

RULES & REGULATIONS

PREPARED FOR

SHADY CANYON
COMMUNITY ASSOCIATION

Adopted by the Board of Directors

Date: December 19, 2002

Revised: January 16, 2010

**SHADY CANYON COMMUNITY ASSOCIATION
RULES AND REGULATIONS
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**SHADY CANYON COMMUNITY ASSOCIATION
A PLANNED COMMUNITY**

MEMBERSHIP INFORMATION

Shady Canyon Community Association, a California non-profit corporation, (the “Master Association”) consists of those Owners of Lots or Condominiums within the ultimate boundaries of Shady Canyon.

The Master Association offers many advantages to its Members. In order to protect and preserve these benefits, however, certain limitations and restrictions are placed on the Members of the Master Association.

One of the purposes of the Shady Canyon Community Association is to ensure that the Master Association property will be maintained in an attractive manner and will be available for the enjoyment of all Members. Your automatic membership in the Master Association provides a membership base to share the future costs of maintaining the Community.

These Rules and Regulations have been developed with consideration given to providing each Member with the greatest enjoyment of the Master Association property without infringing on other Members and their rights to quiet enjoyment of their homes and Community.

Although these Rules and Regulations supplement the provisions of the Master Declaration of Covenants, Conditions and Restrictions and Reservations of Easements for Shady Canyon, as amended from time to time (the “Master Declaration”), they do not cover the entirety of the Master Declaration. Please be sure to read the CC&R’s carefully. In the event of a conflict between the provisions of the Master Declaration and these Rules and Regulations, the provisions of the Master Declaration will control. Any owner who does not comply with these Rules and Regulations will be subject to enforcement by the Master Association.

Various capitalized words and phrases used herein are defined in the Master Declaration, and unless the context herein shall indicate to the contrary, such words and phrases shall have the same meaning herein as they do in the Master Declaration.

**SHADY CANYON COMMUNITY ASSOCIATION
DELINQUENCY POLICY**

Upon motion duly made, seconded and carried, the Board of Directors for Shady Canyon Community Association adopted the following Resolution, by an action without meeting on June 25, 2003.

WHEREAS, the Covenants, Conditions and Restrictions of Shady Canyon Community Association, require payment of regular and special assessments by all the owners of real property within said community in order to provide funds for payment of the expenses for upkeep, maintenance and preservation of the common areas therein, and for payment of the other expenses associated with the normal operation of said Association's business and affairs, and

WHEREAS, said Covenants, Conditions and Restrictions provide the Association's Board of Directors with the power and authority to require regular and special assessments levied against owners of real property within said community (all of whom are required to be members of the Association as a condition of ownership) to be fully and timely paid, and

WHEREAS, the Board of Directors deems it to be in the best interests of the Association and all the Association's members to establish policies and practices relative to the Association's rights and remedies in event of default in payment of the Association's regular and special assessments by any of the Association's individual members, and

WHEREAS, California Civil Code 1350, et seq., requires a statement of the Association's assessment policies and practices be delivered to all the Association's members within sixty (60) days prior to the beginning of each succeeding fiscal year, and

WHEREAS, the Board of Directors has fully discussed and considered this matter.

NOW, THEREFORE, BE IT RESOLVED that the Association hereby adopts the following policies and practices relating to the enforcement of its rights and remedies in the event of any default in the timely payment of the Association's regular and special assessments to be effective the first day of August:

1. Assessments, late charges, interest collection costs and any attorneys' fees, are the personal obligation of the owner of the property at the time the assessment or other sums are levied.
2. Regular monthly assessments are due and payable on the first day of each month. It is the owner of record's responsibility to pay each assessment in full every month regardless of whether a statement is received. All other assessments, including special assessments, are due and payable on the date specified by the Board in the notice imposing such an assessment. In no event shall a special assessment be due and payable earlier than thirty (30) days after the date the members received notice of the special assessment.
3. When any regular or special assessment remains unpaid fifteen (15) days past its due date, said assessment shall be subject to a late charge not exceeding ten percent (10%) of the

delinquent assessment or ten dollars (\$10.00), whichever is greater in accordance with California Civil Code 1366, section (e)(2).

4. In accordance with California Civil Code 1366, section (e)(3), the Board of Directors shall impose interest on all sums, including the delinquent assessment, reasonable costs of collection, and late charges, at a rate not to exceed twelve percent (12%) per annum, commencing 30 days after the assessment becomes due.

5. When any assessment remains unpaid forty-five (45) days past its due date, the Association, through its Management Company, shall mail the delinquent member a Notice of Intent to Lien to said member's real property and offsite mailing address if applicable, at a cost of \$45.00, which shall be charged to the delinquent member's account.

6. Within fifteen (15) days from the date of the postmark of the Notice of Intent to Lien, a delinquent homeowner may submit a written request to the Association to meet with the Board to discuss a payment plan for the amount set forth in the Notice of Intent to Lien. The Board shall meet with the delinquent homeowner in executive session within forty-five (45) days of the date of the postmark of the written request. Each request is handled on a case-by-case basis. The Board is under no obligation to grant payment plan requests.

7. When any assessment remains unpaid thirty (30) days following the date of mailing of the Association's Notice of Intent to Lien, a Notice of Delinquent Assessment, creating a valid and foreclosable lien on the delinquent member's real property, shall be recorded in the office of the County Recorder and mailed to the delinquent member. A fee not exceeding \$100.00 for lien processing work, and a fee not exceeding \$150.00 for preparation and mailing said Notice of Delinquent Assessment by the Agent, Trustee or Attorney employed by the Association, shall be charged to the delinquent member's account. No charge shall be made to release the Association's Lien upon full reinstatement of the delinquent member's account.

8. If an owner disputes the amount of any late charge(s) or other charge(s), the owner may pay to the Association, all amounts required by California Civil Code Section 1366.3, and send the Association, by certified mail, a written notice that the amount is paid under protest. This notice must be given within thirty (30) days of the recordation of the Notice of Delinquent Assessment. The owner has the right to demand that the matter be resolved through Alternative Dispute Resolution (ADR) in accordance with California Civil Code section 1354. An owner may not demand ADR more than two times in a single year or three times in any five calendar years. Both parties must agree to ADR and each party shall bear the expense.

