

**LIQUID SUGAR
OWNERS ASSOCIATION**

COMMUNITY GUIDELINES

Approved: _____

LIQUID SUGAR OWNERS ASSOCIATION Community Guidelines

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I. MEMBERSHIP INFORMATION

The Liquid Sugar Owners Association offers many advantages to the homeowner. In order to protect and preserve these benefits, certain limitations and restrictions are placed on Members of the Association.

The Liquid Sugar Owners Association is a California non-profit Association consisting of those Owners of residences within the ultimate boundaries of Liquid Sugar. (the "Project").

The purpose of the Liquid Sugar Owners Association is to ensure that the 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 Liquid Sugar Owners Association provides a membership base to share the costs of maintaining the community now and in the future.

The attached community guidelines 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 community guidelines support the Community Declaration, they do not cover the entirety of the document. Please be sure to read the Community Declaration carefully.

II. GENERAL GUIDELINES

A. COMMON AREA RULES AND REGULATIONS

1. All persons residing within the Project may enjoy the use of all facilities in the Common Area as long as they abide by the terms of the Project Documents.
2. There shall be no obstruction of any part of the Common Area. Nothing shall be stored or kept in the Common Area (excluding Exclusive Use Common Area) without the prior consent of the Board.
3. Nothing shall be done or kept in the Common Area which will increase the rate of insurance on the Common Area without the prior consent of the Board.
4. No Owner shall permit anything to be physically done or kept in the Common Area or any part of the Project which might result in cancellation of insurance on any part of the Common Area, which would interfere with the rights of other Owners, or which would be a nuisance, noxious, harmful or unreasonably offensive to other Owners.
5. No Owner or Invitee shall perform any act which results in damage to the Common Area.

B. USE AND OCCUPANCY OF RESIDENCES

1. The Residences shall be used as a dwelling for single family and for no other purpose.
2. An Owner may rent his/her Condominium to a single family provided that the Condominium is rented pursuant to a lease or rental agreement which is (a) in writing and (b) subject to all of the provisions of the Project Documents.
3. No business of any kind shall be established, maintained, operated, permitted or constructed in any portion of the Project.
4. At the request of the Association, the Owner of any Condominium subject to a lease or rental agreement must provide the Association with the names of the tenants of the Condominium, and the Owner's current mailing address.
5. No Unit shall be permanently occupied by more than two (2) persons per bedroom.
6. No Owner may permit or cause anything to be done or kept upon or in a Unit which might obstruct or interfere with the rights of other Owners or which would be noxious or harmful or unreasonably offensive to other Owners.
7. Each Owner shall comply with all of the requirements of all federal, state, and local governmental authorities, and all laws, ordinances, rules and regulations applicable to the Owner's Condominium.

C. TENANT RULES

1. The Owner shall have the responsibility to acquaint their tenants and guests with the Liquid Sugar Project Documents.

2. For the purpose of these Community Guidelines, a tenant shall be defined as anyone in possession of all or part of an Owner's residence in exchange for any sort of consideration.
3. The Owner will, at all times, be responsible for his or her tenant's compliance with all of the provisions of the Liquid Sugar Project Documents. Penalties and other actions to correct violations will be assessed against the Owner even though tenant committed the violation.
4. The Owner is solely responsible for payment of assessments. Owners cannot delegate this responsibility to their tenants. Failure to pay the assessment will result in a notice of lien and potentially, foreclosure.
5. Any Owner who rents or leases his/her Condominium is responsible for assuring that the tenants and occupants of his/her Condominium comply with the Restrictions.

D. GARBAGE AND REFUSE DISPOSAL

1. All garbage, trash and accumulated waste material shall be placed in appropriate covered containers. Containers for recyclable materials need not be covered.
2. Any containers provided by the Association may be stored in locations designated by the Board.
3. Containers provided by Owners may be placed on Common Area or where visible only on the night before and the day after that pick-up is to occur.

E. NUISANCES

1. Noxious and offensive activities in the Community or on any public street abutting or visible from the Community are prohibited.
2. No activity shall take place that may be or may become a serious annoyance or a nuisance to other residents and interfere with the quiet enjoyment of their homes.
3. No activity shall take place that may in any way increase the rate of insurance for the Community, or cause any insurance policy to be cancelled or cause a refusal to renew the insurance.
4. The Association is entitled to determine if any noise, odor, or activity producing such noise or odor constitutes a nuisance.

F. PARKING RULES

1. Vehicles shall not be parked anywhere in the Project except in Parking Spaces and in areas designated and established for the parking of passenger motor vehicles ("Park Areas") or wholly within garages or upon public streets.
2. All Parking Areas shall be used solely for the parking of motor vehicles used for personal transportation.

