

**LOS VERDES PARK UNIT ONE
HOMEOWNERS' ASSOCIATION INC.
92 Los Verdes Drive, San Luis Obispo, CA 93401**

RULES AND REGULATIONS

Adopted October 14, 1997 and Amended March 13, 2000

These revised Rules and Regulations were adopted by the Board of Directors of Los Verdes Park Unit One Homeowners' Association Inc. on October 14, 1997 and amended March 13, 2000 in accordance with Section 3.7 of the Association's First Restated Declaration of Covenants, Conditions and Restrictions (CC&R's).

Monetary penalties may be imposed or the use of Common Area Recreation Facilities may be suspended for failure to comply with the Association's Governing Documents and Rules and Regulations.

1. APPLICABILITY OF RULES

All owners and tenants are subject to the rules, limitations and restrictions in the CC&R's, Bylaws, and Park Rules and Regulations. Owners are required to provide a copy of these Rules to their tenants. If a residence is sold, the selling owner is required to provide a copy of the Articles of Incorporation, CC&R's, Bylaws and Park Rules and Regulations to the prospective purchaser. (CC&R's 2.2 and Bylaws 6.4)

2. NOTICES

2.1. Tenants: Non-resident Owners must provide written notice to the Secretary of the Association, 92 Los Verdes Drive, San Luis Obispo, CA 93401 of the names and phone numbers of their tenants. Non-resident owners must also inform the Association in writing as to whether the rights to use the recreational facilities have been delegated to the tenants. (CC&R's 2.4)

2.2 Selling Owners: If a residence is sold, the selling owner must provide written notice to the Secretary of the Association, 92 Los Verdes Drive, San Luis Obispo, CA 93401 of the name, address and phone number of the new owner.

3. ARCHITECTURAL CONTROL

No "improvement" (defined in CC&R's 1.16) to any residence, the common area or common area facilities may be started or installed until such improvement has been submitted to and approved in writing by the appropriate Association Architectural Committee. The term "improvement" does not include projects restricted to the interior of any residence. Interior gardens in atriums, patios or entrance enclosures, container plantings and plantings of annual flowering plants do not require Architectural

Committee Approval. Homeowners should review the rules of the Landscape Architecture Committee before starting planting projects. (CC&R's Article V)

4. USE OF PROPERTIES

4.1 Illegal Activities, Unreasonable Annoyance. No illegal activities or activities which are an unreasonable annoyance or nuisance to neighbors are permitted. Noise, such as barking dogs, live and recorded music, stereo amplifier systems, television systems, motor vehicles or power tools, which would unreasonably disturb any other resident is not permitted in the Park. (CC&R's 6.3)

4.2 Temporary Structures. No temporary structure is permitted to be used as a residence. (CC&R's 6.5)

4.3 Advertising Signs. No advertising signs are permitted except signs required by legal proceedings or "For Sale," "For Lease," or "For Rent" signs not larger than 18 inches by 24 inches. (CC&R's 6.6)

4.4 Business Activities. No business or commercial activities shall be conducted without the prior written approval of the Board. This requirement does not prohibit activities otherwise compatible with residential use permitted under applicable zoning laws or regulations without the necessity of first obtaining a special use permit or specific governmental authorization. (CC&R's 6.7)

4.5 Trash. Residents are not permitted to accumulate rubbish, trash or garbage at any residence, patio area, driveway or lawn. Trash located outside the interior walls of a residence must be stored inside appropriate covered disposal containers. Except on trash pickup days, such containers must be located on the owner's residential area and must be screened from view from any street, neighboring lot or common area. Fines and penalties may be imposed for accumulation or disposition of rubbish, trash or garbage in a manner inconsistent with Association rules. (CC&R's 6.8)

4.6 Storage of Personal Property. Storage of personal property on any Residential Parcel must be entirely inside enclosed storage areas. Woodpiles or storage piles may not be accumulated on lawn areas. Firewood may be stacked on patio areas. (CC&R's 6.9)

4.7 Laundry. No washing or drying of clothes in a manner which is visible from any neighboring lot or the Common Area. (CC&R's 6.10)

4.8 Antennas and Dishes. Antennas and similar devices for television and radio broadcast reception are permitted, but the diagonal or diameter measurement must not exceed 36 inches. Such devices may not be installed without the prior written approval of the Structural Architectural Committee. (CC&R's 6.11)

