RULES & REGULATIONS

For

CASA BLANCA VILLAS TOWNHOUSE ASSOCIATION OF PHOENIX

Initial Rules & Regulations Applicable to all communities promoted by Right Place Properties Revised 04-15-04

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Initial Rules & Regulations

Applicable to all condominiums promoted by Right Place Properties

Rules & regulations and architectural control procedures

Right Place Properties implements these rules and regulations at all the communities that they promote.

These rules and regulations apply to all residents at the community including both owner occupants and renters.

The basis for a high quality condominium community is the understanding of Covenants, Conditions and Restrictions (CC&R's), and the cooperation of the property owners.

Each property owner should have received a copy of the CC&R's during the purchase of the properly. If they do not have a copy, one may be obtained from the Management Company for a small fee which is priced according to reasonable copying cost. Homeowners are urged to review these CC&R's to gain a full understanding of the community organization and operation.

As a part of their responsibility to the homeowners, the Board of Directors of the Condominiums Homeowners Association have adopted the following Rules and Regulations which shall be known as "The Initial Homeowners Association Rules and Regulations." The CC&R's give the Board of Directors the authority to create rules and regulations.

These Rules and Regulations explain in detail what is desired and expected of each property owner. The procedures for architectural submittal, addressing violations and a fine schedule have been included.

This is an important document. It allows the Management Company to do their job with clear direction and complete understanding.

Homeowners must read this document and familiarize themselves with it. Homeowner's cooperation and understanding will ensure that the community association continues to be the high quality community each resident desires.

Definitions

The definitions of terms used in the rules and regulations are the same as those found in the CC&R's. Additional definitions are as follows:

Machinery/Equipment: Shall mean machinery and equipment normally associated with and used in construction.

Variances: Variances to the rules, regulations and restrictions of the Homeowners Association Rules and Regulations and the CC&R's may be granted by the Board of Directors. A blanket variance to a rule or restriction may also be created by the Board of Directors. Other variances may be granted on a case by case basis depending on the unique circumstances of the situation.

Animals

- 1. All animals must be licensed and vaccinated in accordance with local laws.
- 2. No animals, bird, fowl, reptile or livestock other than generally recognized house pets are allowed in any condominium or anywhere on the common area.
- 3. Pets cannot be left outside unattended.
- 4. No more than 2 dogs can occupy any Unit regardless of the animal's size or weight. The board of directors retains the right to disallow any animal that shows aggressive tendencies.
- 5. There will be no breeding of house pets for commercial purposes.
- 6. Pets must be kept on a leash no longer than 6 feet in length when outside the condominium Unit.
- 7. Pets must be directly under the condominium owner's control at all times.
- 8. Owners of pets will be responsible for assuring their pets do not make unreasonable noise or become a nuisance. Complaints regarding barking dogs should be directed to the local police.
- 9. No structure for the care, housing, confinement, or training of any animal or pet shall be maintained on any portion of the Common Elements or in any Unit so as to be visible from the exterior of the Building in which the Unit is located.
- 10. Upon the written request of any Unit Owner, the Board of Directors shall determine whether a particular animal or bird is a generally recognized house pet, a nuisance, or whether the number of pets in any Unit is allowable.
- 11. Owners walking pets will be responsible for picking up all droppings. The board of directors has the right to impose a fine to any homeowner who fails to clean up after their pet.
- 12. The board of directors has the right to impose a fine on any homeowner whose dog barks excessively.

Antennas &.Satellite Dishes

Any construction, erection, or modification of anything, permanently or temporarily, on the outside portions of the Unit, whether such portion is improved or unimproved shall be prohibited. Prior **written approval** from the Board of Directors shall be necessary prior to the installation of the following:

- (1) An antenna designed to receive direct broadcast satellite services, including direct to home satellite services, that is one meter or less in diameter.
- An antenna designed to receive video programming services via multi-port distribution services, including multi-channel multi-port distribution services, instructional television fixed services, and local multi-port distribution services, that is one meter or less in diameter; or
- (3) An antenna that is designed to receive television broadcast signals.

Board approved antennas & satellite dishes shall be permitted and installed according to the following guidelines.

- (4) Installation inside the unit.
- (5) Installation on the balcony below the railing/wall.
- (6) Installation on the balcony on a mast or tripod as close to, but below, the railing/wall as possible.

