

Canyon Creek

Rules & Regulations – Part 1: General

Canyon Creek Homeowners Association

www.CanyonCreekHOA.com

13FEB18

REVISED AND APPROVED BY THE CANYON CREEK BOARD OF DIRECTORS
13FEB18

© 2001-2018 Canyon Creek Homeowners Association
www.CanyonCreekHOA.com

Table of Contents

1.	Introduction	1
2.	Facility Rules	2
3.	Vehicle and Parking Restrictions	5
	3.1. Common Streets.....	5
	3.2. Driveways and Garages	5
	3.3. Parking on the Streets	5
	3.4. No Parking Areas	6
	3.5. Trailers, Commercial and Recreational Vehicles	6
	3.6. Exit Gates.....	6
	3.7. Motor Scooters, Mini-Bikes and Go-Carts	6
	3.8. Dumpsters	6
	3.9. Street Sweeping	7
4.	Service Provider Guidelines	8
5.	Home-Based Business Guidelines	10
6.	Sign Regulations	11
	6.1. Alarm Signs	11
	6.2. No Solicitor Signs	11
	6.3. Beware of Dog Signs.....	11
	6.4. Service Provider Signs	11
	6.5. Election Signs.....	11
	6.6. Garage Sale Signs.....	11
	6.7. Real Estate Signs and Flyers.....	11
	6.8. Other Signs.....	12
7.	Miscellaneous Rules and Regulations.....	13
8.	Adoption, Amendment or Repeal of Rules and Regulations	15
9.	Rules Enforcement Policy and Fines	16
	9.1. Rules Enforcement.....	16
	9.2. Fines and Penalties	17
10.	Preliminary Internal Dispute Resolution Process (PIDR)	19
11.	Alternative Dispute Resolution Summary	21
	11.1. When ADR Must be Offered Prior to Initiating Enforcement Action	21
	11.2. Compliance Procedure	21
	11.3. Failure to Participate in Some Form of ADR Prior to Enforcement Action	22
12.	Assessment Collection Policy	23

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

This page intentionally left blank.

1. Introduction

This *Rules & Regulations* document contains rules and regulations that relate to the Association, Homeowner properties and the Common Area. Please refer to and save the *Rules & Regulations* document for future reference. It must be given to tenants of Canyon Creek rental properties. This document and additional information is available on the Canyon Creek website (www.canyoncreekhoa.com).

Two separate documents provide additional information:

- ***Resident Handbook:*** Provides general information about the community, Board of Directors, committees, keys/transmitters, gate operation, etc. It also contains the property management contact information.
- ***Rules & Regulations – Part 2: Architectural Procedures and Standards:*** Provides important information about the type of changes to the exterior of your home that require approval by the Architectural Control Committee (ACC), the submission and approval process, as well as the standards and guidelines that help you understand what is and is not acceptable.

This document and the two listed above are available in the “Documents” section of the Canyon Creek website (www.CanyonCreekHOA.com).

Living in close proximity to others requires thoughtful consideration about how your actions may affect others. We encourage open communication, cooperation and respect between neighbors so we can maintain a friendly environment that maximizes everyone’s enjoyment of their homes.

Unless otherwise defined herein, capitalized terms used in this document shall have the same meaning ascribed to them in the Canyon Creek Declaration of Restrictions (the “CC&Rs”).

2. Facility Rules

The following rules apply to use of the tennis courts, tot lot/playground, pool, spa and BBQ equipment (referred hereafter as “Facility” or “Facilities”):

FACILITY HOURS
SUNDAY - THURSDAY: 7:00AM - 10:00PM
FRIDAY AND SATURDAY: 7:00AM - 11:00PM
CAUTION - A LIFEGUARD IS NOT ON DUTY

1. Facility use is reserved for Canyon Creek residents and their invited guests only. A Canyon Creek Homeowner or resident must accompany guests at all times when using the Facilities.
2. Use the Facilities at your own risk. The Association assumes no responsibility for any accident or injury in connection with such use or for any loss or damage to personal property. This applies to any use of the Facilities, whether a lifeguard and/or security personnel are present or not.
3. Swimming and/or tennis lessons provided by a non-resident are permitted only if the instruction is being provided to a Canyon Creek resident.
4. Residents may be required to show their key fob at any time, and residents and guests may be required to sign-in to use the Facilities.
5. The pool and tennis court gates must be kept **CLOSED AND LOCKED** at all times.
6. The number of guests using the Facilities is limited to six (6) per Canyon Creek home. There will be NO exclusive use of the Facilities for private parties.
7. All trash must be put in provided trash containers or taken with you when leaving.
8. Any person(s) trespassing in the Facilities during hours it is closed or persons in the area that are not residents or guests of residents will be subject to arrest.
9. The following are not permitted in the Facilities:
 - Pets
 - Smoking
 - Alcoholic beverages
 - Glass bottles or other glass containers/objects
 - Bikes, skateboards, roller skates, roller blades, scooters, hockey sticks, baseball bats, golf clubs, soccer balls, basketballs or any wheeled toys
 - Chewing gum
 - Sound equipment (e.g., radios or other playback devices) unless headsets are used with speakers turned off
 - Surf mats, surfboards, rubber rafts, water lounges, large inflatable toys, diving rings or boogie boards (except teaching aids and life preservers)
 - Urinating or defecating in the pool or spa (which may result in suspension of pool and spa privileges, and monetary charges associated with draining, cleaning, refilling, re-chlorinating and water district penalties)
 - Use of safety equipment for purposes other than emergency use
 - Any activity creating excessive noise or behavior endangering oneself or others, including:
 - Obnoxious or abusive behavior
 - Climbing on patio furniture, umbrellas, trashcans, fountain, BBQ grills, fences or gates
 - Running, pushing, or horseplay

