RULES AND REGULATIONS PREPARED FOR SEAWAY COLLECTION HOMEOWNERS ASSOCIATION

 ${\bf Adopted\ by\ the\ Board\ of\ Directors}$

Date: September 1, 1990

RULES AND REGULATIONS

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SEAWAY COLLECTION HOMEOWNERS ASSOCIATION A PLANNED COMMUNITY

MEMBERSHIP INFORMATION

The Seaway Collection 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.

Seaway Collection Homeowners Association is a non-profit corporation consisting of those owners of homes within the ultimate boundaries of Seaway Collection.

The purpose of Seaway Collection Homeowners Association is to ensure that the common area amenities will be maintained in an attractive manner and will be available for the enjoyment of all residents. Your automatic membership in the Association provides a membership base to share in the future costs of maintaining the community.

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

Although these rules and regulations support the CC&R's, they do not cover the entirety of the document. Please be sure to read the CC&R's carefully.

DELINQUENCY POLICY

- 1. Assessments are due and payable in full on the first 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 automatically 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 violation fines.
- 3. Any request for special consideration must be submitted to the Board prior to the assessment becoming more than 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 attorneys 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.

	ACTION TO BE COMMENCED	# OF DAYS AFTER <u>DUE DATE</u>	CHARGE TO HOMEOWNER'S ACCOUNT
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' letter is sent to the owners by certified mail. Charge incurred for this letter will be levied against the delinquent account.	45	\$25.00
b.	Documents and processing provided in accordance with Speier Bill (CC1367) including account detail, delinquency policy, and fine policy.		\$15.00
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	\$140.00
b.	Copy of recorded document will be sent to owners of record by certified mail mail in accordance with Speier Bill (CC 2924b).		
9.	Account will be referred to a collection agent. All costs of collection will be charged to the delinquent owner.	90	Collection costs
10.	Upon receipt of payment in full, a Release of Lien will be recorded. Copies will be sent to all owners of record.		\$25.00
11.	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 all owners of record.	105	\$25.00
12.	Per the Board's direction, the account will be referred to the Association attorney. All legal fees will be charged to the delinquent owner.	135	Legal fees
13.	Interest will be charged on assessments, late fees, and collection fees.	30	12% per annum
14.	Copies of documents to multiple owners of record in accordance with Speier Bill: a. One copy only		
	b. Handling fee for additional Copies		No charge \$10.00 each

*All fees may be subject to change without notice

DATE: January 1, 1997

COMMON AREA RULES AND REGULATIONS

- 1. Homeowners are prohibited from destroying, removing or altering the landscaping in the common area, regardless of the condition of the plantings.
- 2. Littering of the common areas is not permitted.
- 3. No trash or garbage or other waste material shall be kept or permitted upon any Lot or Common Area except in sanitary containers located in appropriate areas and concealed from view. Such containers shall be exposed to the view of neighboring lots only when set out for a reasonable period of time (not to exceed twenty-four (24) hours before and after scheduled trash collection hours). If trash bins are located in the trash areas on the Common Area, all owners shall utilize such trash bins for the disposal of their trash.
- 4. No clothing, household fabrics or other unsightly articles shall be hung, dried or aired on any portion of the Property, including the interior of any Residence, so as to be visible from other Residences or the street.
- 5. No lumber, grass, shrub or tree clippings or plant waste, metals, bulk material or scrap or refuse or trash shall be kept, stored or allowed to accumulate on any portion of the Properties except within an enclosed structure or appropriately screened from view.
- 6. Wheeled toys (i.e. skateboards, tricycles, big wheels, children's bicycles, etc.) are prohibited from common area landscaping. Bicycles should be ridden on streets, not on the sidewalks.
- 7. Bicycles shall not be stored or kept in any unenclosed area where they are visible from anywhere in the Project.
- 8. Each Owner agrees to be subject to all of the covenants, conditions and restrictions set forth in both the Community and Master Declaration.

