SAVANNAH ASSOCIATION

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Community Management Company:
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Phone (951) 270-3700

ARTICLE 9.

USE RESTRICTIONS

Section 9.1 - Commercial Use. Subject to the subsection entitled "Construction and Sales" of the Section entitled "Easements for Construction and Marketing Activities" of the Article entitled "Easements and Rights" of this Declaration, no part of a Residence shall be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any nonresidential purposes except that a Residence may be used for business, commercial, manufacturing, mercantile, storing, vending, or similar nonresidential purposes provided that the existence of such nonresidential activity is not apparent or detectable by sight, sound or smell from the exterior of a Residence and such nonresidential activity does not generate an unreasonable amount of traffic or unreasonably limit parking for other Owners and their guests, employees, or agents.

Section 9.2 - Signs. No sign or biliboard of any kind shall be displayed to the public view on any portion of the Covered Property except (1) such signs as may be used by Declarant or its sales agents in connection with the development of the Covered Property and sale of the Residences, and (2) signs that are installed or displayed by the Association, provided, however, that in accordance with Section 712 of the California Civil Code, an Owner may display

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on his Residence, 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. As provided in such Section 712 of the California Civil Code, a sign which conforms to an ordinance adopted in conformity with Section 713 of the California Civil Code shall be deemed to be of reasonable dimension and design. Declarant shall repair any damage to or complete any restoration of the Covered Property caused or necessitated by the display of signs by Declarant or its sales agents within a reasonable time after the occurrence of such damage or need for restoration.

Section 9.3 - Nulsance. No noxious or offensive trade or activity shall be permitted upon any part of the Covered Property, nor shall anything be done thereon which shall in any way interfere with the quiet enjoyment of each of the Owners of his respective Residence, or which shall in any way increase the rate of insurance on any other Condominium or the Covered Property.

Section 9.4 - Temporary Residences. No garage, trailer, camper, motor home or recreational vehicle shall be used as a dwelling structure although the Board may adopt rules that would permit the temporary use of such structure or vehicles for such purpose on a limited basis under prescribed conditions such as, but not limited to, the period of time that the residential dwelling structure may be under construction or renovation.

Section 9.5 - Vehicles.

- (a) The following terms used in this Section are defined to mean as follows:
 - "Commercial Vehicle" shall mean a truck of greater than one ton capacity; (i)
- "Recreational Vehicle" shall mean any recreational vehicle or equipment designed to be used for recreational purposes, to include, without limitation, trailers, boats, campers, trailer coaches, buses, house cars, camp cars, motor homes (if the motor homes are a size targer than seven (7) feet in height and/or greater than one hundred twenty-four (124) inches in wheel base length) or any other similar type of equipment or vehicle; and
- "Temporary Parking" shall mean temporary parking for washing and pollshing of vehicles and activities related thereto, temporary parking for loading and unloading of vehicles, parking of vehicles belonging to guests of Owners and temporary parking of commercial vehicles being used in the furnishing of services to the Association or the Owners.
- Except for Temporary Parking, no Commercial Vehicle, Recreational Vehicle or any other similar type of (p) equipment or vehicle shall hereafter be permitted to remain upon the Covered Property unless placed or maintained within an enclosed area, or unless obscured from view of adjoining streets, Association Property and Residences by a solid wall or fence or appropriate screen; and
- No automobile, Commercial Vehicle, Recreational Vehicle or any other motorized vehicle may be dismantled, rebuilt, repaired, serviced or repainted on the Covered Property unless performed within a completely enclosed structure located on a Residence which completely screens the sight and sound of such activity from streets, Association Property and neighboring Residences.

The Board may edopt rules for the regulation of the admission and parking of vehicles within the Covered Property. including the assessment of Penalty Assessments to Owners who violate, or whose family, guests, employees, tenants or agents violate, such rules.

Section 9.6 - Use of Common Area. The Board may establish reasonable rules and regulations as it deems appropriate in its sole discretion with regard to the use and enjoyment of any portion of the Common Area that is not Exclusive Use Common Area, including without limitation, designating portions thereof as Association Common Area, for "parking" and "guest parking" or granting the exclusive use of portions thereof for a limited period of time for parking purposes to Owners who are temporarily being denied vehicular access to their Residences because of any construction, reconstruction, repair or maintenance activity being conducted by the Board or conducted by others with

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Section 9.8 - Restrictions on Drilling Operations. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in the Covered Property nor, after this Declaration is recorded, shall oil wells, tanks, tunnels, or mineral excavations or shalls be installed upon the surface of the Covered Property or within five hundred (500) feet below the surface of such properties. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon the Covered Property.

