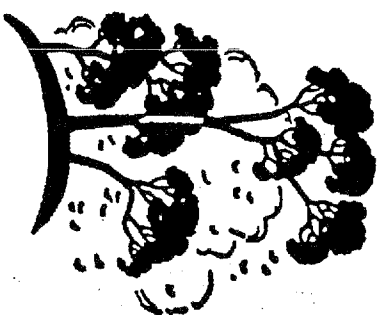
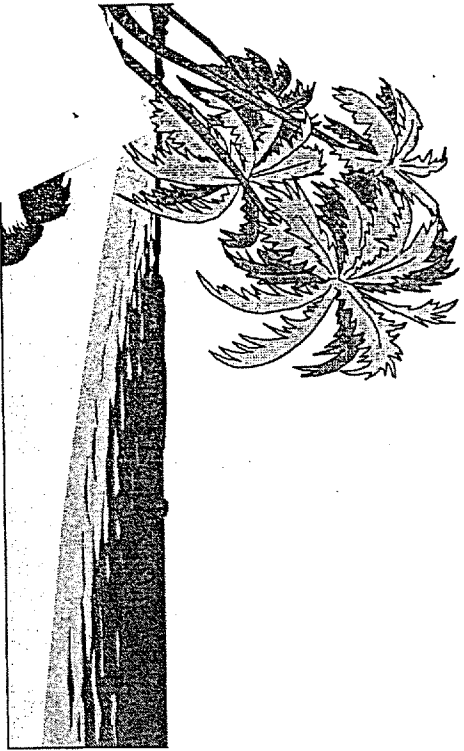




View Terrace
Homeowners Association



RULES AND REGULATIONS

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FOREWORD

Living in a Planned Development is different from living in a community of individually owned homes. Sharing and maintaining commonly-owned areas with neighbors requires both cooperation and compromise, as well as respect for others' rights. It is with these values in mind that this booklet is provided to each Resident. Use it as a ready reference and reminder of the various obligations we all have toward each other and toward enhancement and preservation of our chosen community.

The legal documents which govern the affairs of View Terrace Homeowners Association are the Covenants, Conditions and Restrictions (CC&R's) and By-Laws. Those documents are the source of rules contained in this document, and reference to specific provisions contained in those documents are cited herein, the exceptions being rules dictated by common courtesy and adopted by the Board.

All homeowners should have copies of the By-Laws and CC&R's of the Association. You are urged to read those documents since they set forth in complete detail the rights, responsibilities, duties, and obligations of each homeowner. Where a homeowner rents or leases his/her unit to others, it is that homeowner's responsibility to acquaint the renter/lessee with the content of those documents.

The By-Laws of the Association confer upon the Board powers to manage the affairs of the Association (Art. VII of the By-Laws) and to establish and enforce rules (Section 12.01 of the CC&R's). Questions, concerns, suggestions, as well as violations of these rules, should be directed in writing to:

Board of Directors
View Terrace Homeowners Association
c/o CHAMPS

5731 Palmer Way-B
Carlsbad, CA 92008

It is important to recognize that our Association is comprised of all homeowners in View Terrace and that members of the Board of Directors of the Association, elected by a majority vote of homeowners, volunteer their time to serve our community. Additionally, other homeowners donate their time to serve on various committees. By working together, our community can flourish.

It is in this spirit that the Rules and Regulations Committee and the Board of Directors encourage each Owner, family, tenant and guest to cooperate in making View Terrace a pleasant place in which to live.

PLEASE NOTE: IT IS THE RESPONSIBILITY OF THE HOMEOWNER TO ENSURE THAT EVERYONE, INCLUDING FAMILY MEMBERS, TENANTS AND GUESTS, UNDERSTAND THESE RULES. WE SUGGEST YOU KEEP THIS BOOKLET HANDY FOR EASY REFERENCE.