TENANT RULES AND REGULATIONS

- 1. The homeowner shall have the responsibility to acquaint their tenants and guests with the Rules and Regulations of the Association.
- 2. For the purpose of these Rules and Regulations, a tenant shall be defined as anyone in possession of a member's home in exchange for any sort of consideration, or at the sufferance of the homeowners.
- 4. Violations will be assessed against the member even though the infraction was committed by a tenant or guest.

PARKING RULES

- 1. Vehicle Codes will be strictly enforced.
- 2. Members must park vehicles in garages and designated parking areas. Any oversized non-primary vehicles must be maintained off the premises.
- 3. Mopeds and motor bikes are subject to vehicle code restrictions (i.e., both driver and motor bike must be licensed).
- 4. With the exception of maintenance vehicles or equipment, all motor vehicles shall be operated only upon paved roads within the Properties. No off-road riding will be permitted.
- 5. Member is responsible for all parking violations of tenants and guests.
- 6. Oversized non-primary vehicles such as commercial-type vehicles, recreational vehicles, inoperable vehicles (i.e., dump trucks, cement mixer trucks, oil or gas trucks, delivery trucks, camper units, motor homes, buses, trailers, trailer coaches, camp trailers, boats, aircraft, mobile homes) or any other similar vehicle or vehicular equipment deemed to be a nuisance by the Board must be maintained off the premises.
- 7. No Owner of a Lot shall conduct repairs or restorations of any motor vehicle, boat, trailer, aircraft, or other vehicle upon any portion of the Project or upon the Common Area, except wholly within the Owner's garage, and then only when the garage door is closed; provided, however, that such activity shall at not time be permitted if it is determined by the Board or its agent to be a nuisance.
- 8. Garages are not to be used for any purpose but to park vehicles owned, operated or within the control of the residents lot.
- 9. Garage doors shall be kept closed at all times, except for reasonable periods while the garages are being used.
- 10. No garage, trailer, camper, motor home, or recreational vehicle shall be used as a residence in the properties for either temporary or permanent purposes.
- 11. Storage is permitted inside the garage area only if the garage is used to its full capacity as a parking area for homeowner vehicles.

PET RULES

- 1. No insects animals of any kind shall be raised, bred or kept on Property except that a reasonable number of dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes or in unreasonable quantities. Unreasonable quantities shall ordinarily mean more than two (2) pets per household, provided however, that the Association may determine that a reasonable number in any instance may be more or less.
- 2. Animals belonging to Owner's, occupants or their licensees, tenants or invitees within the Property must be either kept within an enclosure, an enclosed yard or on a leash being held by a person capable of controlling the animal.
- 3. Local County and/or municipal animal ordinances will be strictly enforced (i.e., licensing, vaccines, leash laws, etc.).
- 4. Each member is responsible for removing defection of their dog, cat or other animal from the property of the Association or neighbor.
- 5. Excessive dog barking or other animal noise will be deemed a nuisance.
- 6. Each homeowner will be held responsible for any damage to the common areas due to his/her pet(s). In addition, each homeowner will be responsible for any damage to the property of another due to his/her pet)s), either by financial reimbursement or corrective action to be determined by the Board of Directors.
- 7. The Association will have the right to prohibit housing to any animal which constitutes a nuisance.

SIGNING RULES

- 1. No sign, poster, billboard or advertising device shall be displayed on the properties or any Lot, without the approval of the Architectural Committee, except for one (1) sign for each dwelling unit, of not more than six (6) square feet, plain block letters, advertising the dwelling unit for sale or rent.
- 2. A maximum of two (2) official political signs are allowed to be displayed on the common area lawn in front of an owners home no more than 30 days prior to an election, and must be removed the day after the election.
- 3. Signs other than Association approved signs will be removed from the property.

NOTE: All signs must conform to the requirements of all applicable governmental ordinances.