9. When any member's account remains delinquent for the period of time specified in the Association's Covenants, Conditions and Restrictions, following the recordation and mailing of the Association's Notice of Delinquent Assessment, and in no event more than thirty (30) days thereafter if such Covenants, Conditions and Restrictions are silent as to such a time limit, the Association's Trustee or Attorney shall commence foreclosure proceedings of the delinquent member's real property. Such proceedings shall seek a sale of the delinquent member's real property, the proceeds of which shall be used to recover the Association's delinquent assessments, late charges, interest (if any), Notice of Intent to Lien, Lien Processing fees, the Trustee's or Attorney's fees and costs of sale. If the Association's lien

rights are extinguished by foreclosure proceedings of a senior lienholder, or in some other manner, or should the Board of Directors elect to pursue alternative means of collection, the Board of Directors, at its sole option, may pursue such other cumulative remedies including, without limitation, obtaining a judgment against the former delinquent member, individually and personally, for any and all unpaid sums. The Association is authorized under California law to charge the owner the reasonable costs of collection.

10. “IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION”

11. An owner is entitled to inspect the Association’s accounting books and records to verify the amounts owed on their account pursuant to Corporations Code Section 8333. If it is determined that the owner has paid the assessments on time, the owner will not be liable to pay the charges, interest, and costs of collection associated with collection of those assessments.

12. Prior to recordation of the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and costs of collection, including attorneys’ fees, must be paid in full to the Association. The mailing address for overnight payments of assessments is 16845 Von Karman, Ste 200, Irvine, CA 92606 unless the account has been turned over to the association’s trustee or attorney, then the homeowner would need to call said party for the full amount owed and their correct mailing address.

13. The foregoing policies and practices shall remain in full force and effect until such time as they may be changed, modified, or amended in their entirety, by a duly adopted Resolution of the Board of Directors of Shady Canyon Community Association. This policy is subject to change upon thirty (30) day written notice.

BE IT FURTHER RESOLVED, that within sixty (60) days of the adoption of an amendment or modification to the collection policy, a copy of the Association’s policies and practices, as adopted, or as subsequently modified or amended, shall be delivered to all the members of this Association in the manner and pursuant to the requirements of California Civil Code, Section 1350, et seq.

**SHADY CANYON COMMUNITY ASSOCIATION
COMMON AREA RULES AND REGULATIONS**

1. Use of the Master Association Property shall be subject to the provisions of the Master Declaration and the Rules and Regulations, and to any limitations imposed by any other Master Association Documents.
2. No Owner shall keep any materials of any kind or allow any activities to be conducted on his/her Lot or Condominium or on the Master Association Property or Maintenance Areas which will increase the rate of insurance on the Master Association Property or Maintenance Areas; or which will cause any fine or penalty to be imposed against the Master Association by any Public Agency.
3. No Owner shall keep any materials of any kind or allow any activities to be conducted on his/her Lot or Condominium or on the Master Association Property or Maintenance Areas that will result in the cancellation of insurance on the Master Association Property or Maintenance Areas or which would be in violation of any law. If, by reason of the occupancy or use of said premises by the Owner, the rate of insurance on the Master Association Property or Maintenance Areas shall be increased, the Owner shall become personally liable for the additional insurance premiums or for such fine or penalty.
4. Each Owner shall be liable to the Master Association, pursuant to the laws of the State of California, for any and all costs and expenses which may be incurred by the Master Association to repair any damage to the Master Association Property and/or Maintenance Areas which may be sustained by reason of the negligence or willful misconduct of said Owner, the members of his/her family, his/her lessees, tenants, or their respective guests or invitees, whether minor or adult. Any such costs and expenses shall be levied by the Board as a Damage Reimbursement Assessment against such Owner in accordance with the provisions of the Master Declaration.
5. No rubbish, trash, garbage, waste or recyclable matter shall be kept or permitted upon any portion of the community, except in sanitary containers located in appropriate areas and concealed from view.
6. Each Owner shall place all rubbish, trash, garbage, waste and recyclable material in closed containers approved by the applicable Public Agency. Such containers shall be exposed to view of neighboring Lots or Condominiums only when set out for a reasonable period of time (not to exceed twenty four [24] hours before and after scheduled trash collection hours).

**COMMON AREA RULES
CONTINUED**

7. Outdoor fires are expressly prohibited, except in appropriate barbecues or in fire rings approved by the Orange County Fire Authority (“OCFA”) and the Design Review Committee.
8. The community is subject to all federal, state and local requirements of the National Pollutant Discharge Elimination System (“NPDES”) adopted pursuant to the Federal Clean Water Act. No Owner may dispose of hazardous waste, substance or material into any storm drain or other drainage device located anywhere within the community.
9. No hazardous waste, substance or material (as defined in any federal, state or local law, ordinance or regulation) shall be stored or permitted upon any portion of the community, except in compliance with all applicable laws, ordinances and regulations of all applicable Public Agencies.

**SHADY CANYON COMMUNITY ASSOCIATION
OCCUPANCY RULES AND REGULATIONS**

1. An Owner shall have the responsibility to acquaint his/her lessees, tenants and guests with the Rules and Regulations of the Master Association.
2. For the purpose of these Rules and Regulations, a lessee or tenant shall be defined as anyone in possession of an Owner's dwelling in exchange for any sort of consideration, or at the sufferance of the Owners.
3. No Owner may rent or lease less than his/her entire Dwelling or rent or lease his/her Dwelling for transient or hotel purposes or for a period of less than thirty (30) days.
4. All rental and lease agreements shall be in writing and shall provide that the terms of such agreement shall be subject in all respects to the provisions of the Master Association Documents, and that any failure by the tenant or lessee to comply with the terms of the Master Association Documents shall constitute a default under such agreement.
5. All Owners and their lessees and tenants shall comply with all of the Protective Covenants and other terms and provisions set forth in the Master Association Documents. No Owner shall transfer any membership interest in the Master Association, except upon the transfer of the Lot or Condominium to which it is appurtenant.
6. No Dwelling shall be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storage, vending or other nonresidential purposes.
7. Any Owner of a Lot or Condominium in the community may maintain a home-office and conduct business activities therefrom on the following conditions: (i) there is no external evidence of such activity; (ii) such activities are conducted in conformance with all applicable governmental ordinances; (iii) the patrons or clientele of such activities do not visit the Lot or Condominium or park automobiles or other vehicles within the community; (iv) the existence or operation of such activities is not apparent or detectable by sight, sound or smell from outside of the boundaries of the Lot or Condominium; (v) no such activity increases the liability or casualty insurance obligation or premium of the Declarant, any Merchant Builder and/or the Master Association; and (vi) such activities are consistent with the residential character of the community and conform with the provisions of the Master Declaration.

