Lot area is for the use of Association members and their guests. Guests must be accompanied by a Member at all times. Member is responsible for the conduct of their guests.
- 10.5 The Tot Lot may not be used for commercial purposes other than those endorsed by the Association.
- 10.6 Management reserves the right to close any of the facilities at any time in order to repair, clean and maintain premises.
- 10.7 Public broadcasting (i.e. deejays), skate boarding, roller blading, and motorized equipment (i.e. scooters) are prohibited at all times.
- 10.8 Residents who procure a bounce house must name the Association and the management company as additional insureds by endorsement to their homeowner's policy and the bounce house company's policy. Copies of such endorsements shall be provided to the Association before any bounce house is placed.
- 10.9 Waterslides or temporary pools are not permitted.
- 10.10 Smoking is not allowed at any of the Tot- Lots parks within the community.

**SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 11
NEIGHBOR TO NEIGHBOR DISPUTE POLICY**

- 11.1 The Association will not become involved in neighbor to neighbor disputes unless the issue involves Association common property.

**SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 12
STORM DRAIN WATER RUN-OFF POLICY**

- 12.1 Any fines assessed by a City, County or government agency that are assessed as result of acts by an Owner or their guest(s) will be passed along to the Owner in the form of a “Special Assessment” or “Reimbursement Assessment”.
- 12.2 Any assessment related to storm drain violations and collection thereof will be subject to the Delinquency Policy of the Association.

**SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 13
INTERNAL DISPUTE RESOLUTION POLICY**

Pursuant to Civil Code § 5900, the purpose of the Internal Dispute Resolution (IDR) Policy is to provide a fair, reasonable and expeditious procedure for resolving a dispute between the Association and a Member involving the parties' rights, duties, or liabilities under the Davis-Stirling Common Interest Development Act, Civil Code § 4000 *et seq.*, under the Nonprofit Mutual Benefit Corporations Law contained in Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code, or under the governing documents of the Association.

13.1 (a) The Internal Dispute Resolution (IDR) process may be begun by either the Association or the Member (the "requesting party") requesting the same, in writing, and serving the other party (the "responding party") with a copy of the written request ("the Request") by certified mail. If the process is invoked by a Member, the Association shall participate. If the process is invoked by the Association, the Member may elect not to participate in the procedure. Should the Member elect not to participate in the procedure, however, the Member shall thereby waive any right to appeal or ask the Board of Directors to reconsider any decision it may make regarding the dispute.

(b) If a Member is the responding party and agrees to participate in IDR, the Member shall return a written response ("the Response") accepting the Association's Request for IDR.

13.2 In response to a request for IDR, the Board shall appoint one or more board members (or other person(s) who is/are not a member of the Board) to be representatives of the Board, and set the parameters within which the Board's designated representative(s) may propose to resolve the dispute.

Within fifteen (15) days after the next regularly scheduled Board meeting following the Association's receipt of a Request for IDR, the Board shall inform the Member by first class mail, of the representative or representatives it has designated to represent the Association in the process, together with a proposed date, time and place for the Association's designated representative(s) and the Member to meet and confer in an attempt to resolve the dispute. The parties shall schedule and conduct the meeting within thirty (30) days following such designation.

13.3 The parties are encouraged not to involve their attorneys in the IDR process, so that the parties may feel free to engage in direct and informal discussion. Any discussions relating to an IDR are considered confidential settlement discussions. Should the Member decide to bring his/her/its attorney to the meet and confer or mediation, or if the Member is an attorney, the Member shall give the Association ten (10) business days' written notice of the same by fax, overnight mail or overnight delivery, so that the Association can arrange to have its attorney attend as well.

13.4 Whether the parties meet and confer or mediate their dispute, they shall each have the opportunity to state and explain their positions regarding the issue or matter in dispute. If during the meet and confer or mediation the Member and the Board's representative(s) reach an agreement in principal regarding the manner in which the dispute may be

resolved, they shall put the agreement in writing and the Member shall sign it. At the next regularly scheduled meeting following the meet and confer or mediation, the Board of Directors should consider the agreement and, if it is approved by a majority vote of a quorum of the Board, the appropriate officer(s) shall sign the agreement, at which time the agreement shall become binding upon the Association and the Member. The agreement shall only become binding and enforceable upon the parties if such action is taken by the Board of Directors and it is not in conflict with the law or the Association's governing documents. Should the Board of Directors decide to become bound by, and therefore sign, the agreement, a copy of the signed agreement shall be returned to the Member within fifteen (15) days following the Board's execution of the agreement, and the original of the agreement shall be maintained in the Association's business records.