Approved by:

Board of Directors
View Terrace Homeowners Association

August 8, 1994

PROPERTY USE

1. No lot shall be used for any purpose other than one single family residence.
2. No improvement, building, patio cover, storage shed, fence, wall or other structure shall be commenced, erected or maintained upon the properties, nor shall any exterior addition to, change or alteration therein, be made until plans and specifications have been submitted to, and approved in writing by, the Architectural Review Committee.
3. **SOLAR Energy Systems Guidelines.** All plans for the installation of solar energy systems within the Development must demonstrate compliance with the following guidelines:
 - a. All installations are subject to restrictions conveyed in Article V, Section 5.01 of the Association's CC&R's.
 - b. Only Active Solar Energy Systems will be permitted.
 - c. All proposed installations must be approved before actual work begins.
 - d. Construction drawings for the specific installation must be submitted to the Board in duplicate, for review and approval.
4. Houses must be kept in a good state of repair with regular painting when needed. Color of paint must conform with original tone. Any deviation must be approved by the Architectural Review Committee.
5. Homeowners must obtain written approval from the Board of Directors prior to replacement of original roof.
6. Outside antennas, wiring, clotheslines, clothes hanging, and hanging materials on fences is (are) prohibited. Satellite dish antennas must conform to Architectural Committee guidelines.
7. Garages are to be used for vehicle parking or storage purposes only, and cannot be converted for any other use. Two vehicles must fit into the garage prior to parking on the driveway or street.
8. When garages are not in use, garage doors shall be kept shut.
9. No business of any kind shall be permitted or conducted on the property except professional and administrative occupations without external evidence thereof. Prior written approval of the Board of Directors and a City License must be secured.
10. All fences must be kept in a good state of repair by individual property Owners. Missing boards must be replaced immediately.
11. Oil, grease and rust stains must be removed regularly from driveways.
12. No weeds, rubbish, debris or other materials shall be placed, or permitted to accumulate, upon any portion of the property.

CLUBHOUSE RENTAL

13. There shall be no exterior fires whatsoever except barbecue fires contained within receptacles.
14. No basketball standards or fixed sports apparatus shall be attached to any dwelling unit or garage on the properties.
15. Excessive noise caused by, but not limited to, parties, stereos, or musical instruments shall not be permitted. Any noise violations should be referred to the proper persons within the City of Escondido.
16. Only one (1) "For Sale or Rent" sign is to be posted on homeowner's lot. No signs are to be posted on Association's common area.
17. Only one (1) sign shall be on homeowner's property for garage sales.
18. Christmas lights and decorations must be removed from the outside of houses by January 25, following Christmas Day.
19. New Occupants to View Terrace must complete an Occupant Registration Form within 30 days of occupancy. A fee of \$40.00 is charged to defray the cost of maintaining the Occupant Roster and printing and delivering the Association's monthly Newsletter. For Owner-Occupants, the fee is included as part of the Transfer Fee paid through escrow. For all other changes in occupancy, the fee is due and payable upon submission of the Occupant Registration Form. Failure to submit Registration Form within 30 days of occupancy will result in the imposition of a \$100.00 fine.

The Clubhouse is available for use by Residents and their Guest(s) at any time by making a reservation with the Management Company. The Clubhouse is available on a first-come-first-serve basis. A Reservation Form, which contains these regulations, must be signed and the fees and deposits described below must be paid in order to secure a reservation.

1. A **non-refundable** use fee, which generally covers cleaning, will be charged as follows:

1 to 12 guests, no food or beverages	\$ 5.00
1 to 12 guests with food or beverages	\$15.00
12 to 30 guests, no food or beverages	\$15.00
12 to 30 guests with food or beverages	\$25.00
more than 30 guests	\$40.00
2. A **refundable**, \$200.00 cleaning/security deposit must be paid to secure your reservation. If you pay by personal check, the check will be returned to you following inspection of the Clubhouse after your event. If your party noticeably stains the carpet or causes any damage, carpet cleaning and repair costs will be deducted from your deposit.
3. Liability for damages or cleaning is not limited to the deposit. Excessive cleaning or repairs required for the furniture, appliances, building or equipment will be billed to the homeowner at the actual cost. An inspection by the requester and a member of the Board or their designee will be required prior to the event. The requester will then sign acceptance of the

room condition for which he/she will be responsible. Pre-existing stains, damage, dirt and/or defects will be noted in writing.

