11/13/10) tact the ARC <u>before</u> you start your project. the GMHOA Maintenance Manager. For Owner projects, purely	ffecting proposals (e.g., fireplace insert), <u>or</u> 2) Proposals to build al: 1) Fast Track for Pre-Approved Standard Designs (SDs), 2)	e project, sign, etc.	es to determine if there is a Standard Design (SD) that qualifies D projects. ling, the Expedited Review or Regular Review process may apply. UAs, the Regular Review process applies, <u>unless</u> it's already an	ack Review as a pre-approved SD, that is usually the end of the C on completion, etc. If the ARC determines the Expedited or	If the Regular Review Process Applies, the ARC and/or Board Reviews and All Members are Notified:	 w 1. Contact Bldg. Dept. To determine if permits required. If so, get them and provide to ARC. a ARC. C about 2. Notify neighbors and get input from ARC re if you need to notify more. Find out when the next regular or special ARC and/or Board meeting is. They are usually held at least quarterly. 3. ARC to advise if "complete" application or more neighbors need to be notified, etc., within 10 working days. 6. Aprese will be put on the agenda for the next ARC and/or Board meeting and all GMHOA members will be given notice. The applicant and all members will have the right to comment on and appear at the next public ARC and/or Board meeting. c. You might 6. d. Subrity no and appear at the next and by the ARC so, if denied, appeal is to the full Board of Directors per Section E. b. New or expanded EUA proposals are usually heard by the Board of Directors, unless it is a SD (e.g., pre-approved propane tank). If denied, appeal is to the full Board of Directors per Section E. b. New or expanded EUA proposals are always heard by the Board of Directors, unless it is a SD (e.g., pre-approved propane tank). If denied, appeal is to the full Board of Directors per Section D1, 4.b&C. For example, if required, sign indemnity and release agreement (Appendix D), contact your insurance agent construction in a timely manner.
Common Rest in the complete Rules for full details and requirements before starting any project. If unsure how to proceed, contact the ARC <u>before</u> you start your project. I. If your project is a regular exterior maintenance request to be done by GMHOA - no change - submit your request to the GMHOA Maintenance Manager. For Owner projects, purely	with limit concerning and hours of work, etc. II. Almost all Owner projects are subject to ARC review, including: 1) Exterior remodel <u>or</u> interior structural <u>or</u> a safety affecting proposals (e.g., fireplace insert), <u>or</u> 2) Proposals to build a new or expand an existing Exclusive Use Area (EUA). One of three separate procedures will apply to your proposal: 1) Fast Track for Pre-Approved Standard Designs (SDs), 2) Expedited Review for minor projects that do not use SDs or, 3) Regular Review for larger or controversial projects.	For all review procedures, first, fill out Appendix A (Application for Remodeling or Construction Project). Describe the project, sign, etc. Second, give to GMHOA Maintenance Manager or AMC - ask for feedback on:	 For minor projects - the Fast Track or Expedited Review process usually applies. See Exhibit C to the ARC Rules to determine if there is a Standard Design (SD) that qualifies for Fast Track review. Because SDs are pre-approved by the Board, little ARC review is required for qualified SD projects. For more extensive proposals like replacing windows or other exterior work, interior structural or utilities remodeling, the Expedited Review or Regular Review process may apply The ARC has the final say on which process applies. For more extensive extensive extensive projects, including building a new EUA in the Common Area or expanding existing EUAs, the Regular Review process applies, <u>unless</u> it's already an approved SD (e.g., exterior propane tank installed per ARC Standard Design). 	Section B of the ARC Rules details all three review procedures. If the ARC confirms that your project qualifies for Fast Track Review as a pre-approved SD, that is usually the end of the ARC's initial review. You can start your project but must comply with days and hours of work requirements, notify the ARC on completion, etc. If the ARC determines the Expedited or Regular Review process applies, a summary of each follows:	If the Expedited Review Process Applies, Review is by the ARC and only Nearby Neighbors are Notified:	 Contact Bldg. Dept. To determine if permits required. For example, window replacements may require permits. If so, get them and provide to ARC. Notify neighbors. Mail or personal delivery OK. They can give input to ARC about your proposal. Notify neighbors. Mail or personal delivery OK. They can give input to ARC about your proposal. Notify neighbors may require permits. If so, get them and provide to ARC about the ARC will confirm if Expedited Review or Regular Review applies, if more about proof of neighbors may neighbors notify, etc., within 10 working days. Submit proof of neighbor notification to ARC within 5 days thereafter. Usually a telephone meeting of the ARC that applicant and notified neighbors may attend. Not all GMHOA members are notified or nave input. Telephone meeting can attend. Not all GMHOA members are notified or nave input. Telephone meeting can another telephone head to days after proof of neighbor notification to ARC and as for another telephone hearing. G. your may appeal to the ARC and as for another telephone hearing. G. your may appeal to the ARC and as for another telephone hearing. G. your may appeal to the ARC and as for another telephone hearing. G. your may appeal to the ARC and as for another telephone hearing. G. your may appeal to the ARC and as for another telephone hearing. G. your may appeal to the ARC and as for another telephone hearing. G. your may appeal to the ARC and as for another telephone hearing. G. you could thereafter select a proposed a type or color that is not an approved SD. You could thereafter select a proposed a type or color that is not an approved SD. You could thereafter select a proposed a type or color that so the ARC, and as for the tube and the telephone before construction commences. For example, if required, and as the tube that is a sole (the Board. If approved, comply with any conditions before construction commences. For example, if required, sign indem