**SERRANO AND GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 14
ENFORCEMENT POLICY**

Discovery of Violation

- 14.1 Any violation that is an alleged violation of the Association's governing documents or Rules and Regulations will be processed according to the procedure outlined herein.
- 14.2 In the event the Board of Directors determines a violation of the Association's governing documents exists, the Board would act as follows:
- 1) Send a letter to the Owner stating the alleged violation and date needed to cure said violation.
 - 2) Upon expiration of the cure date, if the violation still exists, the Owner will be asked to attend a hearing with the Board of Directors.
 - 3) The Owner will be notified as to the decision rendered by the Board as a result of the hearing. If the Owner is found to be in violation of the Serrano at Glenrose Ranch Homeowners Association documents, the Board will either (a) seek remedy by use of alternative dispute resolution such as mediation or arbitration; (b) levy a Compliance Assessment; (c) temporarily suspend the voting rights attributable to the Owner's Lot or condominium; (d) temporarily suspend rights to use any common recreational amenities located on the Serrano at Glenrose Ranch Homeowners Association; (e) enter upon a Lot or condominium to monitor and enforce compliance; (f) record a notice of noncompliance; or (g) a combination thereof.
 - 4) If the decision is to pursue a monetary fine system, the Association's Fine Schedule will apply.
- 14.3 For more serious violations, which are within the sole discretion of the Board to decide, the matter may be immediately set for a hearing, and the matter may be referred to the Association's attorney for more immediate pursuit of appropriate legal action.

NOTE: A violation is defined as an act or failure to act, by a Member that, in the opinion of the Board of Directors, is in conflict with the CC&R's, Bylaws, Rules and Regulations and/or Design Guidelines of the Association.

**SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 15
FINE SCHEDULE**

15.1 If the result of the hearing is a monetary fine, the following fine schedule will apply:

- a) For violations of time frames for completion of landscaping and landscape installation compliance, the homeowner may be assessed a \$50.00 fine following the first hearing, a \$100.00 fine following the second hearing, and will continue to double (up to a \$1,000.00 fine) following every hearing thereafter. Violations for commencing construction without obtaining DRC approval, the homeowner may be assessed up to a \$1,000.00 fine following the first hearing and each hearing thereafter.
- b) For all other violations, other than damage to common area, a fine of \$50.00 following the first hearing, \$100.00 following the second hearing, and will continue to double (up to a \$1,000.00 fine) following every hearing thereafter may be levied.
- c) For tree topping and any other intentional damage to common area, a fine of up to \$1,000.00 will be applied.

15.2 Any fines not paid may result in legal action in accordance with California law.

15.3 The Board may determine to use alternative dispute resolutions or cause correction of the violation to effect a cure and the Owner may be responsible for legal fees and/or reimbursement of costs to the Serrano at Glenrose Ranch Homeowners Association.

NOTE: Should a violation occur which imposes a financial obligation on the Association, the party responsible for said violation shall reimburse, by way of a Special Assessment, the Association for this financial obligation. If, for example, a party damages a fence, tree or any other Association Property, repair and replacement costs will be charged to that party.

**SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 16
ELECTION RULES**

16.1 **Application of Rules:** These rules shall apply to any meeting of the membership or solicitation of membership approval by a ballot vote.

16.2 **Qualifications for Membership Voting:** Pursuant to the Association's governing documents, the Association has the following voting classes:

(a) **Class A Members.** Class A Members shall originally be all Owners except Declarant for so long as there exists a Class B Membership. Class A Members shall be entitled to one (1) vote for each Condominium owned by such Class A Members and subject to assessment. Declarant shall become a Class A Member with regard to Condominiums owned by Declarant upon conversion of Declarant's Class B Membership as provided below. When more than one (1) Person owns any Condominium, all such Persons shall be Members. The vote for such Condominium shall be exercised in accordance with Section 2.6, but in no event shall more than one (1) Class A vote be cast for any Condominium.

(b) **Class B Members.** The Class B Member shall be Declarant. The Class B Member shall be entitled to three (3) votes for each Condominium owned by Declarant and subject to assessment. The Class B Membership shall cease and be converted to Class A Membership immediately upon the first to occur of the following events:

- (1) The second anniversary of the first Close of Escrow in the most recent Phase of Development; or
- (2) The fourth anniversary of the first Close of Escrow in Phase 1.
- (3) One hundred twenty (120) days after the date by which seventy five percent (75%) of the total Units planned for the Property have been conveyed to Unit purchasers.
- (4) Five (5) years following the Recordation of the most recently recorded Notice of Addition.

In addition, Declarant as the Class B Member shall be entitled to appoint a majority of the members of the Board at the first annual meeting of the Association ("Declarant's Board Appointment Right").

The Board may fix a record date for notice and voting in accordance with Corporations Code Section 7511 or as addressed in the Bylaws. In the absence of a specific resolution of the Board, the record date for determining the right to receive notice and to vote shall be the date that ballots are mailed.