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

- Diving
 - Jumping from any object or structure, including patio furniture
10. Any damage to equipment or furnishings must be promptly reported. Homeowners responsible for the damage caused by themselves, members of their household, tenant or guest will be required to reimburse the Association in a timely manner for losses related to the damage.
 11. Refer to the section *Tennis Court, Pool, Spa and Restroom Keys* in the *Resident Handbook* for information regarding access and replacement keys.
 12. Any infraction of the rules observed by a resident involving safety or vandalism should be immediately reported (refer to the section *Reporting Violations* in the *Resident Handbook* for more information). Other minor questionable activity should be reported in writing to the property management company. Non-adherence to the rules by a guest of a resident will be considered the same as an infraction by the host resident. Anyone not adhering to the rules may be asked to vacate the Facilities immediately.
 13. Enforcement of all rules relating to use of the Facilities will be subject to warning letters, fines, and/or legal fees. Violation of any of the rules listed above will be processed through the Association's Violation/Fine Procedure. Refer to chapter 8 *Adoption, Amendment or Repeal of Rules and Regulations* on page 15 for more information.
 14. Management reserves the right to close any Facilities, at any time, to repair, clean or maintain the premises or equipment, or for other safety reasons.
 15. **Pool/spa:**
 - Children under the age of fourteen (14) years must be accompanied at all times by a responsible adult eighteen (18) years or older.
 - Children under the age of five (5) should not use the spa at any time.
 - Pool furniture is available on a first-come, first-served basis and may not be taken out of the pool area or placed in the pool or spa for any reason at any time.
 - All swimmers must shower before entering the pool or spa, and must wear a bathing suit (ragged-edge garments are not permitted).
 - Swim diapers or waterproof pants, specifically for pool use, must be worn in the pool or spa by anyone who is not "potty trained" and still wearing diapers or any incontinent person.
 - Any person with a condition or disease that may be transmitted through water or open sores shall not use the pool or spas.
 - Elderly persons, pregnant women, infants and those with health conditions requiring medical care should consult a physician before entering a spa.
 - Hot water immersion while under the influence of alcohol, narcotics, drugs or other medicines may lead to serious consequences and should be avoided.
 - Prolonged exposure to hot water may result in nausea, dizziness or fainting and should be avoided.
 - For shoulder-length hair or longer, it is recommended that hair be tied back, braided or a swim cap be worn to prevent drain clogs and drain entrapment. The "buddy system" is recommended to be used by all swimmers at all times. For safety, no one should use the pool or spa alone.
 - Bathing activities (use of soap, lotions, cream, scrubbing, exfoliating, etc.) are not permitted in the pool or spa.
 - During summer months or other times of high use, the Association *MAY* contract for pool monitoring services, but such services may only be for part of each day. Residents are advised to check the schedule for hours.
 16. **Tennis courts:**
 - Tennis courts are open play (i.e., no reservations may be made). Play is to be on a first-come, first-served basis. If others are waiting, play is limited to one (1) hour for singles and one and one half (1½) hours for doubles. Time starts when you take the court.
 - Tennis courts shall only be used for playing tennis. Playing basketball, riding skateboards or bikes or any non-tennis activity is not permitted.
 - Appropriate attire and white rubber-soled shoes must be worn by all persons using the tennis courts.
 - Chairs, lounges, tables or other furniture are not permitted in the tennis court area.

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

17. Tot lot/Playground:

- The tot lot/playground is intended for open play (i.e., no reservations may be made). Play is to be on a first-come, first-served basis.
- The tot lot/playground is intended for use by children under the age of eight (8) and must be supervised by a resident twelve (12) years or older.
- Chairs, lounges, tables or other furniture are not permitted in the tot lot/playground area.

18. Barbeque grills:

- Barbeque grills are available on a first-come, first-served basis.
- To use a grill, open the access door below the grill and turn the timer valve to start the gas flow. Then turn the knob(s) on the grill for the burner(s) and press the ignition switch to light the burner(s).
- After using the BBQ grills:
 - Grill grates must be cleaned using the provided grill brushes
 - Flames must be extinguished and the gas supply turned off
 - All food must be removed from the BBQ area and counter tops must be wiped clean
 - Do not use any abrasive materials to clean any exterior stainless-steel surfaces
 - Overhead lights should be turned off

3. Vehicle and Parking Restrictions

All streets in the Project Canyon Creek are private. Nevertheless, the Association is empowered to enforce the California Vehicle Codes (“CVC”) as if the streets were public (Vehicle Code Section 21107.7). The Association has the authority to enforce, cite and tow vehicles that are in violation of the CVC, local ordinances, specific restrictions contained in the CC&Rs and these Rules & Regulations. The Association, Board of Directors, the property management company and patrol service shall not be held liable for any costs, damages or loss of use related to vehicles that have been towed due to violations.

The speed limit on all Common Area community streets in the Project is 15MPH.

3.1. COMMON STREETS

A driver of a vehicle entering the Project must adhere to the posted speed limit and stop signs, as well as the CVC. There may be children playing in streets, and extreme care and adherence to the rules is necessary. Homeowners are responsible for their guests, tenants and service providers adhering to the rules, and advising them of such. Vehicular noise, including, but not limited to, loud exhaust or stereo levels, is not prohibited.

3.2. DRIVEWAYS AND GARAGES

Parking is permitted on individual driveways only where the parked vehicle does not extend over the Common Area sidewalk or street. Parking for more than two (2) continuous weeks on any driveway without moving the vehicle is prohibited. Vehicles in driveways must be maintained in a clean and presentable manner. Vehicle covers, if used on vehicles parked in driveways, must be removed during daylight hours.

Under no circumstances should residents or guests block the driveway of another resident. Residents and guests are encouraged to use garage and/or driveway parking whenever possible leaving on-street parking available for visitors.

3.3. PARKING ON THE STREETS

All vehicles must be parked on Common Area streets in the normal direction of traffic flow. Vehicles parked on the Common Area streets may not be stored under a vehicle cover, and must be maintained in a clean and presentable manner. As a courtesy to your neighbors, residents and their guests utilizing on-street parking should park in front of your own home whenever possible.

Parking for more than 96 continuous hours on any Common Area street in the Project without moving the vehicle is prohibited. During the next patrol visit after observing a vehicle parked in the same location without moving for more than 96 hours, the vehicle will be ticketed. If the vehicle is not moved within an additional 96 hours after being ticketed, it may be towed and stored without further notice at the owner’s expense.

If you know that you will need to leave a vehicle on the street for a period longer than 96 hours (for example, during an extended vacation), to avoid ticketing and possible towing, please contact the management company ahead of time and request that the vehicle be “Safe Listed” with the patrol service. A vehicle may be “Safe Listed” a maximum of 21 consecutive days at a time, and a total maximum of 100 days in any calendar year. A “Safe Listed” vehicle must not be parked at the curb in front of any other neighbor’s home; it must be parked at the curb in front of your home or at a curb where homes do not face the street. “Safe Listed” vehicles must be owned by a resident, not a visitor or guest. If you need to leave a vehicle unattended for longer than 21 consecutive days at time, it must be parked in your driveway or garage, or you should arrange to have it moved periodically or stored off-site.

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

3.4. NO PARKING AREAS

Parking is not permitted at any time (whether painted red or not) within fifteen (15) feet of fire hydrants, in community entry drives, on corners/curves, in a manner that interferes with entrance to or exit from a resident's neighbor's driveway, crosswalks or any area marked "No Parking." Vehicles parked in violation may be towed and stored without notice at the owner's expense.