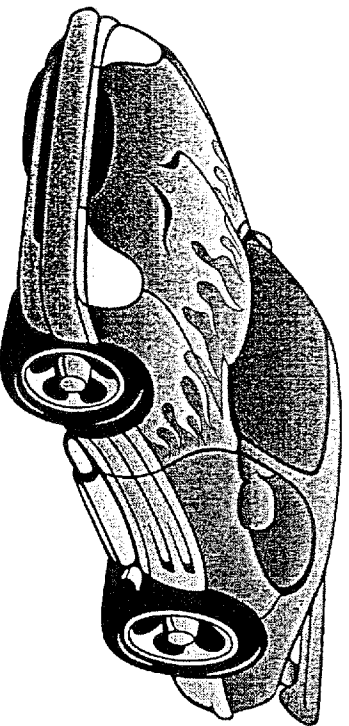
4. The user will be responsible for cleaning the facility to the point that it is in as good condition as when signed for. The deposit will be refunded upon satisfactory inspection of the facility by a Board member or their designee with the homeowner.
5. No children under the age of eighteen are permitted to use the Clubhouse without constant adult Resident supervision.
6. Private parties will have to conform to the hour limitations for use of the facility and to observance of noise and nuisance Rules and Regulations. Remember, there are a number of homes just a few feet away from the Clubhouse.
7. Events will have a maximum time for usage of the room depending on the reservation schedule. Running past allowed time and interfering with another event will be cause for forfeiture of the deposit. No event will continue past 10:00 PM any night.
8. NO smoking is permitted in the Clubhouse.
9. Reserving the Clubhouse does not include the use of the pool and spa. If this rule is violated, the security deposit will not be refunded.
10. The Resident/Host must be present for the duration of the event.

VEHICLES AND PARKING

1. Only licensed vehicles in operating condition shall be parked in parking areas. Vehicles parked in the driveway are not permitted to block the sidewalk or block the view of oncoming traffic.
2. Residents are not permitted to park in Guest Parking spaces.
3. No boat, trailer, recreational vehicle or camper shall be kept or stored on any lot.
4. No vehicle shall be permitted to remain for more than forty-eight (48) hours in any parking area, on any street or in any part of the properties other than the garage.
5. Commercial vehicles may not be parked in driveways or any parking area. A commercial vehicle is defined as any vehicle, other than a passenger vehicle, used for commercial purposes and/or bearing company identity.
6. Outdoor repair of vehicles is prohibited.
7. No vehicular machine shall be permitted to be parked on any portion of the homeowner's property other than on the paved driveway or in the garage.
8. **Parking Enforcement.** While the Association's streets are private, the Board has ruled that California Vehicle Codes will apply and has posted appropriate signage at both entrances to inform Residents and

visitors that vehicle codes apply. Therefore, vehicles whose registration has expired or vehicles illegally parked will be subject to the following:

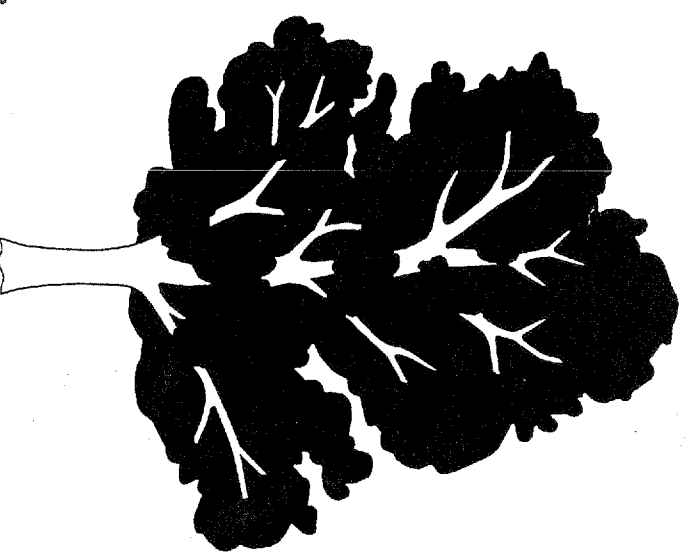
- a. Vehicles parked along a red curb or in a designated fire lane will be towed at Owner's expense without notice due to emergency access.
- b. All other violations of the preceding rules will first receive an Association parking violation informing the operator of the vehicle of their infraction and warning that, if the vehicle is improperly parked and not moved within forty-eight (48) hours, or if the violation is repeated, the vehicle may be towed at the Owner's expense.