4.9 Fire Hazards. No exterior fires are permitted except contained in barbecue equipment located on patio areas. No activities are permitted which would create a fire hazard or which are in violation of local fire regulations. (CC&R's 6.12)

4.10 Sports Apparatus. No basketball standards or other fixed sports apparatus is permitted on any residential parcel. (CC&R's 6.13)

4.11 Machinery or Other Equipment. No machinery or equipment may be placed, operated or maintained on any Residential Parcel except machinery or equipment as is usual or customary with the use, maintenance or repair of a private residence. (CC&R's 6.14)

5. PETS

The following restrictions regarding the care and maintenance of pets must be observed: (CC&R's 6.4)

5.1 Household Pets. A reasonable number of household pets may be kept by Owners and tenants. Pets may not be kept, bred and maintained for commercial purposes. No other animals, livestock or poultry may be kept in the Park.

5.2 Leashes Required. Dogs are allowed on the Common Areas only when they are on leashes and under the supervision of their owners. No pet shall be left chained or tethered in any unfenced area.

5.3 Removal of Pet Wastes. Pet owners are responsible for the removal and prompt disposal of pet wastes deposited by their pets. Disposal of pet wastes is not permitted under or in Park landscaping.

5.4 Person Responsible for Pet Conduct. Each person bringing a pet on Park properties is solely responsible for the conduct of the pet.

5.5 Areas Where Pets Are Prohibited. Pets are not allowed within the gated recreation area including in and around the pool, the weight room, the club room, as well as the tennis or basketball courts.

6. PARKING AND VEHICLE RESTRICTIONS

6.1 Speed Limit. The speed limit for motor vehicles in the Park is 15 miles per hour.

6.2 Authorized Vehicles. Only "authorized" vehicles are permitted to be parked by any Owner or resident within the Park. Only the following vehicles are "authorized" vehicles: standard passenger vehicles, including motorcycles, bronco and blazer type trucks, and trucks which do not exceed one ton in gross weight. Boats, trailers, campers, recreational vehicles, commercial vehicles as defined in §260 of the California Vehicle Code and trucks in excess of one ton in gross weight are not "authorized" vehicles and are only permitted within the Park as provided in subparagraph 6.7 below. (CC&R's 6.16)

6.3 Permitted Parking. All authorized vehicles or trailers must be parked in a garage, driveway, or in guest parking areas, or in the owner's assigned space in the Park's RV Storage Area. Guest parking spaces are any permitted parking spaces other than garages and driveways. Residents are required to make full use of their own garages and driveways before using guest parking. Parking in guest parking spaces from midnight to 6 a.m. seven days a week will be reserved for bona fide guests. Guest permits, each specific to the specific unit and usable for one 72-hour period, will be provided to each unit. When a unit has used a guest permit, another guest permit will be supplied upon return of the used permit to the manager, provided

the privilege is not abused. Abuse includes, but is not limited to, 1. Using guest permits on cars driven by residents of the park, 2. Using an expired guest permit more than its intended single-use life, 3. Repeated parking with an expired or altered permit, 4. Use by one unit of guest permits issued to another unit. Decision to suspend or deny altogether the issuing of guest permits to a unit shall be an action of a vote of the majority of the Board of Directors and shall not be at the discretion of the manager.

6.4 Prohibited Parking or Vehicle Storage. No vehicles may be parked in red curb zones, on sidewalks, on lawns, or blocking driveways. Vehicles parked in prohibited areas will be towed from the Park at the owner's expense. Any vehicle continuously parked in guest parking without a specific variance will be subject to towing at the owner's expense. Vehicles determined by the Board to be stored in guest parking will be towed at the owner's expense.

6.5 Vehicle Repair. Except for emergency vehicle repairs, no motor vehicle may be constructed, reconstructed or repaired within the Park. No dilapidated or inoperable vehicle, including vehicles without wheels or an engine, may be stored in the Park. Major vehicle repairs or restoration is only permitted if conducted entirely within the resident's garage and in a manner that does not cause another vehicle or trailer to be parked in violation of these Rules. The Board may prohibit the activity entirely if the Board determines that the activity is being conducted in a manner that constitutes a nuisance or causes an unreasonable interference with neighbors' quiet enjoyment of the Park. The restrictions imposed by this Rule are not intended to prohibit routine vehicle maintenance such as the changing of oil, the replacement of an air filter or other similar routine vehicle maintenance activities that can be completed in a few hours, so long as that maintenance is conducted on the resident's driveway or in the resident's garage. (CC&R's 6.16)

6.6 Driveways. All driveways must be maintained in a neat and orderly condition. Vehicles parked in driveways are not permitted to extend into the street.