3.5. TRAILERS, COMMERCIAL AND RECREATIONAL VEHICLES

The following shall not be parked, stored or permitted to remain upon any area within the Project, other than temporarily (i.e., no more than twelve (12) hours in any two (2) week period) or completely within an enclosed garage, without the prior written consent of the Board:

- Boat
- Bus
- Camper
- Commercial vehicle (whether or not identified as such with signage or commercial messages)
- Horse trailer
- House trailer
- Inoperable automobile
- Mobile home
- Motor home
- Trailer
- Truck (other than standard size pickup truck)
- or similar equipment/vehicles

Vehicles used by service providers may be parked on streets on community streets in the Project only while providing services to residents. Sedans or standard size pickup trucks owned by residents used both for business and personal use may be parked in the Project as long as any signs or markings of a commercial nature on such vehicles are unobtrusive and inoffensive as determined by the Board. Noisy, smoky, off-road and/or unlicensed vehicles shall not be operated in the Project.

3.6. EXIT GATES

Under no circumstances should vehicles enter the community via the exit gates. Doing so risks damage to the gates and the vehicle. While driving out, if you observe a vehicle waiting to get in that may attempt to drive through the exit gate, please pause for a moment for the gate to close behind you. Doing so may save the Association (you) money in gate repairs.

3.7. MOTOR SCOOTERS, MINI-BIKES AND GO-CARTS

Motor scooters, mini-bikes, motorized bikes, hover boards, Segways, go-karts and similar vehicles violate the Use Restrictions of the CC&Rs (Article VII, Section 2 of the CC&Rs, concerning noise and activities that cause an increased liability risk to the Association). Therefore, these types of vehicles are prohibited and may not to be used within the Project at any time. This does not include motorized scooters or wheel chairs used by disabled individuals.

3.8. DUMPSTERS

If the nature of an Improvement requires a dumpster for storage and hauling of debris associated with an Improvement project, the use of a dumpster itself does not require prior Architectural Control Committee (ACC) approval. However, the Homeowner must provide advance verbal or written notice to the property management company of the dumpster delivery and removal dates. If the Improvement involves exterior or other modifications requiring ACC approval, the dumpster requirement and delivery and removal dates should be indicated on the appropriate Home Improvement Application.

Dumpsters may only be placed in the driveway (preferred) or street immediately in front of the home where the work is being performed. To prevent damage to driveway or street or any person or property within the Project, please request that wood boards be placed below wheels and other supports. If placed in the street, dumpsters must have reflectors or reflective tape to minimize night driving accidents. Closed storage containers must remain locked when not in use. Dumpsters must be removed within seven (7) days of the Improvement completion date unless a written extension request is submitted to and approved by the property management company. Any damage to streets or other

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

Common Area property as the result of your Improvement or use of a dumpster will be repaired by the Association and charged to the Homeowner.

3.9. STREET SWEEPING

To maximize the benefits of sweeping, it is suggested that parking on the streets be avoided on street sweeping days. Refer to section *Recurring Events* in the *Resident Handbook* or the Canyon Creek website for the street sweeping schedule.

4. Service Provider Guidelines

Homeowners are to ensure that any contractor or service provider they hire to perform work on their property adhere to the following. The Homeowner may be held responsible and subject to hearings and possible fines for failure of their contractor to comply with these requirements.

1. In accordance with Irvine Municipal Code, construction activities and landscaping operations may occur between 7:00AM and 7:00PM Mondays through Fridays, and 9:00AM and 6:00PM on Saturdays. Construction and landscaping activities shall not be permitted outside of these hours or on Sundays and federal holidays.
2. Service provider shall abide by all parking rules and regulations, speed limits, traffic safety rules and signs, posted and otherwise. The Association is a family community – watch for children playing.
3. Vehicles and other equipment must be parked in the normal direction of traffic flow and in such a manner so as not to block traffic or access to fire hydrants, driveways or streets.
4. Except as provided below, service providers shall not leave vehicles, equipment, trash, construction debris or material on Common Area, such as streets or sidewalks overnight.
5. Service providers shall adhere to all local ordinances in the performance of work.
6. Portable sanitation facilities (portable toilets or “porta-potties”) are generally discouraged if the Homeowner can make suitable arrangements with the contractor and workers. If the nature of the Improvement and situation dictates that a portable sanitation facility will be required, this fact and its proposed location should be noted on the appropriate Home Improvement Application. The portable sanitation facility must be placed in the driveway or other portion of the Homeowner’s property. Prior permission is required from the property management company if the portable sanitation facility is required to be placed on the street. The portable sanitation facility must be serviced for waste removal no less than two times per week and must remain locked when not in use. The portable sanitation facility must be removed within seven (7) days of the Improvement completion date.
7. If the nature of an Improvement requires a dumpster for storage and hauling of debris associated with an Improvement project, the use of a dumpster itself does not require prior ARCACC approval. However, the Homeowner must provide advance verbal or written notice to the property management company of the dumpster delivery and removal dates. If the Improvement involves exterior or other modifications requiring ACC approval, the dumpster requirement and delivery and removal dates should be indicated on the appropriate Home Improvement Application. Dumpsters may only be placed in the driveway (preferred) or street immediately in front of the home where the work is being performed. To prevent damage to driveway or street, please request that wood boards be placed below wheels and other supports. If placed in the street, dumpsters must have reflectors or reflective tape to minimize night driving accidents. Closed storage containers must remain locked when not in use. Dumpsters must be removed within seven (7) days of the Improvement completion date unless a written extension request is submitted to and approved by the property management company. Any damage to streets or other Common Area property as the result of your improvement will be repaired by the Association and charged to the Homeowner.
8. Community landscaped areas and Common Area sidewalks shall be protected during construction. The Association will repair any damage to the Common Area caused by the construction activity, and will charge the Homeowner for the repairs. For major remodels, the Association reserves the right to require fencing that may include the use of a six-foot chain link fence and gate(s) with dark green or black mesh and secured by a lock when construction is not being performed. Such fencing must be positioned on the Homeowner’s Lot behind the Common Area sidewalk and shall be maintained in good condition. The fence must not extend onto Common Area without prior approval from the property management company. All construction materials must be kept behind the fence.