Section 9.9 - Unalghtty Items. All weeds, rubbish, debris, or unsightly material or objects of any kind shall be regularly-removed-from the Flesidences-and-shall-not-be-allowed-to-accumulate-thereon;—Except-as-otherwise required or permitted by the Architectural Guidelines or the Association Rules, all clothestines, refuse containers, trash cans, woodpiles, slorage areas, machinery and equipment shall be prohibited upon any Residence unless obscured from view of adjoining streets or portions of the Covered Property from a height of six (6) feet or less.

Section 9.10 - Antennae: Roof Structures.

- Antennae. No television, radio, or other electronic lowers, perials, entennae or devices of any type for the reception or transmission of radio or television broadcasts or other means of communication shall hereafter be erected, constructed, placed or permitted to remain on the Covered Property unless they are (1) contained within a building or underground conduits, (2) completely obscured from view from any streets or any other portion of the Covered Property, (3) screened from view by an appropriate screen that has been approved in writing by the Architectural Committee, or (4) if Architectural Guidelines are adopted to govern the installation and maintenance of any such devices, in compliance with such Architectural Guidelines. Netwithstanding the foregoing, restrictions on the installation and maintenance of certain video or television antennas (including satellite dishes) and such other devices described in California Civil Code Section 1376 and/or in the federal Telecommunications Act of 1996, and any regulations promulgated pursuant thereto such as but not limited to Rule 207 of the Federal Communications Commission, shall be subject to the limitations set forth in said statutes and regulations.
- Solar Energy Systems. As provided in Section 714 of the California C vii Code, reasonable restrictions on the installation of solar energy systems that do not significantly increase the cost of the system or significantly decrease its efficiency or specified performance, or which allow for an alternative system of comparable cost, efficiency, and energy conservation benefits may be imposed by the Architectural Committee. Whenever approval is required for the installation or use of a solar energy system, the application for approval shall be processed and approved by the Architectural Committee in the same manner as an application for approval of an architectural modification to the property, and shall not be willfully avoided or delayed. "Solar energy system" as used herein shall have the meaning given to it in Section 801.5 of the California Civil Code. Failure to comply with Section 714 of the California Civil Code could result in the payment of actual damages and a civil penalty and the prevailing party in any action to enforce compliance with such Section 714 shall also be awarded reasonable attorneys fees.
- (c) Other Roof Structures. No other appliances or installations on exterior roofs of structures including. without limitation, roof-top turbine ventilators, shall be permitted unless they are installed in such a manner that they are not visible from streets or any other portion of the Covered Property.

Section 9.11 - Drainage. All drainage of water from any Residence shall drain or flow into adjacent streets or alleys and shall not be allowed to drain or flow upon, across, or under any other portion of the Covered Property unless an easement for such purpose is granted. An Owner shall not after the drainage of water which exists pursuant to the drainage plan originally created at the time of the initial sale of his Condominium by Declarant except through the use of a positive drainage device which does not materially affect the concentration or flow direction of grainage water under such drainage plan.

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Section 9.13 - Window Covers. Curtains, drapes, shutters or blinds may be installed as window covers. No window shall be covered with aluminum foll, newspapers or other material not designed for use as a window cover.

Section 9.1% - California Vehicle Code. The applicable Public Agency shall be allowed to impose and enforce all provisions of the applicable California Vehicle Code sections or local ordinances on any private streets contained within the Covered Property.

Section 9.15 - Leases. Any agreement for the lessing or rental of a Residence (hereinafter in this Section called a "lease") shall be in writing and shall provide that the terms of the lease shall be subject in all respects to the provisions of the Association Management <u>Documents and any applicable</u> agreements between the Association and any of the Federal-Agencies. - Any-Owner who leases his Condominium shall be responsible for eastiring compilarities by such Owner's lessee with the Association Management Documents. No Condominium shall be leased for any period less than seven (7) days. The Covered Property and the Condominiums shall be operated to the extent reasonably possible in a manner that will satisfy guidelines or regulations that permit the Federal Agencies to purchase, Insure, or guarantee First Mortgages encumbering Condominiums. As long as hotel-type rentals preclude Federal Agencies from purchasing, insuring or guaranteeing First Mortgages, as aforesaid, such hotel type rentals shall not be permitted. "Hotel-type rentals" have been defined by FNMA to mean rentals that include the presence of a registration desk, available food and telephone service, daily occupancy rates, daily cleaning services or rental pooling agreements that require Owners to either rent their Condominiums or give management firm control over the occupancy of the Condominiums.