**SHADY CANYON COMMUNITY ASSOCIATION
PARKING RULES**

1. All streets within the community are private streets. Curbside parking along the streets is restricted in certain areas.
2. Parking is never permitted along any portion of a street designated as a fire lane.
3. No Owner shall park, store or keep on any portion of the Master Association Property: (1) any large commercial type vehicle; (2) any recreational vehicle (including, but not limited to, campers, motorhomes, trailers, boats, aircraft, mobile homes or other similar vehicles); or (3) any oversized vehicle (e.g., a limousine). Unless approved by the DRC, no Owner shall park, store or keep on his lot or condominium (1), (2), or (3).
4. An Owner may park any standard passenger automobile (including vans and similar vehicles up to and including one [1] ton when used for everyday transportation) within his/her respective garage, on the side of the street if permissible, or in his/her driveway; provided, however, in no event shall any vehicle extend into the street beyond the curbline, or impede access over any street.
5. Each Owner shall keep in his/her garage readily available for parking of permitted vehicles and shall not store any goods or materials therein, nor use any portion of the garage for a workshop or other use if such storage or use would prevent said Owner from parking the number of vehicles therein for which said garage was originally designed and constructed.
6. If an Owner has fewer vehicles than garage parking spaces, such unused space(s) may be used for the storage of goods or other use so long as the garage door remains closed at all times so that the stored goods or other use are not visible to other residents within the community.
7. No Owner shall conduct major repairs to any vehicle of any kind whatsoever upon the Master Association Property on his/her Lot or Condominium, on any public street or elsewhere in the community, except for emergency repairs thereto and then only to the extent necessary to enable the vehicle to be moved to a proper repair facility.
8. All garage doors shall remain closed at all times, except as reasonably required for entry to and exit from the garage.
9. Except for the private streets and any other areas expressly authorized and regulated by the Master Association for vehicular use, no vehicles of any kind shall be operated, maintained, repaired or otherwise used on, over or across the other portions of the Master Association Property.
10. No parking is permitted in facility parking lots 10:00 PM. – 6:00 AM. An Owner is responsible for parking violations by his/her lessees, tenants and guests.

**SHADY CANYON COMMUNITY ASSOCIATION
DRIVING RULES**

1. Motorists must adhere to all traffic advisory signs. Motorists shall not exceed the posted speed limits.
2. With the exception of authorized maintenance vehicles or equipment, all motor vehicles shall be operated only upon paved roads within the Properties. No off-road riding, including trails, will be permitted.
3. Golf carts, mopeds, motorbikes and all other motorized vehicles are subject to vehicle code restrictions (i.e., both driver and motorized vehicle must be licensed).
4. Unlicensed drivers are not allowed to operate any motorized vehicle within Shady Canyon including, but not limited to, golf carts, mopeds, motorbikes, motorized skateboards, etc.

TRAFFIC ENFORCEMENT POLICY

Below, please find the traffic enforcement policy. Please note that traffic violations committed by non-residents will be the responsibility of the homeowner that the vehicle is registered to.

1. Rolling Stops: The first three (3) offenses will be considered a warning and letters advising of as such will be sent to the owner of the home to which the vehicle is registered. Each offense thereafter will be accompanied by a fine of \$25.00 for the fourth violation, \$50.00 for the fifth violation and \$100.00 for each subsequent violation.
2. Running Stop Signs: (15 mph +) No warning, the first offense will be accompanied by a \$50.00 fine, then \$100.00 fine for each violation thereafter. Transponders will be turned off in accordance with policy as for Speeding (below).
3. Speeding: Up to 14 MPH+ Above the Posted Speed Limit: The first offense will be considered a warning and letters advising of such will be sent to the owner of the home to which the vehicle is registered. Each offense thereafter will be accompanied by a \$50.00 fine.
4. Speeding: 15 MPH + to 25 MPH + Above the Posted Speed Limit: No warning. The first offense will be accompanied by a \$50.00 fine, then a \$100.00 fine for each violation thereafter.
5. Speeding: In Excess of 25 MPH Above the Posted Speed Limit: The first offense will be accompanied by a \$100.00 fine and all transponders registered to the household will be de-activated for one week. Each subsequent offense will be accompanied by a \$100.00 fine and all transponders registered to the household will be de-activated for thirty (30) days. For each offense thereafter, the transponder deactivation period will increase by thirty (30) days.

**SHADY CANYON COMMUNITY ASSOCIATION
PET RULES**

1. An Owner may keep within his/her respective Lot or Condominium: (i) common domesticated household animals (e.g., dogs, cats, birds or fish), or (ii) subject to prior Board approval as provided herein, an “exotic animal”. Any Owner desiring to keep an “exotic animal” within his/her Lot or Condominium shall make prior application to the Board for permission to keep an exotic animal. An “exotic animal” shall mean the type of snake or reptile which can grow to a length longer than two (2) feet, any form of livestock, any type of spider, any animal which is poisonous or which would pose a risk of harm to any person or to a common domesticated household animal if such exotic animal escaped from its respective Lot or Condominium, or any other animal (other than a common domesticated household animal) which is designated by the Board, as constituting as an exotic animal.
2. The Board may, in its sole discretion, approve or disapprove such application, and may also impose such conditions upon the right to keep an exotic animal as the Board may deem appropriate, including, without limitation, requiring the Owner to construct a secure enclosure to prevent the animal from escaping, to give written notice to other Owners of the presence of such exotic animal, to obtain additional liability insurance, to reimburse the Master Association for any costs incurred by the Master Association as the result of the animal escaping, etc.
3. In all cases, animals may only be kept in accordance with applicable City ordinances and codes, and may not be kept, bred or maintained for any commercial purpose or in unreasonable numbers as determined by the Board, from time to time.
4. Each Owner shall be responsible for cleaning up any excrement or other unclean or unsanitary condition caused by his/her animal(s) anywhere within the community.
5. All animals must be kept either within an appropriate enclosure, or the yard or patio, or on a leash held by a person capable of controlling the animal.
6. The Board shall have the right to prohibit maintenance of any animal within the community (including any common domesticated household animal or any previously approved exotic animal) that, in the opinion of the Board, constitutes a nuisance to any other person.
7. Every person keeping an animal within or bringing an animal into the community shall be liable pursuant to the laws of the State of California to any and all persons for any injury to persons or damage to property caused by such animal.