LANDSCAPING

1. Lawns must be kept in good condition with regular weeding, mowing, watering and re-seeding or sodding when needed. Plants and trees must be pruned and replaced when necessary.

2. Written approval must be obtained from the Architectural Review Committee prior to any major change to landscaping in the front yards of properties.

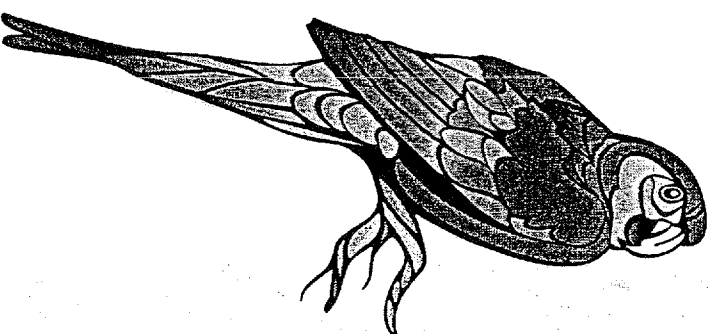


ANIMALS

1. No animals, reptiles, livestock or poultry shall be kept on any lot except for the following domestic pets: birds kept in cages within the dwelling, dogs, cats and fish; provided that they are not bred or raised for commercial purposes. No more than one dog or one cat may be kept within any household per City of Escondido ordinances.
2. Dogs must be on a leash at all times when being walked through the common areas. Cats must not be allowed to roam free throughout the project and must not be allowed to create a nuisance to other Owners/Residents.
3. Pet Owners will be held responsible and liable for any personal injury or property damage caused by their pet(s).
4. Pet Owners are responsible for the immediate removal and disposal of pet waste deposited by pets in common areas. This rule is governed by Civil Code and common courtesy.
5. Pets shall not be tethered or left unattended in the common area.
6. Pets are never allowed within the confines of the Recreation Areas, including the pool and spa.
7. Pet Owners are responsible for maintaining their backyards in a sanitary condition.

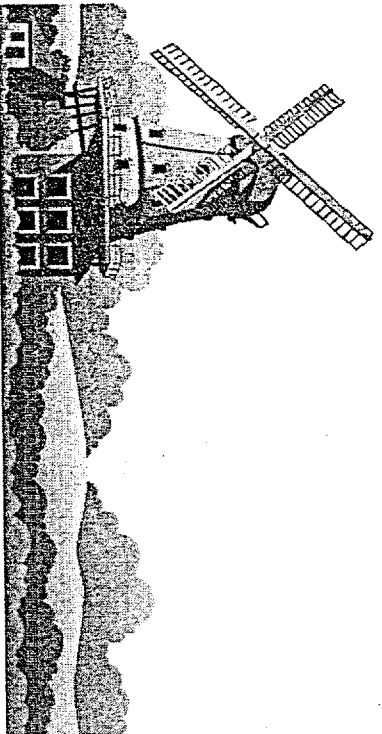
8. All pet Owners are responsible for controlling the noise of their pets. All pets should be kept in at night.

9. Residents who are disturbed by an animal are urged to first contact the pet Owner; if the situation is unresolved, contact the Animal Control Department at (619) 746-7307. Continued infraction of pet rules will result in removal of the pet and a possible fine in accordance with Board policy.



TRASH

1. Garbage and trash must be kept in covered containers and stored in garage or behind fence in backyard. Trash cans must not be put out for collection before Tuesday evening and empty containers must be removed no later than Wednesday evening. Plastic bags should not be put out before the morning of pick-up in order to keep animals from getting into them.



COMMON AREA

1. Small grass areas within the Association's common grounds are not to be used for ball games, or other athletic play.
2. No pedestrian or vehicular traffic whatsoever is allowed on planted slopes or other planted areas.
3. No motor vehicles, including motorbikes, mopeds and motorcycles are allowed on sidewalks or walking trails. Pedestrians have the right of way on sidewalks and walking trails.
4. No drinking of alcoholic beverages is allowed on greenbelt areas, and no littering is permitted anywhere within the Association.
5. Homeowners and tenants are not permitted to trim or remove trees and plantings, or change the greenbelt in any manner.
6. Homeowners and tenants are not permitted to dump tree, plant, grass clippings or other debris onto the greenbelt.
7. Any vandalism to Association property including, but not limited to, the irrigation system, landscaping, swimming pool areas and equipment will result in a fine and/or prosecution in a court of law.