Section 9.16 - View. Each Owner, by acceptance of a deed or other conveyance of a Condominium, acknowledges that any construction or Improvement by Declarant, the Association, any other Owner, or any owner of any other property may change, impair, obstruct or otherwise affect any view that such Owner may have enjoyed at the time of the purchase of his Condominium. The Association Management Documents do not contain any provisions Intended to protect any view or to guarantee that any views that an Owner may have enjoyed will not be impaired or obstructed in the future by changes to other property. Each Owner further acknowledges that any rights acquired do not include the preservation of any view and further consents to such obstruction and/or impairment. No representations or warrenties of any kind, express or implied, have been given by Declarant, or any partners, subsidiaries or affiliated companies of Declarant, or any officers, employees, directors or agents of any of them, in connection with the preservation of views. Each Owner and/or the Association agree to hold Declarent, and all partners, subsidiaries and affiliated companies of Declarent, and all of the officers, employees, directors and agents of any of them, free of liability from such damages. costs, expenses or charges incurred in connection therewith, such as, but not limited to, attorneys' fees and court costs and costs arising from any changes, obstruction or impairment of the view from such Owner's Condominium.

Section 9.17 - Post Tension Slabs. Building structures within the Covered Property may have been constructed using post tension concrete slabs (defined to mean concrete slabs that contain a grid of steel cables under high tension). Each Owner, by acceptance of a deed to his Condominium, acknowledges that modification or alteration of concrete slab floors contained within his Condominium could damage the integrity of such post tension states and could cause serious personal injury or property damage. Each Owner and/or the Association agree to hold Declarant, and all partners, subsidiaries and affiliated companies of Declarant, and all of the officers, employees, directors and agents of any of them, free of liability from such damages, costs, expenses or charges incurred in connection therewith, such as, but not limited to, attorneys' lees and court costs and costs incurred by reason of injury to property or injury to persons caused by any modification or alteration of such post tension slabs.

Section 9.18 - Entry Gates. Vehicular access into the Covered Property may be controlled by electronically operated entry gales located at the private street entrances into the Covered Property. There may be additional controlled access pedestrian gates at other locations with the Covered Property. The entry gates may not be staffed. Declarent reserves the right to limit the operation of any vehicular entry gates white Declarant is constructing and/or offering Residences for sale (the "Marketing Period"). During the Marketing Period, the entry gates will be open to the general public, including prospective homebuyers and Declarant's employees, agents and contractors, during daylight hours.

Declarant shall not be required to give notice to the Owners of changes in the hour of operation of the entry gates during the Marketing Period. Entry gates are not intended to provide security for persons, personal property or Residences within the Covered Property. Declarant and the Association do not undertake to provide security for the Property nor do they make any representations or warranties whatsoever concerning the effect that the entry gates may have on vehicular and pedestrian access through the Covered Property or the privacy and safety of the Covered Property and/or the Owners.

ARTICLE 10.

DESTRUCTION OF IMPROVEMENTS

Section 10.1 - Definitions. The following terms used in this Article are defined to mean as follows:

- (a) Acceptable Range of Reconstruction Cost. A determination that the amount of the insurance proceeds paid for partialty or totally destroyed insured improvements together with the amount of any deductible amount designated in the commercial property insurance policy maintained by the Association-totals-at-least-ninety percent (90%) of the estimated cost to repair, replace or reconstruct such partialty or totally destroyed insured improvements.
- (b) Affected Condominium. A Condominium the Residence of which contains Affected Residence Improvements.
 - (c) Affected insured improvements. Partially or totally destroyed insured improvements.
- (d) Affected Mortgagee. A Mortgagee who holds a Mortgage encumbering an Affected Insured Improvement.
- (e) Affected Owner. (1) Each Owner within a Special Benefits Area concerning Affected Insured Improvements within the Special Benefits Common Area thereof, (2) each Owner of an Affected Condominium concerning Affected Residence Improvements, and (3) all Owners concerning all other Affected Insured Improvements.
- (f) Affected Residence Improvements. Residence Improvements which are Affected Insured Improvements.
- (9) Insured improvements. The Improvements on the Covered Property insured under the commercial property insurance policy maintained by the Association and shall consist of Association Common Area Improvements, Residence Improvements, Common Facilities and Special Benefits Common Area Improvements.
- (h) Substantial Destruction. (1) Concerning Insured Improvements that are not within any Special Benefits Common Area, a destruction of Insured Improvements representing at least seventy-five percent (75%) of the current replacement cost value of all such Insured Improvements on the Covered Property, and (2) concerning Insured Improvements that are within the Special Benefits Common Area of a particular Special Benefits Area, a destruction of such Insured Improvements representing at least seventy-five percent (75%) of the current replacement cost value of all of the Insured Improvements within such Special Benefits Common Area.