**SHADY CANYON COMMUNITY ASSOCIATION
SIGN RULES**

1. No sign or billboard of any kind shall be displayed to the public view on any portion of the community except for signs used by Declarant (or by a Merchant Builder with Declarant's consent) in connection with the development of the community and sale or lease of Lots and/or Condominiums.
2. In accordance with Section 712 of the California Civil Code, an Owner may display on his/her Lot or Condominium or on real property owned by others with their consent, or both, signs which are reasonably located, in plain view of the public, are of reasonable dimensions and design, do not adversely affect public safety, including traffic safety, and which advertise the property for sale, lease or exchange, or advertise directions to the property or the Owner's or agent's address and telephone number.
3. All signs shall comply with any applicable governmental ordinances.
4. All Owners shall comply with the Master Association's "For Sale" Sign Regulation and "Open House" Sign Regulation.
5. An Owner may display in front of his or her home, a "No Construction Parking" sign in the event that there are construction activities being conducted immediately adjacent to the home. The sign shall be a standard sign purchased from Management at a cost of \$20.00 per sign. No other "No Parking" signs will be permitted.

**SHADY CANYON COMMUNITY ASSOCIATION
“FOR SALE” SIGN REGULATION**

Article VIII of the CC&R’s and the City of Irvine regulate all signs in Shady Canyon Master Association. Consistent with these regulations, the Board of Directors has approved the following standards for “For Sale” signs. Homeowners listing their home with a real estate agent are responsible for ensuring that the agent complies with these standards. Signs deviating from these standards may be moved without notice from the Common Area. These regulations shall also apply to “For Lease” signs.

1. The total sign area shall be contained within a 14 ½” x 14 ½” square area and must be professionally prepared on weather-resistant material. A brochure box may be attached to the bottom of the sign.
2. Only one sign is permitted per dwelling unit. Only one additional “rider” sign showing the word “Sold” is permitted.
3. The top of the sign shall not exceed 2’ 9” above ground level.
4. No sign shall be attached to the ground by means other than a conventional single vertical stake which shall not exceed 2” x 3” in diameter. Posts, pillars, frames, or similar arrangements are prohibited.
5. Homeowners featuring “Open House” activities are not permitted to display flags, banners, balloons, or “makeshift” signs and must comply with the approved “Open House” Sign Regulations.
7. No signs are permitted on Shady Canyon Master Association Property.
8. The Master Developer and all Merchant Builders are exempt from these restrictions during the sales phases, regardless of the duration of that period.

SHADY CANYON COMMUNITY ASSOCIATION
“OPEN HOUSE” SIGN REGULATIONS

1. Owners (or their agents) wishing to advertise “Open House” for purposes of selling or leasing their property must use a standard sign with restrictions on type, location, and quantity.
2. Signs are to conform to the following:
 - a) The total sign area shall be contained in a 14 ½” x 14 ½” square area.
 - b) The top of the sign shall not exceed 2’9” above ground level.
3. The Owner of the sign shall identify the sign as his/hers in an area no larger than 2” x 3”.
4. Only one sign is allowed per lot. No “Open House” signs shall be placed in the common areas.
5. No riders or flags are permitted.
6. “Open House” signage may be posted on Saturdays and Sundays only.
7. The Owner of the property is solely responsible for compliance with this Regulation and all Shady Canyon Master Association Rules and Regulations.

**SHADY CANYON COMMUNITY ASSOCIATION
CONTRACTOR GUIDELINES**

Each Owner must ensure that any contractor he hires to perform work on his Lot or Condominium adheres to the following:

1. Contractor shall abide by all traffic safety rules and signs, posted and otherwise. Shady Canyon is a family community – watch for children playing.
2. Vehicles and other equipment must be parked in such a manner so as not to block traffic or access to fire hydrants, driveways, or streets.
3. Contractors will not leave vehicles, equipment, trash, construction debris or material on any street overnight.
4. Contractors must comply with the City's Guidelines to perform work:
7:00 AM – 6:00 PM (or dusk) Monday through Friday
9:00 AM – 6:00 PM (or dusk) Saturdays
5. No construction on Sundays or Federal Holidays.

* New Year's Day	* Labor Day
* Martin Luther King Jr. Day	* Veteran's day
* President's Day	* Thanksgiving Day
* Memorial Day	* Christmas Day
* Independence Day	
6. Contractor must comply with the Master Declaration, the Design Guidelines, the Environmental Documents and all applicable laws, ordinances, codes, regulations and other requirements applicable to the work being performed. Please reference the Contractor's Manual as part of the Rules/Regulations.

**SHADY CANYON COMMUNITY ASSOCIATION
POOL / SPA RULES**

1. No glass objects are allowed in the pool/wader/spa area.
2. Use of pool and spa facilities and other Master Association recreational facilities is a privilege which is enjoyed by all Owners or occupants. Consideration of others concerning noise is important.
3. If an Owner rents or leases his/her Dwelling, the Owner is deemed to have relinquished his/her access rights to all Master Association recreational facilities.
4. Children under the age of 14 years must be accompanied by an adult resident when using the pool. Children under the age of 14 years are prohibited from using the spa.
5. Conduct by an Owner or occupant that deprives any other Owner or occupant use of the pool/spa or Master Association recreational facilities will not be allowed.
6. No soap, bath oils, etc. are allowed in the pool/wader or spa.
7. No diving is permitted.
8. No running, pushing or boisterous play will be permitted.
9. Pool / Spa Hours: Sunday - Thursday/6:00 AM through 10:00 PM
 Friday & Saturday/6:00 AM through 11:00 PM
10. Radio/stereo units must be kept at low levels so as not to annoy other persons using the recreation facility or living in surrounding Dwellings.
11. Guests must be accompanied by an Owner, tenant or lessee.
12. No pets of any kind (dogs, cats, etc.) are allowed in the pool / spa area.