Balconies and patios

Balconies and patios must be kept clean and neat at all times.

- 1. No flammable materials may be stored on patios or balconies
- 2. No trash may be stored on patios or balconies
- 3. Only electric grills may be used on patios or balconies. No gas grills and no charcoal grills are allowed
- 4. Patio furniture is the only type or style of furniture allowed on patios or balconies. No non-patio furniture is allowed
- 5. No offensive sights, sounds, or odors are allowed on patios or balconies

Businesses

No gainful occupation, profession, trade or other nonresidential use shall be conducted in any residence, except that an indoor home occupation may be conducted so long as the dwelling continues to be occupied as the principal residence of the person conducting the home occupation and it:

- 1. Displays no signage
- 2. Is conducted entirely indoors
- 3. Is not discernable from outside the dwelling
- 4. Complies with all laws and ordinances
- 5. Does not generate significant additional traffic within the community or cause obstruction of sidewalks or neighboring driveways
- 6. Conforms to city codes

Electronic gates

The following rules apply at all communities that have electronic access gates:

- 1. Openers for the electronic gates are available from the Homeowners Association for a fee.
- 2. The electronic gates are programmed to open automatically, and stay open, when there is a power failure.
- 3. The walk up gate has a code that is changed from time to time.
- 4. No one is permitted to give the code to any non-resident.
- 5. If a visitor rings your condominium from the walk up gate, you may let them in by pressing # 9 on your telephones numeric keypad.

 The vendor code is 4321

Machinery and equipment

Machinery and equipment of any type shall not be placed, operated or maintained upon the common elements.

Motor vehicle & parking

- 1. No vehicle is permitted to be parked in any fire lane at any time
- 2. No mobile home, camper, tent camper, travel trailer, bus, recreational vehicle, commercial truck, or boat can be parked on the common elements
- 3. Automobiles, motorcycles, motor bikes and any other type of vehicle shall not be constructed, reconstructed or stored in any Unit or on any common element including the parking area.
- 4. No inoperable vehicle of any kind can be parked on the premises
- 5. All vehicles must be registered and have current license plates and tags
- 6. The Board shall assign one covered parking space to each Unit
- 7. No parking space shall be used for storage or for any purpose other than the parking of vehicles
- 8. The Board has the right to have any vehicle towed when it is violating the rules and regulations. It will be towed at the owners cost.
- 9. Motorcycles are not permitted to be parked in any breezeway or sidewalk area.
- 10. Oil leaks are not permitted. Any motor vehicle with an oil leak must be repaired immediately. The Board of Directors has the right to impose a fine to any home owner who does not promptly repair oil leaks
- 11. Guests must park in open, unassigned guest parking areas.

Nuisances

No nuisance, either public or private, shall be permitted to exist anywhere on the premises so as to be offensive or detrimental to any other property in the vicinity, or it's occupants, or to property values:

- 1. Loud parties shall not be permitted. Parties cannot exceed the boundaries of the condominium
- 2. Offensive odors shall not be permitted
- 3. Homeowners assume full responsibility for the behavior of their guests
- 4. Any condition determined to be unsanitary, unsightly, offensive, detrimental to people or property shall be regarded as a nuisance and will not be permitted
- 5. External speakers, bells, horns, whistle and similar devices are not allowed
- 6. Trash and debris will not be allowed to accumulate in any condominium or any location on the common areas
- 7. No use of golf equipment, baseball equipment, etc. in the association's common areas shall be allowed

Personal property insurance

Homeowners are urged to obtain personal property insurance to cover their personal possessions. The blanket hazard and liability insurance policy for the homeowners association does not cover personal property.

Recreation|business center rules

The following rules apply at all communities that have a recreation center or a business center:

- 1. The recreation/business center hours are 6:00AM to 10PM
- 2. An adult must accompany children under the age of 16
- 3. No loud parties are permitted in the center
- 4. No pets are allowed in the recreationhusiness center
- 5. No alcohol is allowed in the recreation/business center

Renters

Renters must be approved by the President of the homeowners association. Homeowners must obtain a criminal background check on any prospective renter. This information must be submitted to the President of the Board of Directors. The President of the Board must approve or disapprove the tenant with 48 hours from the time the criminal background check is submitted.