Section 10.2 - Board Action. If any insured improvements are damaged, the Board shall take the following action:

(a) Acceptable Range of Reconstruction Cost. The Board shall ascertain the cost of repair, replacement or reconstruction of such Insured Improvements by obtaining fixed price bids from at least two (2) reputable contractors, which bids shall include the obligation of the contractor to obtain a performance bond, if the Board deems that such bids are necessary or appropriate. The Board shall further have full authority to negotiate with representatives of the insurer and to make sufflement with the insurer for less than full insurance coverage on the damage. Any settlement made by the Board in good faith shall be binding upon all Affected Owners. After the settlement has been approved by the Board, any two (2) directors of the Association may sign a loss claim form and release form in connection with the settlement of a loss claim.

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SAVANNAH HOMEOWNERS ASSOCIATION Rule Change Notification

As you are aware the Board has been working on revising two of the Savannah Homeowner Associations rules regarding commercial vehicles and basketball hoops. The two changes are as follows;

Commercial Vehicles

Commercial Vehicles are permitted in the community provided that they are able to park within a garage or on the homeowner's driveway. Commercial Vehicles will not be permitted to park on any of the common area streets in the Savannah Community.

Basketball Hoops

Basketball hoops are permitted to be used in the community on a homeowner's sole driveway only and may not be placed in any portion of the common area driveway or streets within the community. Basketball Hoops must not be store in common area view. Storage is defined as being left unattended and not in immediate use.

SAVANNAH ASSOCIATION PARKING RULES (Adopted October 7, 2009)

- All California Vehicle Codes will be enforced. All vehicles parked within the
 community must have current license tags posted on the license plate. Any
 vehicle found parked on any street within the community with expired vehicle
 tags are subject to being cited and/or towed at the owner's expense.
- On street parking is allowed up to a maximum of one week. Any vehicle exceeding this time limit is subject to towing at owner's expense or fine(s) that may be imposed by the Board of Directors. One is considered to be "storing" a vehicle after one week parked in the same location. Storing in-operable vehicles on the street is prohibited.
- 3. Members are responsible for parking violations of their guests and tenants.
- Recreational vehicles (i.e. motor bike trailers, individual watercraft boats, R.V., etc) shall be completely screened from public view or stored off the property, and may be parked on a community street for the purposes of loading and unloading only (24 hours maximum).
- 5. Moped and motor bikes are subject to Vehicle Code restrictions (i.e., both driver and any motor bike must be licensed).
- 6. Inoperable Vehicles are vehicles that have become non-operable due to mechanical failure, are wrecked, or do not have a current valid registration. These vehicles are not allowed to park within the community unless the resident parks the vehicle in the fully enclosed garage or on the driveway.
- 7. No garage, trailer, camper, motor home, or recreational vehicle shall be used as a residence in the properties, either temporarily or permanently.
- 8. Parking of vehicles leaking any motor fluids on any street is prohibited.

 Homeowner could be subject to a fine or repair costs for damages to the asphalt from the leaking fluid.
- 9. Unauthorized Parking Areas: Homeowners are not allowed to park any vehicle in the following areas:
 - Along any alleyway wall (the entire wall is a designated fire lane)
 - Along any designated fire lane (curb painted red)
 - Within 15' on either side of a fire hydrant (per CA Vehicle Code)
 - Past the driveway (vehicle can not overextend onto the street)
- 10. Commercial vehicles are permitted in the community provided that they are able to park within a garage or the resident's driveway. Commercial vehicles will not be permitted to park on any of the common area streets in the Savannah Association.
- 11. Vehicles that are in violation of the above mentioned parking rules are subject to tow at the owner's expense.