Following Notice and Hearing in compliance with Corporations Code section 7341, the Association's Board of Directors may terminate or suspend any Owner's right to vote as a penalty for violation of the Association's governing documents.

The authenticity, validity and effect of all ballots shall be determined by the Inspector(s) of Election on the night of any election. The polls for any vote of the membership shall be open from the date the Secret Ballot is mailed and shall be closed at the time that envelopes are opened, unless the Inspector determines another time for the polls to close.

- 16.3 **Qualifications of Candidacy on the Board:** **WILL FILL IN ONCE BYLAWS ARE RECEIVED**
- 16.4 **Nominations:** **WILL INSERT NOMINATION REQUIREMENTS/COMMITTEE ONCE BYLAWS ARE RECEIVED**
- 16.5 **Solicitation Materials:** Every Candidate and Member shall have equal access to the Association mailings, newsletters, and website, if any access is provided, for the publication of view points reasonably related to any issue presented for membership vote.
- 22.5.1 **Content:** The Association shall not edit or redact any content from these messages, but may include a statement specifying that the Candidate or Member, and not the Association, is responsible for the content of any published statement.
- 22.5.2 **Limitation on Publication Space Made Available:** So long as each Candidate and/or Member is provided the same opportunities for publication, the Association may restrict the availability of any publication by limiting the printing space made available or the number of words that will be included from each Candidate or Member included in the publication. In the absence of more restrictive limitations adopted by the Board for any particular matter, each Candidate and/or Member should be limited to no more than 200 words for any one publication. The Board may, in its sole discretion, present a candidacy questionnaire with questions for all interested Candidates and/or Members to complete. If such a questionnaire is provided, then the Association will only print the answers to such questions and may impose a limitation upon the number of words for the response to any question presented.
- 16.6 **Proxies:** Every member entitled to cast a vote at a meeting of the members shall be entitled to vote either in person, or by proxy. In order to be valid, proxies must satisfy the requirements of California Civil Code Section 5130. The granting of a proxy shall not authorize the retrieval of any ballot previously cast. Ballots, once cast, are final and irrevocable.
- 16.7 **Availability of Meeting Space:** Access to common area meeting space, shall be made equally available, at no cost, to all Candidates and/or Members desiring to use such space for any reason reasonably related to a membership vote. The Association may meet the requirements of this section by hosting a "Meet the Candidates Night", or other such special meeting, so long as every Candidate and/or Member is provided with an equal opportunity to participate in the event.

16.8 **Selection of Inspector of Election: WILL INSERT INSPECTOR OF ELECTIONS INFO ONCE BYLAWS ARE RECEIVED**

16.9 **Meeting Conduct:** Any inspection of ballots shall be done at an open meeting of the membership or the Board of Directors. Any Candidate or Member may observe the count, but shall stand at least five feet away from the Inspector(s). Candidates and/or Members may not harass, cajole or otherwise interfere with the Inspector(s) of Elections while the count is taking place. Members or persons not specifically authorized to do so may not touch any secret ballot or other election materials. All ballots will be made available for inspection by any Candidate or Member during regular business hours at the Association's management office once the meeting is concluded. Any person violating this Section may be asked by the Inspector of Elections to leave the meeting to prevent further disruption.

**SERRANO AT GLENROSE RANCH HOMEOWNERS ASSOCIATION
SECTION 17
PRIVACY POLICY**

- 17.1 California statute currently allows a member of an Association to request and obtain a membership list, including members' names and addresses. **Unless you "opt out", then the Association may be required to release your personal contact information in response to such a request.**
- 17.2 **California Code of Civil Procedure Section 5220 allows a member to request to be removed from the membership list to prevent release of their private contact information to a member requesting the membership list.** In order to opt-out of the membership list, you must notify the Association **in writing**. By opting-out, you are notifying the Association that you prefer to be contacted via the alternative process described in Corporations Code Section 8330(c), which requires the association to mail information directly to a member, rather than releasing that member's private contact information.
- 17.3 If you chose to opt-out of sharing your name, property address, and mailing address under the membership list, pursuant to Civil Code Section 5220, the opt-out designation shall remain in effect until changed by you, by written notification to the Association's Managing Agent.

**THE MATERIAL CONTAINED WITHIN THIS PACKET IS NOT INTENDED TO BE
SUBSTITUTED FOR THE SERVICES OF AN ATTORNEY. THE LAW AND ITS
INTERPRETATION ARE CONSTANTLY CHANGING.
PLEASE CONSULT YOUR PROFESSIONAL ADVISOR REGARDING YOUR
INVOLVEMENT IN THIS ASSOCIATION.**