All renters must comply with all rules and regulations. The homeowner will be responsible for the payment of any fines levied in response to rules violations by a tenant who occupies a condominium,

Report unsafe conditions

All homeowners and tenants are required to report any unsafe conditions they may observe on the property. They should report this to the management company.

Restriction on subdivision

No Condominium shall be further subdivided, or changed in total or part from its original intended use.

Roofs

The installation of solar panels, air conditioning units, evaporative coolers or other apparatus, structure, or object is not allowed without prior written approval of the Board of Directors.

Any damage resulting from the installation of equipment on a roof will be the responsibility of the homeowner

Seasonal decorations

Seasonal decorations may be displayed; however, decorations must be removed within 14 days following any holiday. Decorations may be displayed no earlier than two weeks before and no later than two weeks after any nationally recognized holiday.

Signs

- 1. Signs shall <u>not</u> be erected or maintained in windows, on doors, or on the common elements
- 2. No sign including "for sale" or "for lease" signs shall be erected so as to be visible from the exterior of any Unit or Building or any other portion of the Condominium
- 3. Signs hanging over rear or side fences or block walls are not allowed
- 4. Signs required by local, state or federal governments are allowed

Storage and other structures

Storage facilities, storage sheds and any other structures will not be placed upon or erected on the common areas.

Swimming pool and spa rules

The following rules apply at all communities that have a swimming pool:

- 1. The swimming pool hours are 9AM to 10PM
- 2. No glass is allowed in the pool area
- 3. An adult must accompany persons under the age of 16
- 4. The pool gate must remain locked
- 5. No loud parties are permitted in the pool area
- 6. There is no running or rough housing allowed in the pool area
- 7. No pets are allowed in the pool area
- 8. No alcohol is allowed in the pool area

Trash containers and collection

The trash dumpsters must be kept neat at all times. Residents are expected to pick up their own messes around the dumpsters.

Trucks, trailers, campers and boats

Commercial trucks, motor homes, mobile homes, travel trailers, tent trailers, trailers, detached campers, boats, boat trailers, or other similar equipment or vehicles shall not be parked, maintained, constructed, reconstructed or repaired on any lot or parcel so as to be visible from a neighboring property. Pickup trucks with camper shells shall be allowed provided the height of the pickup truck's camper shell does not exceed 7 feet in height as measured from ground level.

Utility services

Lines, wires and other devices for communication or transmission of electricity, i.e., telephone, television, radio signals, etc., shall not be erected, placed, or maintained anywhere in or upon the Common Elements unless they are contained in a conduit or cable installed underground. The Board of Directors must approve all modifications.

Window coverings, lights, and reflective materials

- 1. There shall be no spotlights or other lights in any Unit which may reflect upon or cause glare to neighboring condominiums
- 2. Foil or light reflective materials shall not be placed or maintained in windows or glass areas, and these or similar materials shall not be installed anywhere else on any structure or erected on the common elements
- 3. Window coverings visible to street, common area, or neighboring property must be manufactured for the sole purpose of covering window areas. The use of bed sheets or other materials not specifically made for the purpose of covering windows is prohibited
- 4. Window coverings must show white to the exterior
- 5. No personal property may be displayed on external window ledges
- 6. High intensity lights used to illuminate areas out of doors shall be allowed only after obtaining prior written approval of the Board of Directors
- 1. No improvements, alterations, repairs, excavation, grading, landscaping or other work which in any way alters the common elements of the property shall be made or accomplished without the prior written approval of the management company.
- 2. No windows or doors will be changed or altered without prior written approval.
- 3. There will be no changes or deviations in or from plans and specifications once approved by the Board of Directors.

Architectural submittals can be made by contacting the Management Company and requesting an architectural submittal form. Complete the form including name, address and phone number so that the Board of Directors can contact you if they have any questions about your submittal.

The Board of Directors meets periodically and will review submittals at these times. They Board shall have one week to review these submittals. After review a written response will be mailed back to the owner indicating approval or disapproval or approval with

conditions and any reasons why submittal was disapproved. Your submittal will be kept with the homeowner association's records.

Any improvements must also comply with city permitting and code requirements.

Blanket architectural approvals

The Board of Directors has provided a blanket approval for certain screen doors and solar screens. Please contact your management company to obtain the specifics on these approvals.