6.7 Parking Restrictions on Unauthorized Vehicles. Campers, boats, trailers, motorcycles, commercial trucks and other trucks in excess of one ton are not permitted to be parked in the Park (other than in enclosed garages) except for periods not to exceed 72 hours for the purpose of loading and unloading. Campers, trailers and recreational vehicles may be parked in the Park's RV Storage Area as permitted in accordance with these Association Rules and as provided in subparagraph 6.9 below. Small campers and other recreational vehicles used for daily transportation are limited to parking in driveways and enclosed garages. (CC&R's 6.16)

6.8 Inoperable Vehicles. Any motor vehicle or other wheeled vehicle, resident or non-resident owned, which appears to be abandoned, has an expired license plate, is wrecked, non-operable, or deemed to be in one or more of these categories by the Board, and parked in the Park, including the RV Storage Area, in violation of these Rules will be towed at the owner's expense.

6.9 RV Storage Area. Unless recreation vehicles, such as campers, motor homes, boats, and utility or travel trailers, are parked in the resident's private enclosed garage, such items must be parked in an assigned space in the Park's RV Storage Area if space is available. Vehicles, trailers, or boats acceptable for parking in the RV Storage Area must fit within the striped space assigned.

6.10 Assignment of RV Storage Spaces. Spaces in the RV Storage Area are numbered and assigned. Since only a limited number of spaces are available, spaces are assigned first to resident owners. If additional spaces remain, they will be assigned to other Park residents whose names are on the waiting list. Persons who wish to be assigned a space or who wish to be added to the waiting list should contact the Manager at 545-7870. Assigned spaces are not transferable. Vehicles, trailers or boats wait-listed for space in the RV Storage Area must be stored outside the Park until space becomes available.

6.11 Fee for RV Storage. The fee for each assigned space is \$120.00. The check must be made payable to Los Verdes Park Unit One Homeowners' Association Inc. The fee will be prorated for periods less than one year. The RV Storage fee must be paid at the time the space is assigned.

6.12 Unacceptable for RV Storage Area. The following vehicles are unacceptable for storage in the Park's recreation vehicle storage area:
Commercial vehicles as defined in #260 of the California Vehicle Code and trucks in excess of one ton in gross weight, pickup trucks, automobiles, inoperable vehicles, vehicle frames, and/or parts or any other type of item deemed inappropriate for storage by the Board of Directors may not be stored in the RV Storage area.

6.13 Variances. If an owner or resident believes that he or she should be granted a variance from any of the parking or vehicle restrictions contained in the CC&R's or these Rules, that person may apply to the Board for a variance. A variance will be granted only if the Board, in its sole discretion, determines that the activity permitted by the variance will not materially or adversely compromise the purposes and intent of the parking and vehicle restrictions.

7. ENFORCEMENT OF PARKING AND VEHICLE RESTRICTIONS

Section 6.7 of the CC&R's authorizes the Association to enforce the Parking and Vehicle restrictions as set forth in the CC&R's and in these Rules and Regulations including the speed limit and towing of vehicles illegally parked.

8. ACTIVITIES AFFECTING INSURANCE

No activities are permitted in the Park which will increase the rate of insurance relating thereto on any policy maintained by the Association without the prior written consent of the Association. No owner shall permit anything to be done or kept on his or her residential parcel or within the Common Area which would cause any improvements to be uninsurable against loss by fire or casualty or result in the cancellation of insurance any residential parcel or any part of the Common area. (CC&R's 6.19)

9. USE OF RECREATION FACILITIES

9.1 Admittance. Admittance to the recreational facilities is only by key. Climbing over fences or propping open the gates is prohibited.