Revised: April 11, 2000

ENFORCEMENT PROCEDURE

I. Discovery of Violation

- B. Any Violation that is an alleged violation of the documents and the rules of the Association will be processed according to the procedures outlined herein.
- C. In the event one or more members of the Association or Board of Directors file a Violation Report, the Board would act as follows.
 - 1. Send a letter to the homeowner stating the alleged violation and date needed to cure said violation.
 - 2. Upon expiration of the cure date, if the violation still exists, a second letter will be sent stating that their failure to abide by Association Rules and Regulations has imposed a hardship on the Association and the Owner will be asked to attend a hearing with the Hearing Committee as appointed by the Board of Directors.
 - 3. The homeowner will be notified as to the decision rendered by the Hearing Committee as a result of the hearing. If the homeowner is found to be in violation of the Association's documents, the Committee will either a) seek remedy by use of the legal system, b) apply monetary fines to the homeowner's assessment billing, c) choose to correct (or cause to be corrected) the violation and assess the owner for reimbursement of costs, or d) a combination of thereof.
 - 4. If the decision is to pursue a monetary fine system, the Seaway Collection Fine Scedule will apply.

NOTE: A violation is defined as an act in conflict with the CC&R's, By-laws, and Rules and Regulations and Architectural Guidelines of the Association.

SEAWAY COLLECTION HOMEOWNERS ASSOCIATION RULES AND VIOLATION REPORT

DA	XTE	
I.	PERSON MAKING REPORT:	NAME:
		ADDRESS:
		PHONE NUMBER:
II.	DESCRIPTION OF VIOLATION (f	fill in as completely as possible)
	DATE: TIME:	LOCATION:
III.	DESCRIPTION OF VIOLATOR:	
	NAME:	PHONE NO.:
	ADDRESS:	
TT 7	A DOUBLONAL WHENESGES	
IV.	ADDITIONAL WITNESSES:	
	NAME:	
	ADDRESS:	
	NAME:	
	ADDRESS:	
V.	HEARING COMMITTEE ACTION	N TAKEN:
	DATE:	
	DESCRIPTION OF ACTION:	
	SIGNATURE OF HEARING COM	MITTEE:

FINE SCHEDULE

- 1. Letter to homeowner stating the alleged violation.
- 2. Letter to homeowner stating the alleged violation continues and requesting homeowner appear before the Hearing Committee as appointed by the Board of Directors.
- 3. If result of hearing is monetary fine, a fine of \$30.00 will be applied to owner's account.
- 4. If violation continues past the hearing and first fine stage, the fine automatically doubles every thirty (30) days, (i.e., \$60 at 30 days, \$120 at 60 days). Any fines not paid may result in legal action in accordance with California law.
- 5. At any point, the Board may determine to use the legal system 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 financial obligation on the Association, then 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 common property, repair and replacement costs will be charged to that party.

PROCEDURE FOR HOMEOWNER HEARING

Pro	ocedure:
1.	Statement of violation by acting chairperson.

- 2. Violator's statement.
- 3. CC&R requirements, Bylaws, and Rules and Regulations of the Association.
- 4. Discussion and questioning of the violator by the hearing Committee members.
- 5. Questions and final statement by alleged violator.
- 6. Committee ruling.
- 7. Enforcement procedures as applicable.
- 8. Adjournment.

DOCUMENTATION

Name of Violator:	Phone Number:
Address:	
Nature of Violation:	
Hearing Committee Ruling:	
Additional Comments:	
Date:	

BASKETBALL BACKBOARD POLICY

- 1. There will be no permanent basketball backboards allowed in the front of homes.
- 2. Any basketball facility or equipment proposed within the property shall be reviewed by the Architectural Committee on a case-by-case basis to the installation to determine the sensitivity to the adjoining properties, and to help assure a continuity in style, design and appearance.
- 3. No backboards mounted on poles will be approved for front yards.
- 4. The basket net may not be allowed to become shredded or otherwise fall into disrepair. Should this occur, the net is to be removed entirely.
- 5. Free standing backboards in back yards must be reviewed by the Architectural Committee prior to installation.
- 6. Portable, free-standing basketball backboards are permitted, provided that they are removed on a daily basis and when not in use. In no event shall such portable free-standing basketball backboards be visible from any street, sidewalk, or Community property when being stored while not in use.
- 7. Under no circumstances may lighting be installed to illuminate any basketball facility or equipment on any part of the property.
- 8. Under no circumstances shall the use of any basketball equipment or facility preclude other homeowners from the quiet enjoyment of their home and/or property.

