Rules and Regulations

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Preamble

The following are Rules and Regulations for Madera Estates Homeowners Association adopted, revised, codified and restated as of the 17th day of May, 2011 by the Board of Directors of Madera Estates pursuant to the authority granted to the Association in Article 6, Section 45 of the Declaration of Madera Estates Homeowners Association. These Rules supersede previously adopted Rules on the same topic(s). These Rules are intended to supplement the Declaration of Covenants and other governing documents of the Association. If any provisions in these Rules conflict with those in the CC&R's or other governing documents, then those in the CC&R's and other governing documents will supersede and apply.

We are living in close association with our fellow resident and common courtesy dictates that our actions not infringe on the rights of other residents. These Rules are designed to ensure that each of us achieves the maximum enjoyment of our homes. Each member of the community, whether owner, tenant or guest, must abide by the standards of the community and comply strictly with the Declaration, Bylaws and these Rules to promote the harmony and cooperative purpose of the community. Each owner is fully responsible for the compliance of their family members, guests, tenants and other occupants of the owner's unit while they are within the Madera Estates Homeowners Association boundaries.

These rules are intended to provide additional incentive for compliance by owners who violate the requirements and provisions of the governing documents, not supplant or amend them, and in the event of an inconsistency or conflict between these Rules and the governing documents of the Association, the governing documents provisions will supersede and apply.

Enforcement is as follows: - 1st offense = Courtesy notice to the owner and occupant - 2nd offense = \$50.00 - 3rd offense = \$100.00 - 4th offense = \$200.00 for incidents or conduct occurring within a twelve month period of time.

The property owner has ten (10) days from the time of notification to correct the issue. If they do not comply with in the ten (10) day time frame the ongoing offense will incur fines until they are in compliance. A homeowner can request for additional time, if necessary, pending the Board's approval.

Penalties assessed against a property owner shall be collectable as delinquent assessments.

Any fine(s) which are not paid in full as of the thirtieth (30) day of the month, finance charges at the rate of 12 percent (12%) per annum will accrue, which the Manager is authorized and directed to charge and collect from any delinquent homeowner.

WITH RESPECT TO CONTINUING VIOLATIONS, EACH DAY ON WHICH A VIOLATION CONTINUES SHALL BE CONSIDERED A SEPARATE VIOLATION AND MAY BE GROUNDS FOR THE FILING FOR INJUNCTIVE RELIEF OR DAMAGES.

As used in these Rules, "Governing Documents" means the Declaration, the Articles, the Bylaws and the Rules of the Association adopted as provided in the Declaration and Bylaws, as these documents may be lawfully amended and/or adopted from time to time.

As used in these Rules, "homeowner" means anyone who occupies a home as a permanent residence or who stays overnight at any residence for more than fourteen (14) days in any calendar month or more than thirty (30) days per calendar year.

As used in these Rules, "related party" means any person who has been certified in a written document filed by a homeowner with the Association to be the parent-in-law, sibling, sibling-in-law, parents sibling, or lineal descendant of the owner or the lineal descendant of any of the foregoing persons, the officer, director or employee of any owner which is a corporation, or the partner of employee of any owner which is a partnership.

As used in these Rules, "renting" or "leasing" a residence means the granting of a right to use or occupy a residence, for a specified term or indefinite term (with rent reserved on a periodic basis), in exchange for the payment of rent (that is, money, property or other goods or services of value).

As used in these Rules, "tenant" means and includes a tenant, lessee, renter or other non-owner occupant of a residence that is not occupied by its owner. For the purpose of the Rules, the term tenant shall not include

a related party.

Article 1: Complaint Procedure and Enforcement

1.1

The Board of Directors has the authority to enforce the rules. Please notify the management company or a Board member if there is a problem within the community. The Board may delegate to the management company the authority to take rules enforcement action consistent with the Due Process Rules Enforcement Procedures, including contacting violators to seek compliance and issue warnings.

1.2

Owners are responsible for the conduct of all members of their family or household and for the conduct of their tenants, guests, and any other occupants, and each owner and tenant is jointly and individually financially responsible for any damage done to the common property of other owners by all the members of their family or household, their tenants and their guests.

Both the owner and a non-owner violator may be penalized for violation of the rules. Penalties assessed against the property owner shall be collected as delinquent assessments.