**SHADY CANYON COMMUNITY ASSOCIATION
TENNIS COURT RULES**

1. Tennis courts are for Shady Canyon residents and their guests only.
2. No glass objects are allowed in the tennis court areas.
3. Non-marking soled shoes and proper tennis attire is encouraged.
4. Singles and doubles play shall be limited to one (1) hour when players are waiting.
5. Residents must sign up. Residents must also include starting time on the list BEFORE starting to play, otherwise, they may forfeit the use of the court when others come to play.
6. Hours: 6:30 A.M. to Dusk.
7. Tennis court play will be on a first-come, first-serve basis.
8. No wheeled toys such as skates, rollerblades, skateboards, bikes, big wheels, etc. will be permitted on the courts.
9. The tennis courts are to be kept clean at all times.
10. Hitting tennis balls against the windscreens is prohibited.
11. All players waiting to play (and spectators) must remain off the court areas. Parents bringing non-playing children must keep them supervised at all times.

**SHADY CANYON COMMUNITY ASSOCIATION
RECREATIONAL FACILITIES RULES AND REGULATIONS**

1. The recreational facilities located on the Master Association Property are for the use of the Members who are in good standing with the Master Association, and their family members and guests. The use of the recreational facilities may be restricted by the Board of Directors because of a violation of their Rules & Regulations, any delinquent assessments, or deliberate abuse of the recreational facilities or other Master Association Property.
2. The recreational facilities may not be used for commercial purposes other than those endorsed by Shady Canyon Master Association and events in which Master Association Members may participate. The Master Association has the right to reserve and use the facilities at any time for marketing events during the time when Lots and Condominiums are offered for sale by the Master Developer or any Merchant Builders. The Master Developer has reserved the exclusive right to use the Community Building as more fully set forth in the Use Agreement referenced in the Master Declaration.
3. Regularly scheduled events have precedence over non-scheduled (or non-reserved) events in any Shady Canyon facility.
4. In accordance with the law of the State of California, no one under the age of twenty-one (21) shall be served an alcoholic beverage while on the Master Association recreational facility. If alcoholic beverages are served at functions, no minors are to be present without parental permission, and the Member using the facility is responsible for all conduct of anyone consuming alcoholic beverages on the premises while alcoholic beverages are being served.
5. Management reserves the right to close any of the facilities at any time in order to repair, clean and maintain premises.

**SHADY CANYON COMMUNITY ASSOCIATION
COMMUNITY BUILDING/PATIO/BBQ AREA FACILITY RESERVATIONS**

1. A Member in good standing may reserve the recreational facilities other than the pool and tennis court facilities. The pool and spa may be used, but other homeowners and guests may not be excluded from the pool area. No tables, chairs, lights, heating equipment, candles, games, food or any other equipment or use may be made of the pool area by a Member renting the community building/patio/BBQ area. Although guests may utilize the pool area for swimming or sitting, persons renting the community building/patio/BBQ area cannot exclusively rent the pool area. All equipment, tables, chairs, lights, and other party props must be placed and used solely within the community building/patio/BBQ area itself and not in the pool area. No unsafe or hazardous materials, no flammable or direct flame items may be used in the community building/patio/BBQ area.
2. Reservations will not be accepted for rental of the community building/patio/BBQ area on a Federal Holiday. However, reservations can be accepted for rental of the recreation facility on the day prior to or after the holiday.
3. Regularly scheduled Shady Canyon functions have priority for reserving the facilities for open dates.
4. An application for reservation of the facility must be made by a Member through a Keystone Pacific Property Management representative and the applicant must be present during the period the facility is in use under such reservation.
5. The facility may be reserved forty-eight (48) hours in advance, although at least a week's notice is advised.
6. Live music is prohibited without approval from the Board of Directors.
7. A reserved function must conclude no later than 12:00 midnight. Outdoor music and loud activity must stop at 10:00 P.M.
8. The Member shall be completely responsible for his/her own set-up and clean up. All clean up shall be completed prior to returning the key to the west gate.
9. The Member may not charge his/her guests for admission, food, beverages, or entertainment on the premises. Shady Canyon Master Association sponsored events may charge admission or use fee to recoup expenses.

Facility Fees

1. The fees for reserving the community building/patio/BBQ area must be paid to Shady Canyon Master Association at the time of reservation and including the following:
 - A. Shady Canyon Community Activity
(Board authorized functions for Association Members) No Charge

- B. Non-refundable use fee: \$300.00
- C. Refundable Deposit Check: \$1,000.00

2. Refund of deposits are subject to cost(s) incurred for:

- A. Damage to a facility and/or its contents.
- B. Violation of any of the Rules and Regulations of Shady Canyon Master Association.

3. Should any damage occur to the facility, the Master Association's ability to recover additional damages from the Owner will not be limited to these deposit amounts. The Master Association reserves the right to hold a hearing and thereafter assess an Owner for damage to any facility for any additional damage above and beyond those amounts covered by the deposit fees, and to levy the cost to repair such damage as a Damage Reimbursement Assessment as provided in the Master Declaration.

**SHADY CANYON COMMUNITY ASSOCIATION
COMMUNITY BUILDING/PATIO/BBQ AREA FACILITY RESERVATION FORM**

PLEASE NOTE: Due to the high demand for reservations, it is recommended that this agreement and all deposits/payments be made as early as possible to confirm your reservation. Reservation forms can be mailed to:

*Shady Canyon Community Association
c/o Keystone Pacific Property Management
16845 Von Karman, Suite 200
Irvine, California 92606*

Name: _____
Address: _____
Phone Number: _____
Date Requested: _____

Reservation time (includes time for set up and clean up):

From: _____ am/pm To: _____ am/pm

Event Time (guest arrival time to guest departure time*):

From: _____ am/pm To: _____ am/pm

*Function must conclude no later than 12 midnight

Facility Requested:

Number of Guests: _____

Community Building/Facility/BBQ
Area

Community Building Facility/Patio/Barbecue Area Deposit and Use Fee Requirement

(Checks payable to Shady Canyon Community Association):

\$300.00 Non-refundable Use Fee

\$1,000.00 Refundable Deposit

The Association does not provide cleaning for your event. Please be sure to clean up after yourself!

Type of function (e.g., birthday party, meeting, cocktail party etc.): _____

Check all applicable boxes: Live Band DJ Other (describe): _____

Note: Live music is prohibited without approval from the Board of Directors.

SHADY CANYON COMMUNITY ASSOCIATION PROCEDURES FOR GATE ACCESS

Residents living in a Shady Canyon Master Association are to complete the Homeowner Access Gate Information Form. (See attached). The name of the residents, the property address, telephone numbers, vehicle make and license plate number(s), and a list of all permanent guests that are authorized access into the community should be outlined on this form. The information is not to be filled out by anyone other than the Property Owner.