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

9. If lumber or other packaged material is unloaded in the street, street access must not be blocked and safety-warning devices must be used while the material is being unloaded. If left overnight, the area around the material should be marked off with reflective traffic cones. The maximum length of time that material can be stockpiled in the street is twenty-four (24) hours. Unpackaged material, such as sand or soil, may not be unloaded or stockpiled in the street.
10. Service providers must take all necessary safety precautions and shall erect and maintain fences, barriers, lights, signs and other safeguards to give adequate warning to everyone on or near the site of dangerous conditions associated with their construction activity. Such devices must be removed in a timely manner when the dangerous conditions no longer exist.
11. All construction activity must comply with local governmental codes/permits as well as plans approved by the Association's ACC.
12. Construction equipment, materials, debris or trash shall not be allowed to accumulate or be stored on the Common Area. At the end of the workday, Common Area, such as streets and sidewalks, must be left broom clean.
13. Construction equipment, materials and supplies should be stored in the Homeowner's garage during construction. However, if required, some items may be stored on the Homeowner's property (e.g., driveway) as necessary during the construction. However, materials (e.g., sand and cement) that are subject to disbursement due to wind or rain shall be covered during windy or rainy conditions, and at the end of the workday. All debris (e.g., paper, bottles, cans and litter) must be removed at the end of a workday from the exterior of the job site if visible from the Common Area. Construction materials and liquids must NOT be allowed to go into storm drains.
14. Street washing is strictly prohibited.
15. Service providers shall not play radios or other musical appliances so that the sound extends across the lot property lines. Service providers shall minimize noise impacts from generators or other construction equipment.
16. Service providers must perform work in accordance with Best Management Practices and the Master Water Quality Management Plan. For example, erosion and sediment controls must be in place, washing must be confined to the lot area, and materials may NOT be discharged into the storm drain.
17. Service provider signs advertising a work project or site are not permitted on the Homeowner's property or the Common Area.
18. Contractors must minimize external odors and dust during construction.

5. Home-Based Business Guidelines

The Canyon Creek Homeowners Association has adopted the following guidelines to determine whether a home-based business is prohibited within the community. The CC&Rs generally prohibit Residents from conducting a trade or business on any lot within the community. Overt use of community property/facilities for any commercial business purpose is not permitted. The Board, in its discretion, may allow a home-based business based on the following non-exclusive criteria that may be modified from time to time by the Board as it sees fit or need arises.

1. Residents must comply with City of Irvine Zoning Ordinances and any other requirements of the City of Irvine, especially those pertaining to City permits and licenses.
2. The home-based business shall be an incidental and accessory use and shall not change the principal character of the dwelling unit.
3. Residents may conduct business activities in the home providing there are no negative impacts on surrounding properties.
4. The dwelling unit shall not be the primary point of customer pickup or delivery nor shall the home-based business cause a significant increase in vehicular traffic in the neighborhood.
5. Residents with home-based businesses expecting customers or deliveries to the home should not give out the general vehicle gate code (as would be provided to ongoing service providers such as landscapers). Instead, the resident should request a second, private vehicle gate code that can be activated for a limited time or deactivated when appropriate without impacting the general code. Refer to the section *Temporary Gate Code* in the *Resident Handbook* for more information.
6. A sexually oriented business shall not be permitted to be conducted as a home-based business.
7. There shall be no signs or other exterior evidence relating to the home-based business.
8. The home-based business may be conducted in the garage but shall not use any space required for off-street parking.
9. Only the residents of the dwelling unit may be employed in the home-based business.
10. Electrical or mechanical equipment that creates visible or audible interference in radio, television or telephone or causes fluctuations in line voltage outside the dwelling unit shall be prohibited.
11. The home-based business shall not create noise or odors more than that normally associated with a residential use.

6. Sign Regulations

The Association has policies regarding alarm, service provider, election, garage sale, real estate (for sale, lease, open house), and other types of signs as described in the sections below. All signs shall comply with the City of Irvine Municipal Code and any other applicable governmental ordinances regarding signs. All permitted signs shall be maintained in good condition and must conform to the specifications described below. Broken signs must be promptly removed or repaired.

6.1. ALARM SIGNS

Signs for the identification of alarms/security services are permitted, but are not to exceed:

- One (1) metal stake sign per lot, placed no farther than two (2) feet from the front of the home and not to exceed a height of thirty-six (36) inches from the adjacent ground level.
- Two (2) window stickers, not to exceed five (5) by seven (7) inches each.

6.2. NO SOLICITOR SIGNS

A small sign (not to exceed three (3) inches by six (6) inches) prohibiting solicitors may be placed with the closest edge no farther than twelve (12) inches from the front door at a height not to exceed five (5) feet.

6.3. BEWARE OF DOG SIGNS

A sign (not to exceed eight (8) inches by twelve (12) inches) providing notice of the presence of a dog may be placed at a height not to exceed five (5) feet on the center of the gate leading to the backyard of a home. The sign must be in black and white or colors that complement the paint color(s) of the home. Red, orange or yellow lettering and/or graphics are not permitted.

6.4. SERVICE PROVIDER SIGNS

Service provider signs advertising a work project or site are not permitted on the Homeowner's property or the Common Area.

6.5. ELECTION SIGNS

Exterior signs promoting candidates, initiative measures and/or voting that are directly related to an upcoming election are limited to one sign per candidate and/or measure per property and may not exceed maximum dimensions of nine (9) square feet. Election signs may not be posted earlier than forty-five (45) days prior to the election and must be removed within five (5) days after the election.

6.6. GARAGE SALE SIGNS

Since garage sales are not permitted within Canyon Creek (unless a community-wide event is planned and approved in advance by the Board of Directors), Homeowners and residents are not permitted to post Garage Sale signs are not permitted.

6.7. REAL ESTATE SIGNS AND FLYERS

To facilitate the exchange of property within Canyon Creek, the Board has approved a policy that will allow the use of unique Canyon Creek real estate signs when advertising a property is for sale, rent, lease, or being held open. Real estate signs may not be placed on private property (other than the property being sold) without permission of the affected Homeowner. All Homeowners are responsible for advising their real estate agents of the restrictions and asking their cooperation. Remember, only approved Canyon Creek signs will be permitted, with non-conforming signs subject to removal.

Although many companies can make this sign, Reichert's Signs (714-513-9199) in Fountain Valley has been provided the artwork for your convenience.

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

For Sale/For Rent/For Lease Signs: For Sale, For Rent and For Lease signs may not be larger than twelve (12) inches high by eighteen (18) inches wide and must be mounted on a single metal push-stake. The top of the sign must not be higher than forty-eight (48) inches above the adjacent ground level. Only one (1) sign may be placed in the front yard of the property for sale/rent/lease, and NO CLOSER to the street than three (3) feet back from the Common Area sidewalk. The sign must be removed upon close of escrow or within forty-eight (48) hours after a rental or lease agreement is signed. Flags, banners or sold or in escrow signs are not permitted. Aside from the mandatory Canyon Creek logo and the words "For Sale," "For Rent" or "For Lease," the sign may also include the real estate agent's name, the company's name, website address and one phone number only.

Open House Signs: Canyon Creek-specific Open House signs have been purchased by the Association and are available for rent. Real estate agents may use three (3) signs within the community. One Canyon Creek-specific Open House sign may be placed in front of the house (using the same guideline as For Sale signs above) and other signs must be placed at street intersections only and only within Common Area grounds. Open House signs may not be placed on the private property of other Homeowners. Open House signs may only be posted no sooner than one hour (1) before and no later than one (1) hour after the open house.

Open House signs are available from the property management company. Signs must be returned and in the same condition they are received or a replacement fee may be charged.