1.3

Enforcement of these Declarations, Bylaws and Rules and Regulations shall be done in accordance with the DUE PROCESS RULES ENFORCEMENT PROCEDURES FOR MADERA ESTATES HOMEOWNERS ASSOCIATION which may be adopted and amended from time to time in the same manner as the Rules and Regulations, and which shall be deemed to be a part hereof. The Due Process Rules Enforcement Procedures are below.

Article 2: Complaint Procedure

2.1 Investigation

When a possible violation is reported to or otherwise becomes known to the Association, it will be investigated by the Board or its designated representative(s), and a determination made as to whether a violation has actually occurred.

2.2 Notice of Violation

If a violation is found, written notice of the violation will be sent or delivered to the offending homeowner giving him/her a deadline date for compliance. The deadline given in such notice letters will be as reasonable time period within which to correct the violation and fully comply. In each case or matter, the Board will consider the nature of the violation, the circumstances of the owner and the property, and what it will take to correct the non-compliance in order to determine a reasonable time period deadline to give the owner to comply. If such Notice warns that fines will be imposed if compliance does not occur by a certain date, the Notice will also inform the owner of the right to request a hearing concerning the imposition of fines, pursuant to the provisions below in Section 3.

2.3 Rule – Legal Action

If the owner sent a notice of violation does not timely comply and correct the violation, the Association may assess or levy fines against him/her and the lot according to the Fine Schedule as set forth in the Preamble. Additional fines may continue to be assessed while the legal action is in process, if the homeowner continues to violate the requirements of the governing documents. All attorney's fees and costs shall be awarded to the prevailing party and recoverable from the losing party in any action, lawsuit or other proceeding involving the enforcement of the governing documents.

Notwithstanding anything to the contrary herein, in the Board's discretion, legal action may be taken against the violating homeowner at any time after a compliance deadline is given to the owner, and nothing in these Rules is intended to waive or otherwise modify the Association's legal right(s) to take other enforcement measures in order to secure or achieve compliance.

2.4 Further Compliance Action by the Association

Notwithstanding anything to the contrary in these Rules, the Association shall in all cases of a violation have the right to exercise the "self help" provisions in Article 14 of the CC&R's, which gives legal authority to the Association to enter upon an owner's property and to abate, correct and/or remove, at the expense of the owner, anything that exists which constitutes or involves a CC&R violation. Additional fines and legal expenses will continue to accrue and be assessed against the violation owner while the violation is being corrected by the Association under the "self help" provisions of the stated CC&R's Article 14.

Article 3: Request For Hearing/Opportunity To Be Heard

3.1 Introduction

Any homeowner found by the Board to be in violation of governing documents provisions or requirements may request a hearing to offer a defense to, or to explain extenuating circumstances regarding, the imposition of fines.

3.2 Request of Hearing

The homeowner must complete a written Request for Hearing which shall be mailed or delivered to the Association. The appeal request must contain the following:

- a. Homeowner's name and address;
- b. Homeowner's reasons, basis and defense for the hearing;
- c. A copy of all supporting documentation;
- d. The name of any attending witnesses or other collaborating guests;
- e. The homeowner's signature and date of the Request for Hearing.

3.3 Hearing Procedure.

- a. The homeowner will be sent confirmation by the Association of its receipt of the Request for Hearing.
- b. The Board will appoint and assemble a minimum of three (3) (or more at the Board's discretion) current members of the Association and/or the Association's Board of Directors, or appoint and name a representative designated by the Board to act as a Review Board (the "Review Board") within seven (7) calendar days following receipt of a written Request for Hearing complying with the information requirements set forth above.
- c. No later than ten (10) calendar days following the formation of the Review Board, the Review Board shall mail or deliver notice to the appellant owner of a hearing date, which notice will provide the date, time, and location of the hearing, which is to be determined by the Review Board.
- d. The Review Board will permit the appealing homeowner up to thirty (30) minutes to explain the circumstances of the matter and provide grounds as to why the fine should be waived, reduced or cancelled.
- e. At the conclusion of the presentation, the hearing will adjourn, and the Review Board will review the circumstances of the Request for Hearing as presented.
- f. Within seven (7) calendar days of the hearing, the Review Board will mail or deliver written notice to the homeowner of the Review Board's decision.