SAVANNAH HOMEOWNERS ASSOCIATION PET RULES

Adopted November 29, 2006

- 1. All homeowners/tenants shall comply with the CC&R's regarding the keeping and maintaining of pets within the Savannah Homeowners Association.
- 2. Pets (of any kind) shall not be raised, keep or bred for commercial purposes within the community boundaries.
- 3. Pets shall be registered with current tags and be current on their pets immunizations. Proof of immunizations must be maintained in the possession of the homeowner/tenants residence at all times. The pets current tags shall be worn at all times when outside the homeowners/tenants fence areas.
- Pets (dogs, cats, etc.) shall not be permitted within any other homeowner's property without their express consent. This includes their front and rear yard areas.
- 5. Pets are the owner/tenant's responsibility. Persons walking their pet in any common area shall have the pet on a leash at all times and under their control. Pets shall not be permitted to run loose within any common area.
- 6. Homeowner/tenant's are prohibited from using common area landscaping to "walk dogs". Should your pet (or pet of your guest) defecate in a common area or on another homeowner's property, it is your responsibility to remove and dispose of such waste immediately in a appropriate waste container. In this situation, everyone should realize that cats are included.
- Pet waste in a homeowner/tenant's yard area shall be kept under control so as not to become a health hazard or become objectionable to their surrounding neighbors.
- 8. Homeowners/tenants are responsible for any damage caused by their pets, or those pets of guests.
- 9. Excessive noise from any pet will not be tolerated. Although the pet may be kept for protective purposes, owners and tenants must take whatever actions are necessary to control their pets excessive noise.
- Bird feeders should be kept to no more than two per house hold. Excessive feeders cause bird droppings in your surrounding neighbors property and the possibility of rodents.
- Pet food containers for outdoor feeding (food/water bowls) should be cleaned of all food at night as not to attract rodents to feed upon during the hours of darkness.
- 12. The Board of Directors by a majority vote may prohibit any specific animal which causes a nuisance or causes injury to any person or their personal pet within the properties to be removed from the premises immediately.
- 13. The Board of Directors has the right to impose a fine against a homeowner/tenant for non-compliance to any of the rules above only after the homeowner has been called to a hearing before the Board of Directors.

Savannah Association

FINE POLICY

According and subject to the By-Laws and CC&R's for Savannah Homeowners Association, in addition to the legal power to adopt a set of Rules and Regulations, the Board of Directors had the power to establish penalties for the violation of any of the Rules and Regulations. The penalties are normally fines payable to the Association by the owner of record responsible for the violation. The penalty schedule is as follows:

Before the Board of Directors may penalize an owner of record for an alleged violation, the owner of record must be given notice in writing and the opportunity to be heard by the Board of Directors concerning the alleged violation at the next regularly scheduled homeowners meeting after the second warning has been given.

All fines will be assessed to the owner of record' account and will remain on the owners account until paid. The Board of Directors may authorize the filing of a lawsuit in the Small Claims Court for the collection of any fine not paid after thirty (30) days of notification of its assessment.

All decisions of the Board of Directors shall be in writing to the owner of record with the decision of the Board members within fifteen (15) days after the hearing.

FIRST VIOLATION – A courtesy letter will be sent to the owner of record, as well as the tenant as applicable, indicating the nature of the violation, time limit to correct the violation, and any action that may be taken if the violation is not cured

SECOND VIOLATION – If the same offense is repeated, or not corrected, the violator will be sent a second notice outlining the violation and advising the owner of record of a hearing before the Board of Directors if compliance is not met. All requests to appear before the Board of Directors must be in writing and received within ten (10) working days before the next regularly scheduled Board of Directors meeting.

THIRD VIOLATION – If the same offense has not been cured, the owner of record will be summoned to a hearing before the Board of Directors at which time a fine of \$100.00 may be imposed and/or other restrictions (i.e. voting, pool privileges).

FOURTH VIOLATION - If the same offense continues after all of the above has been accomplished, the owner of record will be summoned to appear before the Board of Directors at which time a fine of \$200.00 may be imposed and/or other restrictions.

FIFTH VIOLATION - If the violation continues to go any non-compliance the Board of Directors may turn the matter over to the Association's legal counsel for assistance. Any attorney fees may be charged to the owner of record.