Real Estate Flyers: One box containing flyers describing the property for sale, rent or lease may be attached to the For Sale, For Rent or For Lease signpost so that it is positioned below the sign or on a separate post adjacent to the sign. The box must be constructed of a durable material, such as metal, plastic or wood (not paper or cardboard). Flyers should be secured by a top on the box or other method to prevent the flyers from getting wet or blowing around.

Important Gate Code Reminder: Do not post the gate code number on the entry phone system, real estate signs, flyers, documents, advertisements, listings, public websites, etc., but may listed on the Agent Only section of the MLS. Failure to comply with this restriction breaches the integrity and security of our access system and may subject the Homeowner to a fine. The Homeowner is responsible for notifying the real estate agent of this restriction.

Homeowners are responsible for arranging access to your real estate agent and prospective buyers. A simple but neat and relatively small sign may be temporarily placed at the community directory at the main gate indicating the agent's mobile phone or the Homeowner's three-digit code to call for admittance. The visitor may then obtain directions from the real estate agent holding the open house. Of course, this requires that the phone number (be it a landline residence phone or cell phone) associated with the three-digit entry code be kept in service. If phone service is not available, arrangements should be made in advance to issue a temporary gate code so the agent can communicate the code to prospective buyers for access to the community without placing a call from the entry system. Prospective buyers should be instructed to call the real estate agent's cell phone and the real estate agent can then communicate the temporary code and directions to the property. Refer to the section *Temporary Gate Code* in the *Resident Handbook* for more information.

6.8. OTHER SIGNS

Special event signs, such as graduation, birth announcements or birthdays are permitted to be displayed on a Homeowner's property, but must be removed within five (5) days of posting. Signs painted on an architectural surface, or made of flora, balloons, lights, roofing, siding, paving materials, or other similar building, landscaping or decorative components are not permitted. Signs displaying obscenity, inciting discrimination, violence or other unlawful activity are not permitted. Also refer to the section *Decorative Elements* in the *Architectural Procedures and Standards* document for information about flags.

Other than as permitted in the sections above, other types of banners or signs are not permitted on any Common Area property including fences, walls, gates, sidewalks, streets, traffic control signposts, utility poles, street signs, trees, etc. unless it is a sign authorized by the Board of Directors (such as pool safety signs, meeting notices, etc.).

7. Miscellaneous Rules and Regulations

The following additional miscellaneous Rules and Regulations have been established:

1. To maximize on-street parking, it is recommended that, whenever possible, trashcans be placed at the curb no earlier than 4:00PM the day before trash pickup and must be removed from the street and stored no later than 10:00AM the day following the scheduled collection. At all other times, trashcans must be stored behind a side gate or in the garage out of view from the Common Area.
2. Common Area sidewalks and walkways must be kept clear for use by others who are walking. Items such as bicycles, toys, sports equipment, etc. should not be left or stored on the Common Area.
3. Driveways and Common Area sidewalks should be kept clean and free of debris. Oil drips and stains on driveways, Common Area sidewalks and public streets shall be periodically removed. Oil pans, cardboard, plastic sheeting, carpeting or other materials shall not be placed on driveways or streets.
4. Unless otherwise mentioned herein (e.g., dumpsters), all items stored outside, such as yard equipment, wood piles, dog houses, trash containers, recycling bins and compost containers, must be completely screened from the Common Area. Garden hoses, if visible from the Common Area, should be stored on a rack or reel, or neatly coiled, close to the home when not in use. Objects with a height greater than six (6) feet shall not be stored in a manner that is visible from the Common Area.
5. Residents may own or care for usual and ordinary household pets such as dogs, cats, birds, and the like, if they are not kept, bred, or maintained for any commercial purposes, and further provided they are kept under reasonable control at all times. The total number of dogs and cats owned or cared for by any resident is limited by city ordinance (contact the city of Irvine for more information).
6. Dogs anywhere on the Common Area must be on a leash that is held by a person capable of controlling the dog.
7. If a pet soils a portion of the Common Area or a resident's property, the person in control of the pet shall immediately clean up after the pet.
8. Problems associated with animals, including noise disturbances, off-leash, aggressive behavior or other problems must be directed to Irvine Animal Services (949-724-7092). The Association may request that animals exhibiting aggressive behavior or biting any person within the community be removed from the community temporarily or permanently, whichever is deemed necessary in the Board's reasonable discretion for the safety and welfare of everyone in the community.
9. Private or commercial kennels, domestic animal care facilities, stables or aviaries over six (6) feet and visible from the Common Area property are not permitted.
10. No homeowner may keep animals that make sounds or noise that disturb others' enjoyment of their property.
11. Exterior paint shall be maintained at all times. Peeling, chipping, stained or faded painted surfaces, and stucco, wood siding, shingles, trim and roofing shall be repaired as necessary within a reasonable amount of time.
12. Wrought iron fences mounted to the top of walls dividing the Homeowner's property from the Common Area are owned by the Homeowner, and it is their responsibility to maintain, repair/replace and periodically paint such fences so that they remain stable and in good visible condition. Refer to the sections *Exterior Painting* and *Fences, Gates, Walls and Planters* in the *Architectural Procedures and Standards* document for more information.