- g. If the Review Board finds in favor of the homeowner, it will advise the homeowner as to whether the violation and/or the fines originally imposed are reduced, modified, or waived. Any adjustment(s) shall reflect on the homeowner's account the following month.
- h. If the Review Board determines that the owner's explanation or defense presented at the hearing was inadequate or otherwise failed to justify a reduction, modification, or waiver of the violation and/or fines, the owner will be so notified, in which case the fines imposed will continue as owed to the Association until paid in full regardless of whether the violation has since been removed or corrected. In any event, if the Review Board finds against the homeowner, the fines will continue to accrue until full and adequate compliance occurs by homeowner.

Article 4: Exterior Conditions

4.1

All structures upon a lot at all times shall be maintained in good condition and repair. All trees, hedges, shrubs, flowers and lawns shall be neatly maintained and cultivated so that the lot is not detrimental to the neighborhood as a whole. If any lot owner is not maintaining his/her property to the extent that it is determined a nuisance by a majority of the Board of Directors of the Association, then the Association shall give notice to the owner setting forth the complaint in detail. If after the fourth (4th) notice the lot is not being maintained to the above standards, the Board may provide such maintenance and all fines and costs will be assessed to the homeowner and shall be collectable as delinquent assessments.

4.2

No unsightly condition shall be permitted to exist on any lot. Unsightly conditions shall include, without limitation, laundry hanging or exposed in view for drying, litter, trash, junk or other debris, inappropriate, broken or damaged furniture or plants; non- decorative gear, equipment, can, bottles, ladders, trash barrels and other such items and no awnings, air conditioning units, heat pumps or other projections shall be placed on the exterior walls of any housing unit unless prior written approval shall have been obtained from the ACC.

4.3

No sign shall be erected or maintained on any lot except that not more than one "For Sale" or "For Rent" sign placed by the owner or by a licensed real estate agent not exceeding 24 inches high and 36 inches long may be temporarily displayed on any lot. This restriction shall not prohibit temporary placement of political signs on any lot by the owner.

4.4

No structure of a temporary or removable character, including but not limited to, a trailer, mobile home, basement, tent, shack, garage, barn or any other building that shall be kept or used on any lot at any time as a residence.

4.5

No mechanical auto repair shall be conducted upon the lot, except minor maintenance and mechanical work by a resident of the Property on said resident's private vehicle, provided that any such conduct be in a manner which is not offensive to persons residing in the neighborhood, is not unsightly, does not result in unusual noise or debris being placed upon the lot and is in keeping with the residential development.

4.6

The exterior of all construction on any lot shall be designed, built and maintained in such a manner as to blend in with the natural surroundings, existing structures and landscaping. Exterior trim, fences, doors, railings, decks, eaves, gutters, and the exterior finish of all garages, and other accessory buildings shall be

designed, built and maintained to be compatible with the exterior of the structure they adjoin. All additions and changes shall require ACC approval. The Architectural Control Process is below:

- a. All Lot Owners shall submit an Architectural Control Committee request for variance for construction activity of any type including clearing and grading, cutting or transplanting or significant natural vegetation. Variance is required for any building, structure, fence or other improvement including hedges, walls and exterior color changes.
- b. The ACC request must be made in writing and include at a minimum, the building plans, specifications, plot plans, and landscape plan showing the nature, kind, shape, height, materials, exterior color and location of such building, structure or other improvements have been submitted an approved in writing by the ACC as to harmony of exterior design and location in relation to and its effect upon surrounding structures and topography.
- c. The ACC have 30 from the date of submission to approve variance requests.
- d. No structure such as but not limited to basements, tent, shack, garage, barn or other temporary or movable building may be erected or placed on the owners lot unless authorized in writing by the ACC.

4.7

All seasonal decorations, including outdoor holiday lights, shall be removed no later than thirty (30) days after the holiday or celebration for which they are displayed. Consideration of neighbors should be exercised when decorating for any occasion. All holiday lighting should be considered temporary and may not be installed prior to thirty (30) days of the holiday and must be removed within thirty (30) days after the holiday or celebration. Holiday or celebratory decorations may not include any audio that can be heard beyond the limits of the lot.

4.8

Per the Federal Communications Act of 1996, satellite dishes must be thirty-nine (39) inches, or smaller, in diameter. They must be placed on the property in the least obtrusive position without interfering with receiving the frequency and not on front of property or house.