SWIMMING POOL

Tagged keys are provided for the pool gate and must be used at all times. One key is provided for each household. A fee of \$75.00 will be charged for replacement of the pool key. Pool users are not allowed to leave the pool gate open as it is a violation of state law. Vandalism or rowdiness is not permitted at the swimming pool, and will result in the forfeiture of pool privileges, in addition to a fine.

1. Pool hours: 7:00 AM to 10:00 PM. Swim at your own risk, as there is no lifeguard on duty. Do not swim alone.
2. Shower before entering pool.
3. No glass containers or food in the pool area.
4. No running, rough play or pushing others into the pool.
5. No pets allowed in the pool area.
6. It is a state law that children under 14 years of age must be actively supervised by an adult.
7. Any incontinent persons are not allowed to use the pool.
8. Guests in the pool are the direct responsibility of the Association Member.
9. State law prohibits playing with, or removing, lifeline.
10. Do not play with, or on, safety equipment.

11. Any use of heavy rafts, floats, surfboards or other devices that could cause bodily harm to swimmers are prohibited in the pool. Standard instructional aids are allowed.
12. No skateboards, bicycles, balls or Frisbees are allowed in the pool area.
13. Swimming suits only - no cutoffs.
14. Please use suntan lotion, rather than oil, as oil damages filters.
15. Lights must remain on at night.

RENTERS AND TENANTS

It will be the responsibility of each homeowner that rents or leases their property to provide the tenant or renter with a copy of the Association's Rules and Regulations and to see that an Occupant Registration Form is completed and submitted. See Property Use, item 19.

FINES AND SANCTIONS

Pursuant to Article II, Section 2.01 of the Association's Covenants, Conditions and Restrictions (CC&R's), the Association has the authority to adopt reasonable Rules and Regulations governing the use of common areas. Article XII, Section 12.01 of the CC&R's, directs the Board to enforce the provisions of the Rules and Regulations. Implicit in the Board's authority to enforce the Rules and Regulations is the power to levy fines and/or apply sanctions to compel compliance with the guidelines set forth in the CC&R's and By-Laws. The following applies to all landscape and non-landscape violations except vehicle violations:

1. Upon receipt of a confirmed violation or physical inspection, a courtesy violation letter (with a specific time frame for compliance) will be delivered by first class mail to the Owner and, if applicable, a copy will be mailed to the tenant.
2. If Owner fails to comply within stated time frame, a Notice of Hearing will be delivered by certified mail to the Owner requesting his or her appearance before the Board of Directors. The hearing will be scheduled prior to the Board's regularly scheduled Board meeting. The Notice will state that failure to attend the hearing and/or correct the violation may result in presumption of guilt and imposition of the fine.
3. Notice of the hearing will be delivered by certified mail to the Owner's current address at least ten (10) days prior to the hearing. The Notice will contain the date, time, location and purpose of the hearing.
4. The purpose of the hearing will be to review all of the

facts and circumstances surrounding the unit Owner's violation of the Rules and Regulations, CC&R's, By-Laws or other lawful decisions and resolutions of the Association or its duly authorized representative. If the unit Owner is found to be in violation, the Board will decide what fines or sanctions will be administered. The unit Owner will be allowed to present evidence in support of his/her position. Based upon the evidence presented at the hearing, the Board will make written determinations, or "findings," explaining why the Owner's actions have or have not constituted a violation.

Schedule of Fines. If the Board of Directors determines that a violation of the Rules and Regulations, CC&R's, or other lawful decisions and resolutions of the Association or its duly authorized representative has occurred, they may assess fines or apply sanctions against an Owner. Fines shall be assessed according to the following schedule:

1. First offense: up to \$50.00
2. Second and subsequent offenses: up to \$100.00 per occurrence. A "second or subsequent" offense is an identical or similar violation which occurs on a different occasion.
3. Continuous offenses: \$25.00 per day up to a maximum of \$1,000.00 per year. A "continuous violation" is one which is uninterrupted and uncorrected over time.