Shady Canyon subscribes to a web-based computer system called Community First. This system allows residents to admit guests and manage guest lists on line or through a program loaded onto their desktop called CF Resident. Guests names that are entered by homeowners automatically show up at the guard gates to alert the guards that the guests are expected. For instructions on how to use the Community First system and load the CFResident program, go to <http://www.communityfirstinc.com> .

Residents are encouraged to obtain a transponder access device for the gates in order to enter the community during the initial development stages when a full time attendant may not be present. This transponder is obtained from the gate attendant at the west gate (949) 823-0015.

If a resident has just purchased a home and does not yet have a transponder, they are to present proof of ownership (such as close of escrow papers) to the entry gate and subsequently will be issued a temporary pass.

Resident's Guests/Vendors – Residents may place a guest/vendor on their permanent access list. It is the resident's responsibility to update this list if they decide to take this individual off the permanent access list. Please note that this does not include contractors being granted access for construction purposes.

Residents are required to submit a written list of names to the entry gate in the event they are authorizing entry for more than five (5) people or three (3) vehicles. This list may be entered in the "Event List" section of CFResident. If a minor is to submit a list, it must be signed by an adult property owner. The attendant will ask the passenger of the vehicle for proof of I.D. No "open access" to a resident's home will be permitted.

If the resident is authorizing entry for less than five (5) people or three (3) vehicles, they may enter them through the Community First System (CFResident) or they may phone the entry gate and verbally give them the name(s) to the attendant. The attendant will then add the name(s) to the Community First daily log of authorized guests/vendors. If the guest/vendor will be staying longer than one (1) day, the individual will be issued a Guest Pass for as long as the resident specifies up to two (2) weeks. A permanent guest may request a Guest Pass for up to 30 days. The attendant will ask guest/vendor for proof of I.D. before issuance of this temporary pass.

NOTE: Guests are expected to go directly to the residence's home. Guests are not permitted to use Shady Canyon Drive as a cut through.

**SHADY CANYON COMMUNITY ASSOCIATION
HOMEOWNER ACCESS GATE INFORMATION FORM**

DATE SUBMITTED _____
 COMMUNITY _____
 PROPERTY ADDRESS _____
 LOT NO. _____

OWNER(S)
 NAME: _____

TENANT(S)
 NAME: _____

ADDRESS: _____
 Street

ADDRESS: _____
 Street

City State Zip

City State Zip

TELEPHONE: () _____ HOME

TELEPHONE: () _____ HOME

() _____ WORK

TELEPHONE: () _____ WORK

EMAIL ADDRESS: _____

EMAIL ADDRESS: _____

DRIVERS LICENSE: _____
 State Number

DRIVERS LICENSE: _____
 State Number

ADDITIONAL RESIDENTS (i.e. children, relatives): _____

VEHICLE IDENTIFICATION:

MAKE	MODEL	YEAR	LICENSE PLATE	REGISTERED OWNER
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

(If not owner or tenant, attach proof of registration)

ACCESS ITEM REQUEST:

____ Transponders (only issued to vehicles registered to the home, first 2 free, \$55.00 each thereafter): # Needed _____ Amount Due \$ _____
 ____ Pool Keys (First 4 free, \$25.00 each thereafter): # Needed _____ Amount Due \$ _____
 (Check payable to Shady Canyon Community Association for total due must accompany this form.) Total Enclosed \$ _____

PERMANENT GUESTS:

Please list those people who are to be granted automatic entry without a prior call to your home. (i.e. family, domestic help, gardener, pool service, etc.)

NAME	RELATIONSHIP/COMPANY	TYPE OF SERVICE	RESTRICTIONS (If applicable)
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____

(Use reverse side if need more room.)

GUARD AUTHORIZED TO CALL: _____ A.M. TO _____ P.M. _____ Day(s) of the Week

PASSWORD: _____ (This will be used to verify when phone call is received for gate attendant to verify the person on the phone is the owner. If left blank, you will be unable to give direction to the guard over the phone.)

MANAGEMENT USE ONLY					
Sticker No.	Date Issued	Remote Control No.	Check Received	Date Issued	Date Completed
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Mail or fax to: Shady Canyon, c/o Keystone Pacific Property Management, Inc., 16845 Von Karman, Suite 200, Irvine, CA 92606 (949)833-2600 Fax: (949)833-0919

**SHADY CANYON COMMUNITY ASSOCIATION
TRANSPONDERS**

**PROPERTY OWNERS WITHIN SHADY CANYON
MASTER ASSOCIATION**

Transponders:

Transponders will be issued to all property owners of Shady Canyon upon submittal of the completed Homeowner Access Gate Information Form. Up to two (2) transponders will be issued to each home. Additional or lost transponders will require a fee of \$55.00 per transponder prior to issuance. For example, if you request four (4) transponders, a check of \$110.00 will be required.

Transponders shall not be issued to non-residents for the purpose of allowing a driver to use Shady Canyon Drive as a thoroughfare. Should it be determined that a transponder is being used for this purpose, it will be de-activated.

TENANTS OR LESSEES OF PROPERTY OWNERS

Transponders:

Transponders will be issued to all tenants or lessees of property owners of lots located within Shady Canyon's gated community upon submittal of the signed lease and completed Homeowner Access Gate Information Form.

Owners will be held responsible for any abuse of privileges by tenants or lessees, their family members, and their guest.

SHADY CANYON COMMUNITY ASSOCIATION

ENTRY PASSES

NEW PROPERTY OWNERS

A temporary pass will be issued at the gate to new homeowners presenting proof of ownership within the community (i.e., grant deed or closing statement). This pass will be good for up to thirty (30) days.

Prior to thirty (30) days, property owners should obtain, complete and submit the Homeowner Access Gate Information Form with all applicable fees to Keystone Pacific Property Management, Inc. at 16845 Von Karman, Suite 200, Irvine, CA 92606, Attention: Shady Canyon, (949) 833-2600. Information forms are available at the entry gate, the Sales Office and Keystone Pacific Property Management.

GUESTS

The Homeowner Access Gate Information Form allows space for pre-authorized guests, services, and domestic help. Such pre-authorized guests will be admitted with proper I.D.

Passes may be issued to guests upon the request of the host resident. This pass is good for a period of twenty-four (24) hours or as noted on the pass (maximum of seven (7) days).