This policy for basketball backboards is approved by the Board of Directors at the November 1996 meeting and shall become effective January 1, 1997.

MAINTENANCE RESPONSIBILITIES

In accordance with the Association's governing documents and review by the Association's legal counsel, the Board of Directors adopted the following amended maintenance responsibilities at the May 13, 2003 Board of Directors meeting. The revised maintenance responsibilities are effective as of July 1, 2003

GARAGE DOORS With the exception of painting the exterior of the garage doors, homeowners are responsible for the maintenance, repair and replacement of the garage doors including but not limited to the weather-stripping, replacement of panels, and any repairs that might be necessary to keep the garage door in its original condition. The Association is responsible for painting the exterior surfaces of the garage and garage door.

<u>FRONT DOORS</u> The Association is responsible for painting the exterior surface of the front doors. Homeowners are responsible for all other maintenance, repair and replacement of the front doors.

<u>WROUGHT IRON ENTRY GATES</u> Homeowners are responsible for the maintenance, repair and replacement of the wrought iron entry gates located in front of the residences.

STUCOO WALLS

- Stucco walls located between adjoining residential lots (rear and side yard walls) are maintained, repaired and replaced jointly by the owners of such lots. Each homeowner is responsible for painting the interior surface of the wall facing the homeowner's property.
- Stucco walls located on the property line between a homeowner's lot and common area are maintained jointly by the homeowner and the Association. The homeowner is responsible for painting the interior surface of the wall and the Association is responsible for painting the exterior surface of the wall.
- The front stucco walls facing the streets are a homeowner maintenance, repair and replacement responsibility with the exception of painting the exterior surface of the wall facing the street, which is an Association responsibility.

<u>ARCHITECTURAL IMPROVEMENT</u> As provided in the CC&Rs and the Architectural Guidelines, all exterior improvements that homeowners wish to make, including modification to the items listed above, require approval by the Architectural Committees of both the Seaway Collection Homeowners Association and the Master Association. Please refer to the Architectural Guidelines.

SEAWAY COLLECTION HOMEOWNERS ASSOCIATION MAINTENANCE POLICIES

At the July 1996 Board of Directors meeting, the following maintenance policies were adopted effective August 1, 1996.

GARAGE DOORS

The garage doors, including the garage door weather-stripping, have been deemed the responsibility of the homeowner for all maintenance due to the garage door and weather-stripping being exclusive use of the homeowner. This includes but is not limited to painting, replacement of panels, and any repairs that might be necessary to keep the garage door in its original condition.

FRONT DOORS

The front doors of all units within Seaway Collection have been deemed the homeowner's responsibility for maintenance due to the front doors being exclusive use of the homeowner. This includes but is not limited to painting, repairs, or replacement necessary to keep the front door in a like-original condition.

WROUTHT IRON ENTRY GATES

The wrought iron entry gates throughout Seaway Collection are the responsibility of the Association to maintain. This includes painting, repair, and maintenance of normal daily use of the gate, rather than negligence on behalf of the homeowner. Each homeowner will be held responsible for any damage other than daily use to the wrought iron gates, either by financial reimbursement or corrective action to be determined by the Board of Directors.

EXHIBIT D

SEAWAY COLLECTION HOMEOWNERS ASSOCIATION

RULES AND VIOLATION REPORT

DA	ATE	
I.	PERSON MAKING REPORT:	NAME:
		ADDRESS:
		PHONE NUMBER:
II.	DESCRIPTION OF VIOLATION (f	ill in as completely as possible)
	DATE: TIME:	LOCATION:
III.	DESCRIPTION OF VIOLATOR:	
	NAME:	PHONE NO.:
	ADDRESS:	
IV.	ADDITIONAL WITNESSES:	
	NAME:	
	ADDRESS:	
V.	HEARING COMMITTEE ACTION	N TAKEN:
	DATE:	
	DESCRIPTION OF ACTION:	
	SIGNATURE OF HEARING COM	MITTEE:

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 A COMMUNITY ASSOCIATION.