3. No boat, trailer, camper, commercial vehicle, mobile home or recreational vehicle shall be parked or stored in any Parking Area.
4. No inoperable or abandoned vehicle may be parked or stored anywhere within the Project at any time.
5. No vehicle with a business sign (including lettering on doors) may be parked or stored anywhere within the Project except entirely within a garage.
6. No outside storage is permitted in the parking areas which shall be kept free of obstruction and available for their designated use at all times.
7. Garage doors shall remain closed, except when a garage is in use. Garages shall be kept sufficiently clear as to permit parking of the number of vehicles for which the garage was designed.
8. No workbenches may be installed within a garage, no power equipment may be operated in a garage and no hobby activities may be conducted within a garage.
9. No garage and no part of the Project shall be used for repair, construction or reconstruction of any vehicle or for the washing of any vehicle.
10. No resident in the Project shall park in any Parking Area designated as "guest parking".
11. As long as applicable ordinances and laws are observed, including the requirements of Section 22658.2 of the California Civil Code, any vehicle which is in violation of this Declaration may be removed.

G. SIGN RULES

1. All signs displayed on the Project shall be attractive and compatible with the design of the Project and shall comply with all applicable local ordinances. The only signs of any kind which may be displayed to the public view on or from any Unit or the Common Area shall be as follows:
 - (a) signs may displayed by Declarant on Common Area or unsold Units, as Declarant deems appropriate, advertising Condominiums owned by Declarant for sale or rent;
 - (b) signs required by legal proceedings may be displayed;
 - (c) appropriate signs may be displayed by the Association to identify the Project;
 - (d) one (1) sign of reasonable dimension may be placed within the window of a Unit advertising the Condominium for sale or rent; and
 - (e) other signs, posters and notices approved by the authorized by the Board.

H. PET RULES

1. An Owner may keep not more than a total of two (2) dogs, cats and other customarily uncaged household pets within the Owner's Unit. Each Owner may also maintain a reasonable number of small caged animals, birds or fish.
2. Unless the Rules increase the number or type of animals which may be kept, no other animals or pets are permitted in the Project.
3. The Board shall have the right to prohibit the maintenance of any pet which, after Notice and Hearing, is found to be a nuisance to other Owners.
4. No animal may be kept for commercial purposes.
5. No dog shall be allowed in the Common Area unless it is under the control of a responsible person by leash other means.
6. Each Owner or Invitee shall restore the Common Area to the condition it was immediately preceding its use by any dog permitted on the Common Area by the Owner or Invitee.

III. ENFORCEMENT GUIDELINES

ENFORCEMENT POLICY

Any complaint that is an alleged violation of the Association of Liquid Sugar Owners Association Project Documents will be processed according to the procedure outlined herein.

- A. Discuss with your neighbors issues and concerns which are bothering you is the first step in this process.
- B. If you find you have difficulty dealing with your neighbor over a problem which is in violation of the Community Guidelines, contact your Management Company.
- C. In the event two or more Members of the Association or Board of Directors file a Community Guidelines Violation Report (see Exhibit A), the Board will take the following steps:
 - (1) Send a violation letter stating the alleged violation and date needed to cure such violation.
 - (2) Send a second letter with a notice of hearing date to the Owner if violation is not cured.
 - (3) A hearing is set not less that fifteen (15) days from date of written notice for the hearing.
 - (4) Owner is present in person or by written response to the alleged violation at a hearing before the Board. A written decision will be sent to the Owner following the hearing. (Please see Exhibit B – Procedure for Owner Hearing.)
- D. 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 Association's documents, the Board will either (a) levy a Special Assessment, (b) suspend or condition the Owner's right to use any common area facilities the Association owns, (c) suspend the Owner's voting privileges as a member, (d) enter upon a Condominium to perform maintenance which is the responsibility of the Owners, (e) record a notice of noncompliance if allowed by law, or (f) a combination thereof.
- E. If the decision is to pursue a monetary fine system, the Liquid Sugar Owners Association Fine Schedule will apply.

NOTE: A violation is defined as an act in conflict with the Community Declarations, Bylaws, Community Guidelines and Design Guidelines of the Association. Please be sure to read the Community Declaration carefully.

FINE SCHEDULE

1. A letter will be sent to the Owner stating the alleged violation.
2. A second letter will be sent to the Owner stating the alleged violation continues and this letter will request the Owner appear before the Board.
3. If the result of the hearing is a monetary fine, a fine of \$50 will be applied to the Owner's account.
4. If the violation continues past the hearing and first fine stage, additional hearings will be scheduled with the Owner and the fines may be doubled with each hearing. Any fines not paid may result in legal action in accordance with California law.
5. 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 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 Reimbursement 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.

(EXHIBIT A)
LIQUID SUGAR OWNERS ASSOCIATION
RULES AND VIOLATION REPORT

There must be two Owners representing two Condominiums of the Association to pursue violations that cannot be viewed during an inspection of the Property (i.e., barking dog, noise nuisance, garage storage, etc.). Please be as specific as possible to allow the Board to expedite the process in a timely manner. All alleged violations will be evaluated to ensure they are considered an infraction as defined by the Association's legal documents.