Guests shall not be added to a homeowner's permanent guest list for the purpose of allowing a driver to use Shady Canyon Drive as a thoroughfare. Should it be determined that a guest is gaining access for this purpose, the person will be removed from your permanent guest list.

Any abuse of entry privileges by guests will be the responsibility of the host resident.

LOST OR INOPERATIVE TRANSPONDERS

Inoperative and/or damaged transponders will be replaced at a nominal fee of \$55.00 upon return of the transponder to Keystone Pacific Property Management.

Lost transponders will be replaced upon receipt of a \$55.00 fee.

If your transponder is lost or stolen, please contact Keystone Pacific Property Management immediately so that this transponder may be coded out of the access system.

**SHADY CANYON COMMUNITY ASSOCIATION
REAL ESTATE EVENTS/ENTRY APPROVAL**

Agent/Broker Entry Access

1. Real estate agents are permitted entry to the community for the following:
 - a) Show Property.
 - b) Visit with a homeowner whose property is listed with them.
2. Agents are not permitted to solicit Shady Canyon residents for listings; this includes the practice of “farming”, and distribution of brochures or other marketing items in the community.
3. Passes are issued only for one (1) day to licensed real estate agents, and are red in color.
4. The Homeowner must call the gate attendant and authorize the entry of a real estate agent, or add them to their “permanent guest list”.
5. If a real estate agent arrives at the gate and has not been previously authorized entry, the gate attendant should instruct the agent to contact the agent/broker holding the event to obtain authorization.
6. In the event a potential buyer arrives at the gate that has not been previously authorized for entry, the gate attendant should instruct the potential buyer to contact the agent/broker holding the event to obtain authorization.

Open House Events

1. Open houses may be held Saturdays and Sundays from 1:00 PM to 5:00 PM and may take place two weekends per month.
2. Owner or Owner’s approved agent, wishing to hold an open house must contact Keystone Pacific Property Management, Inc. in writing or by fax at least five (5) working days prior to the event, and indicate the date and times of the requested open house.
3. Open houses may only be authorized by Keystone Pacific Property Management. Admittance for events that are not approved in advance, will not be granted.
4. All costs associated with the open house shall be the responsibility of the Owner.

5. If a real estate agent arrives at the gate and has not been previously authorized entry, the gate attendant should instruct the agent to contact the agent/broker holding the event to obtain authorization.
6. In the event a potential buyer arrives at the gate that has not been previously authorized for entry, the gate attendant should instruct the potential buyer to contact the agent/broker holding the event to obtain authorization.
7. All Open Houses must be advertised as by appointment only. The day of the event, the listing agent/broker must provide a list of scheduled appointments to the Ambassador on duty at one of the two gates.
8. A one-day red pass will be issued to the person attending the open house and the gate attendant will inform the individual that they may only visit the authorized home.
9. Open house signs must conform to the Open House Sign Regulations and will be allowed only on the open house property the day of the open house between the hours of 1:00 PM to 5:00 PM, and may only be located at the front of the Lot.
10. No flags or balloons are permitted.

Real Estate Showings

1. The resident or non-resident Owner must contact the gate attendant and advise the attendant of the date and time of the visit that someone is expected to view their home.
2. Any other visitors must be escorted by the Homeowner, a previously authorized agent, or broker or unless they appear on the Homeowner's Access Gate information as an authorized guest.

Broker and/or Office Previews

1. One (1) broker preview and one (1) office preview per home is allowed in each ninety (90) day calendar period.
2. No Broker previews on homes under construction. Broker previews may be conducted for completed homes only.
3. Broker previews and office previews are only allowed Monday through Friday between the hours of 10:00 AM to 2:00 PM.
4. Details of the preview, including the date, time and anticipated number of attendees, must be faxed to Keystone Pacific Property Management, Inc., at least five (5) working days in

advance of the broker preview. Keystone Pacific Property Management will forward a list of approved real estate events each week to the gate attendants.

5. Real estate agents who arrive at the gate and state that they are attending a preview at the residents address, which has been previously authorized by the Owner and communicated to Keystone Pacific Property Management, will be admitted by the gate attendant upon presentation of his or her business card, indicating that the individual is a licensed real estate agent.
6. The gate attendant shall list the names of the individuals and their driver's license numbers and phone numbers on the daily sheet and issue a red real estate pass.
7. Any preview signage must comply with the Open House Sign Regulations.
8. Real estate agents are not allowed to utilize flags, balloons or open house signs that deviate from the Shady Canyon Master Association signage program or any City or County ordinance.

**SHADY CANYON COMMUNITY ASSOCIATION
HOMEOWNER PARTIES & SPECIAL EVENTS
FUND RAISERS & CHARITABLE EVENTS
RULES & REGULATONS**

PARTIES & SPECIAL EVENTS

1. Homeowners hosting parties or other such events that require more than five (5) vehicles to access through the gate must submit a guest list to management or the gate staff no less than *five (5) days prior to the event.*
2. If the guest list exceeds forty nine (49) vehicles or there are multiple events, the homeowner will be required to hire an additional patrol officer of the effective gate under the following schedule:

0-49	No additional patrol officer unless there are multiple events (in which case the owners would evenly share the costs).
50-100	One Additional Patrol Officer
Over 101	Two Additional Patrol Officers
3. The security guards must be hired through the security company then under contract with the Association.
4. The security guards must remain on duty for the anticipated duration of guest arrivals. (A minimum shift of four (4) hours at twenty five dollars (\$25.00) per hour.)
5. The homeowner must pay costs for the additional security five (5) days in advance of the function.
6. Those owners desiring to conduct a party or social event in their home or Lot prior to occupancy are not permitted to do so unless advanced written consent of the Master Association Board of Directors is obtained.