Plans

Plans should be submitted with the submittal form showing the modification, addition or change clearly indicated and any relevant information concerning the alterations. Please include two copies with sufficient detail for understanding the submittal.

Fees

No fees are required for residential architectural submittals.

Violations, disturbances, and notification procedures

A violation of the Rules and Regulations will be subject to the following process:

- 1. Violations and disturbances will be dealt with by sending two consecutive letters to the owner of any condominium where a violation or disturbance is noted
- 2. The letters will be sent certified mail, return receipt requested and will be mailed at intervals of one week
- 3. These letters will give the owner an opportunity to correct the disturbance or violation problem and the opportunity of a hearing if desired by the owner
- 4. If the problem is not corrected, then the Homeowners Association will impose a fine of \$100
- 5. The designated management agent will send the owner a letter stating the owner has thirty days to pay the fine
- 6. If the owner fails to pay within the thirty-day period, a lien will be placed on their condominium

The designated management agent will enforce the Rules and Regulations.

First notification letter

A letter requesting the violation be corrected within 7 days will be sent to the owner of the condominium via certified mail, return receipt requested.

Second notification letter

A letter requesting immediate correction of the violation will be sent to the owner of the condominium via certified mail, return receipt requested.

Last notification letter

A letter will be sent, via certified mail, return receipt requested, notifying the owner of the property that they are required to take whatever action is necessary to correct the problem by no later than a specific date. If they do not correct the problem the Homeowners Association will fine them \$100 and may take other legal action against them. The letter will further state that the fine will become a lien against their condominium unit if they do not pay it promptly.

Notification of fine letter

A letter will be sent notifying the owner of the property that they have been fined and that they have thirty days to pay the fine or a lien will be filed against their condominium via certified mail return receipt requested.

Resident complaint procedure

Any resident may make a formal comvlaint regarding violations of the rules and regulations. The complaint must be in writing and must include the date and time along with a detailed description f the violation includi the people involved. The complaint should be mailed, faxed, or hand delivered to:

Casa Blanca Villas Townhouse Association of Phoenix c/o Vision Community Management 16625 S Desert Foothills Pkwy Phoenix, AZ 85048

Fine for rules violations

The *Bylaws* allows the Board of Directors the power to assess monetary penalty for violations of the Rules. The Board of Directors in accordance with Article 5 will assess these fines as follows:

First Assessment of a Fine: \$100.00
 Second Assessment of a Fine: \$200.00
 Third Assessment of a Fine: \$300.00

Failure to pay the assessed fine(s) will result in the creation of a lien against the owner's property in accordance with the CC&R's.

Collections

30 days delinquent: First demand letter (\$10.00 fee)
60 days delinquent: Second demand letter (\$10.00 fee)
90 days delinquent: Line is filed (\$60.00 filing fee)
90 days delinquent: Lien foreclosure procedure started

Delinquency statements: \$5.00

Violation letters: \$5.00

Referral of delinquent accounts for collection

The association may, but shall not be required, to refer delinquent accounts for collection. Upon referral for collection, the agency handling the account shall take all appropriate action to collect the accounts referred. Once an Owner's delinquent account or other dispute is referred for collection, all of the owners subsequent communications concerning such matters shall be referred to the agency handling the account.

Attorney's fees and collection fees

As and additional expense permitted under the CC&R's, Articles, and Bylaws, the association shall be entitled to recover the reasonable attorney's fees and collection fees and costs incurred in the collection of assessments or other charges due and in the enforcement of the CC&R's, use restrictions, or these rules and regulations. The reasonable attorney's fees and collection fees incurred by the association shall be due and payable immediately when incurred, upon demand. Owners are liable for all fees.

Return check charges

In addition to any and all charges imposed under the CC&R's, Articles, Bylaws and Rules and Regulations, a Twenty-Five Dollar (\$25.00) fee shall be assessed against an owner for any check or other instrument which is not honored by the bank or is returned by the bank for any reason whatsoever, including, but not limited to, insufficient funds. This returned check charge shall be a "common expense" for each owner who tenders payment by check or other such instrument. Such return check charge shall be due and payable immediately.

Notwithstanding this provision, the association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be the obligation of the owner(s) of the unit of which payment was tendered to the association.

If two or more of an owner's checks are returned unpaid by the bank with any fiscal year, the association may require that all future payments, for a period of one year, be mad by certified check or money order.