REPORT FILED BY:

Name: _____	Name: _____
Address: _____	Address: _____
Phone: _____ Date: _____	Phone: _____ Date: _____
Signature: _____	Signature: _____
Name: _____	Name: _____
Address: _____	Address: _____
Phone: _____ Date: _____	Phone: _____ Date: _____
Signature: _____	Signature: _____

VIOLATION INFORMATION:

Name: _____ Address: _____ Phone: _____
(Alleged Violator's Name) (If Known)

Description of alleged violation:

(If additional space is needed, please use reverse side of form.)

Dates and times alleged violation occurs? _____
How often does the alleged violation occur? _____

(EXHIBIT B)
LIQUID SUGAR OWNERS ASSOCIATION
PROCEDURE FOR OWNER HEARING

1. Introductions and hearing session procedures.
2. Statement of violation by acting chairperson.
3. Invitee's statement and presentation of oral or written evidence.
4. Review of Community Declaration requirements, Bylaws, and Community Guidelines of the Association.
5. Discussion and questioning of the invitee by the Board.
6. Questions and final statement by invitee.
7. Owner is thanked for coming and told that they will be notified of the Board's decision within ten (10) business days.
8. Board ruling without Owner present.
9. Enforcement procedures as applicable.
10. Adjournment.

DOCUMENTATION

Name of Invitee: _____ Phone Number: _____

Address: _____

Nature of Alleged Violation: _____

Board Ruling: _____

Additional Comments: _____

Date: _____

(EXHIBIT C)
LIQUID SUGAR OWNERS ASSOCIATION
DELINQUENCY POLICY

1. Assessments are due and payable in full on the first day of each month. All other charges including but not limited to late fees, interest, collection costs and fines are due as incurred. All assessments, late fees, interest and collection costs are subject to the Delinquency Policy.
2. Payments received will be applied in the following order: Unpaid principal including assessments and special assessments levied in accordance with the Declaration and Civil Code, late fees, collection fees, interest and CC&R's violation fees.
3. Any request for special consideration must be submitted to the Board prior to the assessment becoming more than forty-five (45) days past due.
4. NOTICE OF STATUTORY RIGHT OF ALTERNATIVE DISPUTE RESOLUTION ("ADR"). California Civil Code Section 1366.3 provides for the resolution of disputes regarding non-payment of assessments through ADR as set forth in California Civil Code Section 1354, provided that the owner within thirty (30) days of the recording of a Notice of Delinquent Assessment, does all of the following:
 - a. Pays in full to the Association the amount of the assessments in dispute, late charges, interest and all fees and costs associated with the preparation and filing of a Notice of Delinquent Assessment (lien), including all mailing costs, and including attorney's fees not to exceed four hundred twenty-five dollars (\$425).
 - b. That during said thirty (30) days following the recording of the Notice of Delinquent Assessment (lien), the owner states to the Association in a written notice, mailed by certified mail, that the amount is paid under protest.

<u>ACTION TO BE COMMENCED</u>	<u># OF DAYS AFTER DUE DATE</u>	<u>CHARGE TO HOMEOWNER'S ACCOUNT</u>
5. Late fee assessed on past due assessments.	15	\$10.00
6. Management sends a past due statement for all outstanding charges on the account. (Assessments, late fees, interest, collection)	30	No Charge
7a. An 'Intent to Lien' package is sent to the owners by certified mail. Charge incurred for this package will be levied against the delinquent account.	45	\$70.00
b. Documents and processing provided in accordance with Speier Bill (CC1367) including account detail, Delinquency Policy, and Fine Policy. The Owner may also be charged a Title check fee.		
8a. A Notice of Delinquent Assessment Lien will be filed against the delinquent property and charges for its processing and recording will be levied against the delinquent account.	75	\$150.00
b. Copy of recorded document will be sent to owners of record by certified mail in accordance with Speier Bill (CC 2924b).		\$10.00/each
9. Upon receipt of payment in full, a Release of Lien will be recorded. Copies will be sent to all owners of record.		\$25.00
10. Upon authorization of the Board of Directors, a Notice of Intent to Foreclose will be sent to the owner. Delinquent owner will be liable for payment of fees and costs. Copies will be sent to the owners of record.	90	\$25.00
11. Account will be referred to the Association attorney or collection agent. All legal fees and costs of collection will be charged to the delinquent owner.	105	Legal fees and costs
12. Interest will be charged on all assessments, late fees, interest and collection fees.	30	12% per annum
13. Copies of documents to multiple owners of record in accordance with Speier Bill: <ol style="list-style-type: none"> a) One copy only b) Handling fee for additional copies 		No charge \$10.00
14. Preparation of Proof of Claim related to owner Bankruptcy proceedings.		\$100.00

All fees may be subject to change without notice.