FUND RAISERS/CHARITABLE EVENTS

From time to time and in its sole discretion, the Board of Directors may consider a Homeowner's request to sponsor a charitable event at their residence that would require the admission of the public. In considering any such requests, the Board of Directors will require the following in addition to other specific reasonable condition:

1. The event must be non-commercial in nature.
2. The sponsoring Homeowner and the charitable association must provide for and pay for the cost of security. In the usual circumstance, security must be provided by the security service employed at the entry gates.
3. Depending upon the anticipated number of guests, the Board of Directors may require one or more additional guards at the entry gates, according to the Parties and Special Events Rules.
4. Additionally, one or more guards will be required at the residence to ensure that the attendees only have access to the home of the sponsoring Homeowner and that they leave the community after attending the event.
5. The Homeowner and charitable organization must abide by all parking requirements and provide evidence of ability to comply with such parking regulations and requirements that are directed by the Board.
6. The sponsoring Homeowner and charitable organization must hold the Master Association and its Members harmless from and indemnify against any liabilities on a form prepared by the Master Association's attorney and pay for the cost of the preparation of such form in advance.
7. The sponsoring Homeowner and charitable organization must be responsible for any and all costs associated with the special event and must submit a deposit at least fourteen (14) days in advance of that special event for deposit in the Master Association's general account. The amount of the deposit will be determined by the Board of Directors to pay for any costs incurred, and any surplus funds will be returned to the homeowner or charitable organization.

SHADY CANYON COMMUNITY ASSOCIATION

MEMBER SPECIAL EVENT ACCESS REQUEST

These procedures and regulations have been established for the benefit of members and their guests to avoid the inconvenience of unnecessary admittance delays.

Please complete this form in its entirety and deliver with payment, if required, FIVE (5) days prior to the event to:

Shady Canyon Community Association c/o Keystone Pacific Property Management, Inc.
16845 Von Karman, Suite 200, Irvine, CA 92606
Facsimile: (949) 833-0919

Any questions or assistance may be directed to Keystone Pacific Property Management, Inc. at (949) 833-2600

Homeowner: _____ Address: _____ Event Contact Person: _____
Phone Number-Day: _____ Evening: _____ Contact's Phone #: _____
Request Date: _____ Event Date: _____ Start Time: _____ End
Time: _____
Total Number of Guests: _____ Total Number of Vehicles: _____
Guest List Provided to Attendant Alphabetically Yes _____ Date Provided _____
No _____ Date Provided _____

Check one box below describing your event.

- 0 - 49 Vehicles – Additional patrol officer not required, access will be controlled by existing attendant. (Unless there are multiple events).
- 50 - 100 Vehicles – Additional patrol officer is not required, however it is requested that an additional attendant be provided, submit \$100 check.
- Over 100 Vehicles – 2 additional attendants required, submit \$200 check.

I/We, Members of the Shady Canyon Community Association, agree to abide by the Rules and Regulations and Master Declaration provisions including, but not limited to, special events and parking requirements for the benefit of all Members of Shady Canyon Community Association.

Homeowner Signature

Date

KEYSTONE PACIFIC USE ONLY – DO NOT WRITE BELOW THIS LINE

Instructions to Vendor (only with authorized signature):

Gate: _____ No. Additional Attendant(s): _____ Note the specifics above and have attendant(s) arrive 15 minutes prior to the *Start Time* and end the shift at _____ am/pm. Invoice separately. Should you have any questions or need clarification contact the signer below at (949) 833-2600, immediately.

Agent: _____ Signature: _____ Date: _____

Additional Comments: _____

Management Use – H/O or F/UP:

Check Date _____ Check Number _____ Check Amount _____ Guest List at Gate _____

Management Use – Vendor F/UP:

Date Security Company Notified Via Fax _____ Confirmation No. _____ Confirm Receipt of Form _____

**SHADY CANYON COMMUNITY ASSOCIATION
ENFORCEMENT POLICY**

Any alleged violation of the Master Association Documents will be processed according to the procedure outline on page 33.

**SHADY CANYON COMMUNITY ASSOCIATION
RULES AND VIOLATION REPORT**

There must be **two** Owners representing two separate Lots of the Master Association to pursue violations that cannot be viewed during an inspection of the Community (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.

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? _____

**SHADY CANYON COMMUNITY ASSOCIATION
ENFORCEMENT PROCEDURE/FINE SCHEDULE**

A. Construction Jobsite Violations

1. A notice describing the violation will be posted at one (1) or more locations at the jobsite. A copy of the notice will be mailed to the Owner.
2. The notice will state that the violation must be corrected within twenty-four (24) hours of the time the notice was posted, or the Master Association may cause the violation to be corrected, and the Board may, after affording the Owner notice and a hearing as provided in the Bylaws, (a) either (i) charge the costs the Master Association incurs in correcting the violations to the Owner, or (ii) deduct the costs the Master Association incurs in correcting the violations from the Owner's construction deposit, and (b) impose a fine of \$100.00 per day for the first five (5) days of a violation of any construction jobsite regulation attributable to your lot, and \$200.00 per day for each additional day that the violation of this regulation attributable to your lot exists.
3. If the violation persists, the Master Association may turn the matter over to its counsel for commencement of appropriate enforcement proceedings, which may include the filing of a lawsuit for injunctive relief.

B. Other Violations

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. Notice must be given at least fifteen (15) days before the proposed hearing as provided in the Bylaws.
3. If the result of the hearing is a monetary fine, a fine of \$200.00 will be applied to the Owner's account.
4. If the violation continues past the hearing and thirty (30) days after the assessment of the first fine, 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 the Master Association Documents and 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 Master Association as provided in the Master Association Documents.
6. At the discretion of the Board of Directors, a resident's transponder may be deactivated for non-payment of fines resulting from a hearing or non-payment of monthly assessments until the account is brought current.

NOTE: Should a violation occur which imposes a financial obligation on the Master Association, the party responsible for said violation shall reimburse, by way of a Damage Reimbursement Assessment, the Master Association for this financial obligation. If, for example, a party damages a fence, tree or any other Master Association property, repair and replacement costs will be charged to that party.

**SHADY CANYON COMMUNITY ASSOCIATION
PROCEDURE FOR HOMEOWNER HEARING**

Procedure:

1. Introductions and hearing session procedures.
2. Statement of alleged violation by acting chairperson.
3. Invitee's statement and presentation of oral or written evidence.
4. Review requirements, of the Master Association Documents.
5. Discussion and questioning of the invitee by the Board.
6. Questions and final statement by invitee.
7. Homeowner is thanked for coming and told that they will be notified of the Board's decision within ten (10) business days, but not less than five (5) days after the hearing.
8. Board ruling without Homeowner present.
9. Secretary instructed to render decision in ordinance of By-Laws.
10. Adjournment.

DOCUMENTATION

Name of Invitee: _____ Phone Number: _____

Address: _____

Nature of Alleged Violation: _____

Board Ruling: _____

Additional Comments: _____

Date: _____

**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 MASTER ASSOCIATIO**