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

13. Homeowner's irrigation sprinklers must be positioned in a way that prevents, as much as possible, overspray onto Common Area metal fencing. Repairs for damage to Common Area fencing because of improper irrigation spray may be charged to the Homeowner.
14. Potted plants or other items are not permitted to be placed on or on top of the Association's perimeter walls.
15. Garage sales are not permitted unless a community-wide event is planned and approved in advance by the Board of Directors.
16. Patio umbrellas shall be maintained in an aesthetically acceptable condition and shall not display advertising or endorsements if visible from above a fence/wall or from the Common Area.
17. Personal items that detract from the appearance of the home may not be left or stored in areas visible to the Common Area.
18. Outdoor holiday lighting and/or decorations must conform to the following standards:
 - All outdoor holiday lighting and/or decorations shall not be installed any sooner than thirty (30) days prior to the holiday and shall be removed no later than thirty (30) days after the holiday.
 - If visible from the Common Area, hooks and other devices used for the installation of holiday lighting and/or decorations are to be removed upon removal of the lighting and/or decorations, or shall be of a color (or painted) to match the surface to which they are attached.
19. All portable basketball hoops and other portable sports equipment must be stored when not in regular use. Storage out of view from the Common Area is preferred, but this equipment may be stored on the Homeowner's driveway if other storage is not practical. Such equipment shall not block any Common Area sidewalk at any time.
20. "Bounce houses" and any other temporary party equipment associated with a Homeowner's personal party may not be placed on any portion of the Common Area, and must be under adult supervision.
21. Drones and other radio-controlled devices may not be flown in such a way that it invades the privacy of any residence. The device's owner/operator shall be fully responsible for any personal injury and/or damage to Common Area. A Homeowner hiring a contractor that will use a drone for commercial purposes (e.g., real estate photography, roof inspection) must ensure that the contractor has a valid remote pilot airman certificate and complies with FAA Part 107 regulations and another other regulations.
22. Residents with floor plans that have corner garage windows must have normal interior window coverings on the windows (such as blinds) and must not place objects, such as boxes, which are visible from the Common Area.
23. Absentee Homeowners must provide current contact information to the property management firm so the Homeowner can be contacted for architectural neighbor awareness, in the case of an emergency, or any other Association business and needs. You may submit this information by completing the Management Contact form (Contacts > Management) on the Canyon Creek website (www.CanyonCreekHOA.com).
24. 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. Homeowners may not dispose of hazardous waste, substance or material into any street gutters, storm drains or other drainage device located anywhere in the community.
25. Homeowners shall not rent, lease or lend their property to others for periods less than thirty (30) days Short-term rentals (e.g., AirBnB, vacation rentals, etc.) are not permitted.
26. The Association shall not become involved in resident disputes unless the issue involves violation of the CC&Rs, Rules & Regulations or other Governing Documents.
27. Any fines or fees assessed by the city, county or other government agency that are assessed against the Association because of acts by a Homeowner, resident or their guest(s) will be passed along to the Homeowner in the form of a Special Assessment or Reimbursement Assessment.
28. Residents and guests shall not conduct any activities that may increase liability to the Association, or cause annoyance, be a nuisance, or interfere with the quiet enjoyment of another Homeowner's lot.

8. Adoption, Amendment or Repeal of Rules and Regulations

The Board of Directors may, in its discretion, adopt new Rules and Regulations, and, amend or repeal Rules and Regulations included in this *Rules & Regulations* or *Architectural Procedures and Standards* documents from time to time. Homeowners will receive a written draft of the proposed change(s) at least thirty (30) days in advance of a scheduled Board meeting at which the Board will vote on the change(s).

Homeowners with comments about the proposed change(s) may attend the Board meeting or submit written comments to the Board prior to the meeting. The Board will decide at the meeting after considering all comments. If approved by the Board, the change(s) will be mailed or otherwise distributed to the Homeowners within fifteen (15) days after the Board adopts the change(s). The change(s) will go into effect thirty (30) days after the Board adopts the rule change(s). If the change(s) include any new or modified Architectural and Landscaping Standards, the new or revised guidelines and standards will only apply to new p Home Improvements, which are submitted for approval after the effective date. The approved change(s) will be incorporated into a reprint or as an addendum to the affected document.

The Board may adopt, amend or repeal rules on an emergency basis without providing thirty (30) days' notice if it reasonably determines that there is an imminent threat to public health or safety, or an imminent risk of substantial economic loss to the Association. If the Board adopts a rule change on an emergency basis, Homeowners will be given notice of the change within fifteen (15) days. The emergency rule change will go into effect as soon as possible as reasonably determined by the Board, and may only be effective for up to 120 days, but may be re-adopted after following the above- adopted notice procedures.

9. Rules Enforcement Policy and Fines

9.1. RULES ENFORCEMENT

In accordance with the Governing Documents and Association's Declaration of Establishment of Covenants, Conditions and Restrictions (CC&Rs); Architectural and Landscaping Guidelines and Standards, Rules and Regulations published herein; and applicable California law, Civil Codes (hereafter referred to as Governing Documents); the Association, acting through the Board of Directors, is charged with the responsibility for maintaining and managing the Common Areas of the Association and for enforcing the provisions of the Governing Documents. The procedures described herein describe the methods available to the Association for ensuring conformity within the community and compliance with the Governing Documents, and supersede all rules enforcement procedures previously adopted by the Board of Directors.

WHEREAS, the Board of Directors deems it in the best interest of the Association to set forth the policies and practices of the Association in establishing an Enforcement Policy regarding continued non-compliance of the Association's Governing Documents.

Thus, NOW, THEREFORE, BE IT RESOLVED that the Association hereby adopts the following Enforcement Policy for compliance with the Governing Documents:

1. Where possible and if applicable, the complainant is encouraged to contact the violator and resolve any annoyances created because of violations of the Governing Documents. The complainant may issue a complaint in writing to the property management company or use the violation form found in the "Documents" section of the Canyon Creek website.
2. The Board of Directors (or the property management company acting on behalf of the Board) will take appropriate action on a reasonable complaint filed by a Homeowner. The Board of Directors or the property management company may also initiate an action based on inspections or observations. Upon substantiation of the violation of the Governing Documents, the Board of Directors may proceed with a Notice of Violation, Notice of Hearing, Preliminary Internal Dispute Resolution Process (refer to chapter 10 on page 19), legal action or other remedy the Board, in its discretion, believes is appropriate under the circumstances. In most cases, the Board will choose to issue a Notice of Violation followed by a Notice of Hearing, if necessary. Procedures with respect to the Notice of Violation and Notice of Hearing shall be handled as follows:
 - a) If sent, a formal Notice of Violation will be sent to the Homeowner (not a tenant or service provider), notifying them of the violation. The Homeowner will be given a reasonable period of time (the "Cure Date") to cease or correct any act or omission that appears to be in violation of the Governing Documents. The Board of Directors or the property management company will verify that the violation is not continuing after the Cure Date set forth in said notice.
 - b) If the violation continues after the Cure Date, or is repeated within twelve (12) months, or if the violation is reasonably deemed by the Board to be significant such that a Notice of Violation is not appropriate, a Notice of Hearing concerning the violation will be sent that will set the time and date at which complainant chargers will be heard. The Homeowner will be given ten (10) days advance notice of the hearing to defend his/her position. No proceedings will be brought against any Homeowner (who is responsible for the actions of his/her family members, tenants, service providers and/or their guests) unless a Notice of Hearing has been sent to the Homeowner.

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

- c) At such Hearing, the Homeowner shall have the right to present oral and written evidence and witnesses to ensure a fair Hearing. The Board of Directors may limit the time allocated for hearing the Homeowner's evidence. A decision will not be rendered during the Hearing.
- d) The Board of Directors shall meet in a closed Executive Session to review the situation and shall deliver to the Homeowner, within fourteen fifteen (15) days after the Hearing, a written decision, which shall specify the fines or penalties levied, if any, and the reasons therefore.
- e) If a Homeowner (or their tenant or service provider) shall correct an alleged violation prior to the Hearing date, upon notification to the property management company, the Board of Directors shall discontinue the proceedings. If it is subsequently found that the alleged violation has not been corrected, a new Hearing Notice will be sent with a new Hearing scheduled at which the Homeowner must appear.
- f) If a Homeowner cannot attend the Hearing as scheduled, the Homeowner must request from the property management company a re-scheduled Hearing date no later than twenty-four (24) hours before the originally scheduled Hearing time and date.
- g) In the event a Homeowner does not appear for a Hearing, the Board of Directors may make its decision based on the available evidence.