The Association does not intend by this restriction to do anything which imposes unreasonable delay or expense to the installation of dishes, or to preclude or prevent reception of a quality signal for dishes. We believe that this is a fair and reasonable balance between the right and need of owners to receive quality signal or reception from dishes and the need to protect the esthetics/attractiveness of our community and quality of life for all owners.

Under FCC regulations the Association is not permitted to require prior submittal and approval before installation of a dish, and this Policy does not do that. However, Owners are subject to and must comply with this Policy, and if an owner does not, the Association has the legal right to require owner's compliance.

These rules, regulations and guidelines apply to all dishes and their associated components, including without limitation those placed on posts or other free standing support structures, which due to installation and use location are visible from the street.

- a. Size restrictions: No antenna, satellite or microwave dish or other device for transmission or reception of television or radio signals (collectively "dish") over one (1) meter in diameter may be constructed, installed, erected, used or maintained on any Lot, except to the extent that the Federal Communications Act and the Regulations adopted pursuant to such Act (collectively, the "FCC Rules") control the subject matter or are deemed to modify or supersede the provisions of this Policy.
- b. Preferred Placement of Dishes & Requirements:
- 1. Installation in the back on the home or in the backyard: It is preferred that dishes be installed in the back on the home or in the backyard of the Lot. Dishes should not be visible from the street and may not be placed on posts or other free standing support structures (collectively "posting") unless such placement area or posting is uniquely necessary in order to obtain reception of quality signal, i.e., there

is no other placement area or method of placement on owners' Lot or home in the rear on the home or in the back yard area which will give a reception of quality signal. If a dish is installed in the front on the home or Lot, Owner must provide the Association with a written opinion or statement from the dish vendor or installer that there is no other placement location that will provide reception of quality signal and/or that placement elsewhere in accordance with these Association preferences would have caused additional expense or unreasonable delay in installation of the dish compared to vendor or installer's typical or usual placement or methodology of installing such dishes (based on how most home installations are performed by installer or vendor for a home and situation similar to owner's home).

In the event owner shows a need to install the dish in the front on the home or in the front yard area of the Lot based on a vendor or installer's written opinion, owner must take steps to reasonably screen the dish with landscaping shrubs or bushes subject to prior approval of such landscaping by the Association and/or paint the dish a color that blends into the background of the home or Lot colors, all provided that landscaping and/or painting will not interfere with reception or impose unreasonable costs on owner.

2. No placement on posts/support structures in front yard: If it is shown by owner to the Association that placement of the dish needs to be in the front of the home based on the above provisions, dishes may not be placed on posts or other supports in the front yard area unless that is uniquely necessary in order to obtain reception of quality signal, i.e. placement on the front or a side of the home walls or roof will not give a reception of quality signal. If a dish is installed in the front area of the home or Lot on a post or other free standing structure (and is visible from the street), Owner must provide the Association with a written opinion or statement from the dish vendor or installer that there is no other placement location or method that will provide reception of quality signal and/or that placement elsewhere in accordance with these Association preferences would have caused additional expense or unreasonable delay in installation of the dish as compared to vendor or installer's typical or usual placement or methodology of such dishes (based on how most home installations are performed by installer or vendor for a home and situation similar to owner's home).

The same screening and/or painting provisions apply to this subsection as set out in subsection 1 above.

- 3. Regardless of whether placement is in the front or back of a Lot, if it is on a post or other free standing structure in the yard and visible from the street or to neighbors, the Association may require it to be screened by shrubbery subject to prior approval of the shrubbery by the Association and/or the dish to be painted a color that blends into the background of the home or Lot colors, all provided that landscaping and/or painting will not interfere with reception or impose unreasonable costs on owner.
- c. Retroactive Application: This Policy will apply retroactively to and be enforceable as to all owners, including those with dishes pre-existing this Policy. However, the Board will be sensitive to the circumstances and exercise reasonable measures regarding application of this Policy to owners with dishes in place before its adoption.
- d. Further Association Authority: The Board has the authority from time to time to adopt further Policies and/or reasonable Rules and Regulations governing antennas and satellite dishes it considers reasonably necessary, which are not in conflict with federal laws and rules pertaining to such devices.
- e. Severability or Policy Provisions: If any of these Policy provisions conflict or are inconsistent with federal laws or rules and regulations adopted by agencies pursuant to such laws, the federal laws and rules will supersede and apply; provided, however, that the provisions in this Policy that do not so conflict will continue to operate and apply to owners and the community.