9.2 Keys. Each owner is responsible for the safekeeping of his or her residence's key to the recreation facilities. The owner is responsible for providing the key to the new owner if the residence is sold. If the owner delegates the use of the recreational facilities to his or her

tenant(s), the owner is responsible for providing the key to the tenant. If the key is lost, a replacement will be issued only after the owner posts a two week notice of loss and pays a \$50.00 key replacement fee to the Association.

9.3 Hours of Use. Use of all recreational facilities is not permitted after 10:00 P.M. or before 7:00 A.M.

9.4 Club Room Reservations. The Club Room may be reserved by residents for social events. Other recreation facilities may not be reserved. Reservations may be made by contacting the manager at 545-7870. The Association has imposed a \$20.00 non-refundable reservation fee and a \$50.00 security deposit both payable at the time of reservation. Both checks must be payable to Los Verdes Park Unit One Homeowners' Association Inc.

Persons reserving the Club Room must agree to the following terms and conditions in writing at the time of making the reservation:

- a) The reservation is for the club room only and does not include other recreation facilities. The other facilities, such as the pool, Jacuzzi, and weight room, will remain open for use by other Park residents.
- b) The maximum number of persons permitted in the Club Room is 45.
- c) The gates to the recreation area must not be propped open. The host or hostess of the event must station someone at the gates to admit guests and to prevent unauthorized admittance to the area.
- d) The Club Room and recreation area must be vacated and locked by 10:00 P.M.
- e) All garbage and trash must be taken out immediately after the event. The room must be vacuumed and tables wiped clean. The room must be left clean and undamaged.
- f) Two checks, one in the amount of \$20.00 and one in the amount of \$50.00, both payable to Los Verdes Park Unit One Homeowners' Association Inc., are required at the time of reservation. The \$50.00 deposit is refundable if the person reserving the room has complied with the terms and conditions. If the Club Room is not left clean, garbage and trash removed, or the room is damaged, the entire deposit will be forfeited. If the cost of cleaning or repair exceeds \$50.00, the person reserving the room is responsible for the additional cost.

9.5 Use of Courts. Admittance to the tennis court is by key. Keys may be obtained from the manager at 545-7870 for a fee of \$10.00. Only tennis may be played on the tennis court. Tennis shoes must be worn while on the tennis court. Only basketball may be played on the basketball court.

9.6 Pool / Jacuzzi Capacities: The maximum capacity for the swimming pool is 20. The maximum capacity for the Jacuzzi is 6. If capacity rules are not observed by residents and their guests, the San Lis Obispo County Health Department will close these facilities.

9.7 Accompanying Guests. Guests of residents must be accompanied by the resident key holder. The number of guests which may accompany a resident is limited to 6.

9.8 Child Supervision. Children under age 14 are not permitted in the swimming pool or jacuzzi areas unless accompanied and supervised by an adult. An adult is a person 18 years or older. Persons between the ages of 14 and 18 are not considered adults and cannot supervise younger children in those areas.

9.9 Prohibited Activities. Running, jumping, shoving, splashing or any kind of "horseplay" is not allowed in or around the swimming pool or jacuzzi areas. Pool toys are limited to small floating toys. No rafts, inner tubes, large toys, water guns, or wheeled vehicles are permitted. No drugs, alcoholic beverages, or any kind of food or drink are permitted in the pool, jacuzzi or sauna areas. Glass containers are permitted only in the club room. Smoking is not permitted in the club room, or in the pool, jacuzzi or sauna areas.

9.10 Swimwear. Acceptable swimwear must be worn at all times by everyone using the pool, jacuzzi or sauna. Diapers must be worn by babies. Cutoffs are not acceptable swimwear.

9.11 Jacuzzi Use. Intake or outake valves must not be blocked during use. Improper use causes stress on pumps and filters and can cause a broken flow meter. The jacuzzi is not permitted to be used as an active play area for children.

9.12 Garden Area Prohibited Activities. No rollerblading or active game playing is permitted in the Park's front entrance garden.

10. MAINTENANCE RESPONSIBILITIES

Association and Owner maintenance responsibilities are set forth in Article VII of the CC&R's.

11. INSURANCE

The Association's insurance coverage is set forth in Article IX of the CC&R's. Owners and residents are responsible for insuring personal property within residences, garages or patio areas and for obtaining a liability policy for injuries occurring within residential parcels. Owners and residents should contact their insurance agents for such coverage.