APPROPRIATE LEGAL ACTION MAY BE TAKEN AT ANY POINT DURING THIS PROCESS. THE ASSOCIATION SHALL BE ENTITLED TO COLLECT REASONABLE ATTORNEY'S' FEES AND LITIGATION COSTS.

Financial obligations incurred by the Association because of a violation or other act by a Homeowner, their family members, tenants, service providers and/or guests (e.g., damage to a wall, tree, light fixtures or the Common Area, etc.) will be charged to the responsible Homeowner.

The Board of Directors reserves the right to waive the initial notice and call the matter directly to a Hearing or refer the matter to legal counsel for action for issues that can be deemed harmful, unsafe, or pose a liability to the Association, any individual, the environment, or the Common Area.

9.2. FINES AND PENALTIES

After a Hearing at which the Board of Directors determines that there has been a violation of the Governing Documents, the following fines and penalties may be imposed at the discretion of the Board, provided, however, the Board may impose double the amount of a fine on a first offense if the Board, in its discretion, determines that such a fine is appropriate. **Any attorney fees associated with the violation will be added to the penalty assessment.**

- 1) UNLESS OTHERWISE PROVIDED BELOW, PENALTY ASSESSMENT FOR VIOLATIONS

First penalty assessment.	\$100.00
Every thirty (30) days after the first penalty assessment until the violation has been resolved, or for repeat violations more than thirty (30) days apart.	\$200.00

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

2) PENALTY ASSESSMENT FOR ARCHITECTURAL VIOLATIONS

For MINOR improvements (exterior painting, doors/windows, roofing, etc.): Failure to submit required application prior to making the improvements, or making changes to an approved improvement without submitting a new application and obtaining prior approval for the additional change(s). This fine may repeat every thirty (30) days after the first penalty assessment until the violation is resolved.	\$200.00
For MAJOR improvements including, but not limited to, <i>major landscaping changes</i> (hardscape, landscape that affects more than half of the front yard area or artificial turf grass regardless of amount visible from the Common Area) and <i>architectural changes</i> (room additions, structure modifications, exterior remodels, etc.): Failure to submit required application prior to making the improvements, or making changes to an approved improvement without submitting a new application and obtaining prior approval for the additional change(s). This fine may repeat every thirty (30) days after the first penalty assessment until the violation is resolved.	\$500.00

3) PENALTY ASSESSMENT FOR RENTING A PROPERTY FOR LESS THAN 30 DAYS

First penalty assessment.	\$1,000.00
Every thirty (30) days after the first penalty assessment until the violation has been resolved, or for repeat violations more than thirty (30) days apart.	\$2,000.00

4) SUSPEND HOMEOWNER'S VOTING PRIVILEGES AND/OR SUSPEND OR CONDITION THE RIGHT OF THE HOMEOWNER (AND/OR HIS TENANTS AND/OR GUESTS) TO USE RECREATIONAL FACILITIES.

5) A VIOLATION OF THE GOVERNING DOCUMENTS RELATING TO VEHICLE PARKING MAY RESULT IN TOWING AND STORAGE OF THE VEHICLE AT THE VEHICLE OWNER'S EXPENSE. The Association, Board of Directors, the property management company and patrol service shall not be held liable for any costs, damages or loss of use related to vehicles that have been towed due to violations.

Penalties shall be paid by the Homeowner within thirty (30) days after assessment.

10. Preliminary Internal Dispute Resolution Process (PIDR)

This information is a summary of California Civil Code Sections 5900 through 5920 current as of the date of publication of this *Rules & Regulations* document. Please refer to sections of the California Civil Code indicated for further information (<http://leginfo.legislature.ca.gov/faces/codes.xhtml>).

In accordance with California Civil, the Association provides a fair, reasonable, and expeditious procedure for resolving disputes between the Association and an owner involving rights, duties or liabilities under the Davis-Stirling Common Interest Development Act, the Nonprofit Mutual Benefit Corporation Law, or the Association's Governing Documents. In most cases, because it is quicker and less costly to all involved, the Association will use the Notice of Violation and Notice of Hearing process described in chapter 8 on page 15. However, as an alternative and at its discretion, the Board of Directors may choose to use the Preliminary Internal Dispute Resolution (PIDR) procedure to resolve disputes. A Homeowner may also request to use PIDR to resolve disputes.

The PIDR procedure is designed as a first step to supplement, but does not replace the Alternative Dispute Resolution pre-litigation process summarized in chapter 11 on page 21 and included with the Association's annual budget packet sent to the Homeowners. The PIDR procedure is as follows:

1. Either a Homeowner or the Association may request the other, in writing, to meet and confer to discuss resolution of a dispute. While a Homeowner may refuse the Association's request to meet and confer, the Association may not refuse a Homeowner's request to meet and confer.
2. The Board hereby designates the President or in his/her absence, the Vice-President ("Board Designee"), as well as the Community Manager to meet and confer with the Owner. The Board Designee shall also have the right to request the Chairperson of any applicable Committee involved in the dispute to assist the Board and attend the meeting with the Owner. If the Association is pursuing litigation related to a delinquent assessment, the Board designates the Treasurer in lieu of the President as the Board Designee.
3. Although not precluded, attorney participation in the PIDR is discouraged to maintain direct discussions between the principals of the dispute and to maintain the goal of resolution through an expeditious process. To the extent the Homeowner requires that his/her/its attorney or other representative attend the PIDR meeting, the Homeowner shall be required to give five (5) business days' notice to the Association so that the Association can ascertain if it desires its corporate counsel to attend.
4. The PIDR meeting shall be scheduled upon the earliest to occur of the following:
 - A. The first regular Board of Directors meeting held after the Association's receipt of a Homeowner's written request to meet and confer;
 - B. The first regular Board of Directors meeting held after the Association's receipt of a Homeowner's written acceptance to meet and confer; or
 - C. Within forty (40) days following Association's receipt of such request or acceptance from a Homeowner.

The Board member so designated shall not have authority to bind the Board of Directors or the Association to any agreement or resolution. The Board of Directors may, in its discretion, act sooner than as provided above and schedule a special Board of Directors meeting to act on a Homeowner's request to meet and confer.

5. The Homeowner, the designated Board member, and any other necessary witnesses or participants shall meet promptly at a time and place mutually convenient for the Homeowner and the Board member. The designated Board member will explain the Board's position, and the Homeowner and other participants will explain their

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

respective positions. The parties will confer in good faith to resolve the dispute. Maximum reasonable use of available local dispute resolution programs shall be utilized when appropriate to do so, depending upon the nature and complexity of the dispute.