4.9

No antennas of any kind that are visible from the street or to neighbors may be installed on any property in Madera Estates. A variance may be submitted to the Board for review.

Article 5: Garbage and Refuse

5.1

No garbage, refuse, rubbish, cuttings or debris of any kind shall be deposited or left upon any lot unless placed in an attractive container suitably located and screened from public view. All equipment for the storage or disposal for such materials shall be kept in a clean and sanitary condition. Yard rakings, dirt, and other materials resulting from landscaping work shall not be dumped into streets or on Lots.

Article 6: Noise and Offensive Activities

6.1

No noxious or undesirable thing, or noxious or undesirable use, shall be permitted or maintained within any portion of the property. If the Board of Directors determines that a thing or use is undesirable or noxious, that determination shall be conclusive. The use of illegal fireworks and the use of motorcycles for purposes other than transportation to and from Madera Estates shall be considered a nuisance and is prohibited. Likewise, all owners shall be considerate of all other owners and shall limit noise from radios, vehicles, etc, according to any Rules and Regulations established by the Association. Violation of any such Rule or Regulation shall be deemed a nuisance. The use of firearms in the community is prohibited.

6.2

THE CONDUCT OF VISITORS, IN OR OUT OF THE RESIDENCE, IS THE RESPONSIBILITY OF THE RESIDENT AND THE PROPERTY OWNER.

Article 7: Vehicle Parking

7.1

Except with approval from the Board of Directors, Owners at no time shall keep or permit to be kept on their lot for more than forty-eight (48) hours for the purpose of loading/unloading and/or maintenance any house trailer, unattached camper, recreation vehicle (R.V.), mobile home, boat or boat trailer, unless the same is housed within a garage or fully screened from view. Such screening must be approved by the ACC prior to installation.

7.2

No vehicle may be parked on a lot, except on designated and approved driveways or parking areas, which areas shall be hard surfaced. Only the cars of guests and visitors may be parked on the streets, on a temporary basis. All other vehicles shall be parked in garages or on driveways located entirely on a lot. Vehicles that are parked in the driveway, but that are blocking the common area sidewalk, are considered in violation of this rule.

7.3

No owner shall permit any vehicle which is in an extreme state of disrepair to be abandoned or to remain parked upon any lot or on any street for a period in excess of forty-eight (48) hours.

7.4

Auto repair must be conducted in the Owners garage except on the occasional casual repairs and maintenance such as tune-ups and oil changes.

Article 8: Pets, Livestock & Poultry

8.1

No animals, livestock, poultry or reptiles of any kind shall be raised, bred or kept on any lot except dogs, cats, or other household pets may be kept on a lot provided that they are not kept, bred or maintained for commercial purposes.

8.2

A pet's owner is responsible for removal of any excrement left by his/her pet on another Owner's property or any Common Area.

8.3

All dogs must be kept on a hand held leash when outside and all other pets must be kept in yards unless accompanied by a lot owner.

8.4

Dogs which bark continuously or repeatedly will not be tolerated at Madera Estates Homeowners Association and the Humane Society may be contacted.

Article 9: Business & Commercial Use of Property Prohibited

9.1

No trade, craft, business or manufacturing enterprise, or business or commercial activity of any kind shall be conducted or carried out in any house, garage, or within the Property itself, unless the following conditions are met: (1) the building associated with the business or commercial use must serve as the primary residence for that building's Owner or tenant; (2) no vehicle associated with the business or commercial use shall be parked outside of an enclosed garage for more than three (3) days in a thirty (30) day period; (3) the existence or operation of the business is not apparent or detectable by sight, sound, or smell, from outside the building; (4) the business activity does not involve regular visitation of the Property by clients, customers, suppliers, or other business invitees or door-to-door solicitation of owners; and (5) no goods, equipment, vehicles, and/or materials and supplies used in connection with any trade, service, or business shall be kept, parked, or stored outside of a building, or garage, for more than three (3) days without being removed.

Editorial Note: Adopted May 17, 2011, effective July 1, 2011.