6. A resolution of the dispute shall be memorialized in writing and signed by the parties. An agreement or resolution reached using this procedure binds the parties and is judicially enforceable only if it is not in conflict with law and if the agreement or resolution is ratified by the Board of Directors.
7. A Homeowner may not be charged a fee to participate in the process.

In the event the foregoing policy is not adopted, the dispute resolution procedure shall be controlled by California Civil Code Section 5900 through 5920.

11. Alternative Dispute Resolution Summary

This information is a summary of California Civil Code Sections 5925 through 5965 current as of the date of publication of this Resident Handbook. Please refer to sections of the California Civil Code indicated for further information (<http://leginfo.legislature.ca.gov/faces/codes.xhtml>).

California Civil Code Sections 5925 through 5965 requires community associations and their Homeowners to offer to participate in some form of Alternative Dispute Resolution (ADR) prior to initiating certain types of lawsuits in Superior Court. ADR means mediation, arbitration, conciliation, or other nonjudicial procedure that involves a neutral party in the decision-making process. ADR may be either binding or non-binding, as may be agreed to by the parties. This summary of the ADR statutes is being distributed as required by California Civil Code.

11.1. WHEN ADR MUST BE OFFERED PRIOR TO INITIATING ENFORCEMENT ACTION

The Association and Homeowners may not file certain lawsuits in Superior Court unless an effort has been made to submit the dispute to ADR as required by law. Generally, ADR must be offered before filing a civil action or proceeding that seeks:

- A. A judicial declaration of the rights and responsibilities of the parties, only; or
- B. A writ of mandate or a writ of prohibition, only; or
- C. Permanent injunctive relief only; or
- D. Declaratory relief, writ relief, or injunctive relief, combined with a claim for monetary damages of five thousand dollars (\$5,000) or less.

It is not necessary to offer ADR prior to filing any other type of Superior Court action, or prior to filing any type of small claims action. Except as otherwise provided by law, the ADR requirement does not apply to an assessment dispute.

11.2. COMPLIANCE PROCEDURE

The ADR process is initiated by one party serving all other parties with a "Request for Resolution," which shall include:

- A. A brief description of the dispute between the parties;
- B. A request for ADR;
- C. When directed to a Homeowner, the request must be accompanied by a copy of the ADR statutes;
- D. A notice to all parties that they are required to respond within thirty (30) days of receipt or else the offer of ADR is deemed rejected.

Service of the Request must be by personal delivery, First Class mail, express mail, facsimile transmission, or other means reasonably calculated to provide the intended recipient actual notice of the Request. If the Request is accepted, ADR must be completed within ninety (90) days of the receipt of the acceptance, unless the parties sign a written agreement extending the completion date.

**CANYON CREEK HOMEOWNERS ASSOCIATION
RULES & REGULATIONS**

The cost of ADR is to be borne by the parties. Unless the parties agree, no oral or written evidence or statements made in an ADR proceeding, other than arbitration, are admissible as evidence in a later lawsuit. Each Homeowner should consult with his or her own attorney regarding appropriate compliance with the ADR statutes.

11.3. FAILURE TO PARTICIPATE IN SOME FORM OF ADR PRIOR TO ENFORCEMENT ACTION

Should a party unreasonably refuse to participate in ADR before the lawsuit is filed, the court may, in its discretion, take this refusal into consideration in determining the amount of attorneys' fees and costs ultimately awarded at trial. In accordance with the disclosure requirement of California Civil Code Section 5965 (a), please be advised that:

"Failure of a member of the Association to comply with the Alternative Dispute Resolution requirements of Section 5930 of the Civil Code may result in the loss of your right to sue the Association or another member of the Association regarding enforcement of the Governing Documents or the applicable law."

12. Assessment Collection Policy

Assessments are due and payable by the fifteenth (15th) of each month. Bills are prepared and mailed on or about the 25th of the preceding month. You may arrange for automatic deduction from your bank account by completing and submitting an Automatic Payment Authorization form (available in the “Documents” section of the Canyon Creek website).

The following collection policy applies to past due assessments (fees subject to change):

15 days delinquent	A late charge will be assessed to the account in an amount not exceeding ten percent (10%) of the delinquent assessment or ten dollars (\$10.00), whichever is greater.
45 days delinquent	A “Notice of Intent to Lien” letter will be sent on behalf of the Association as required by Civil Code Section 5660 by certified and First-Class mail, explaining that if full payment is not received in the Association's business office within thirty (30) days, a "Notice of Delinquent Assessment" will be recorded against the property. The Homeowner will be charged a fee for this pre-lien letter.
75 days delinquent	A "Notice of Delinquent Assessment" will be recorded at the County Recorder's Office against the property on behalf of the Association. A letter will be sent, along with a copy of the "Notice of Delinquent Assessment," certified mail to the delinquent Homeowner within ten (10) days of the recording date. The Association authorizes the property management company to sign the “Notice of Delinquent Assessment” on behalf of the Association. The Homeowner will be charged a fee for the cost of preparation and recording.
90 days delinquent	An “Intent to Foreclose and/or File Legal Action” letter will be sent to the delinquent Homeowner notifying them that their account(s) will be referred to an attorney to begin foreclosure proceedings. The Homeowner will be charged a fee for this processing.
105 days delinquent	Subject to the provisions of Civil Code Section 5705 or any similar superseding statute, foreclosure and/or legal action proceedings will start against the delinquent Homeowner's property. The legal costs will be assessed to the delinquent Homeowner's account(s).

The Board of Directors will review requests for adjustments to collection fees for just cause. The Association may pursue collection of delinquent sums owed to the Association in any lawful manner, including but not limited to, Small Claims Action, Non-Judicial Foreclosure and/or Judicial Foreclosure/Personal Money Judgment.

Date of receipt of payment will be determined by the date received by our statement-processing center or by the Association's business office. To avoid late charges and other penalties, be sure to allow enough time for your payments to be delivered and received. Always make your checks payable to Canyon Creek Homeowners Association and mail to the address shown on the monthly statement. Note that the payment address may change from time to time, so you may need to adjust automatic “push” payments you have instructed your bank to make. Payment address will be automatically adjusted if you have signed up for Automated Clearing House (ACH “pull”) payments.

Please remember that assessments are due WHETHER OR NOT YOU RECEIVE AN INVOICE. The invoices will be mailed to Homeowners on or about the 25th of each month prior to the due date, but we cannot be responsible for the actions of the postal service. If you do not receive an invoice, be sure your payment is received no later than the

**CANYON CREEK HOMEOWNERS ASSOCIATION
RESIDENT HANDBOOK**

15th day of the month in which it is due. It is each Homeowner's responsibility to provide a correct mailing address and ensure prompt payment of assessments. Fees are subject to change without notice.

*Canyon
Creek*