GRAEAGLE MEADOWS HOMEOWNERS' ASSOCIATION ARCHITECTURAL REVIEW COMMITTEE RULES AND REGULATIONS (As Amended November 13, 2010)

Pursuant to the Restated Declaration of Covenants, Conditions and Restrictions of Graeagle Meadows Homeowners' Association dated April 30, 1992 ("CC&Rs"), and the Restated Bylaws of Graeagle Meadows Homeowners' Association dated April 30, 1992 ("Bylaws") and California Civil Code section 1378, the following Rules and Regulations governing and controlling the construction and modification of improvements on Lots in the subdivision have been adopted by the Board of Directors of the Graeagle Meadows Homeowners' Association, CC&Rs, Bylaws and provisions of the Policies and Procedures Manual that are not expressly superseded by these Rules are hereinafter referred to as the "Governing Documents" or "GDs." All terms in Initial Capital Letters have the same meaning as in Article 1 of the CC&Rs (Definitions). As used in these Rules, "Owner" is synonymous with "Member." Owners/Members are responsible to ensure that their guests, tenants and other invitees comply with all provisions of these Rules and the other GMHOA Governing Documents.

A. <u>Architectural Review Committee Authority</u>

The Architectural Review Committee ("ARC"), is a standing committee appointed by the Board of Directors, that is vested with review and enforcement authority for building, construction and related subjects in the subdivision. The ARC consists of three (3) members and has meetings at a specific time and place to be determined by the ARC. The Committee may also appoint one alternate member who may attend all meetings and consider all submissions, etc., but will only cast votes when there is a conflict of interest of a regular member, or a regular member is unavailable. The vote or written consent of a majority of the ARC shall constitute an act by the ARC unless otherwise required by the CC&Rs or other applicable GDs.

The preferred composition of the ARC is one Director and two or more non-director members. At least one of the committee members should have significant experience in a construction related trade or profession and/or experience and knowledge about applicable governmental regulations. If there are insufficient members who are not Directors to fully staff the ARC, it may consist of two or three Directors appointed by the full Board of Directors. In those instances where two or three Directors are appointed to the ARC, appeals from the ARC shall be to the full Board as provided at section F hereafter.

The ARC will normally hold regular meetings at least four times per year, usually at or about the time of noticed Directors meetings. Notice of such meetings will be provided to all members by the ARC and/or Directors. It is the Owner's responsibility to contact the ARC chairperson or its other designee to determine the schedule for the next regular or special ARC meeting, and determine whether or not a proposed project can be reviewed by the ARC without a regular public meeting. All ARC meetings may go into private, executive session at times to discuss privileged matters and/or conduct committee business not related to review of public construction projects. All projects that are considered at regular, noticed ARC meetings are open to all Members and public feedback is encouraged. There are three different procedures the ARC uses to review projects. The first is the more extensive Regular Review Process for larger remodeling or construction projects. The second is a simpler Expedited Review Process for minor projects. The third is the Fast Track process that applies to proposals that meet the criteria and specifications for pre-approved Standard Designs. All three procedures are described in more detail in Section B hereafter. One major difference in the procedures is the type of meetings the ARC will usually hold for Regular Review, Expedited Review, and Fast Track/Standard Design applications.

Since GMHOA is responsible for maintaining and improving the Common Area, and has the responsibility for Exterior Maintenance per Article 1, section 9, of the CC&Rs, most major construction and repair projects are done by GMHOA maintenance employees, and/or third parties under contract with GMHOA. Therefore, many projects done by Owners are minor ones that can be evaluated under the Expedited Review or Fast Track procedures.

Under the Expedited Review Procedure, so long as proper notice to neighbors is given, they can be approved by the ARC at a telephone meeting or, if there are no objections from nearby neighbors, by email exchange between ARC members and/or the applicant, rather than at a regular public meeting. In the Fast Track process, so long as the ARC finds that the proposed project meets the criteria of a Standard Design, no notice to neighbors or hearing is usually required. The Standard Designs have been pre-approved by the ARC and Board. Therefore, so as long as the ARC confirms the proposal qualifies as a Standard Design, no other ARC review or member input is required. The one exception is for Standard Designs that involve construction in the Common Area or EUAs where the Board is involved in the review to determine whether or not the proposal qualifies as a Standard Design. See, Section E re Common Area/EUA construction, and Appendix C for approved Standard Designs.

Larger projects by Owners such as expansion of existing Exclusive Use Areas like decks or patios, will generally be handled under the Regular Review process. That usually involves notice to all members, and a hearing at a regular ARC meeting, and in many cases, direct Board involvement in the review process.

Except as set forth in these Rules, and pursuant to Article 3, Section 12 of the CC&Rs, no additions, alterations, repairs or restorations to the exterior or structural portions of any structures or improvements on any Lot, or proposals by Owners to construct improvements in any Common Area, including Exclusive Use Areas (EUA's), nor changes in or additions of decks, patios, fences, awnings, walls, doors, windows, window coverings, skylights, exterior paint or decor, or other modifications visible from the Common Area or another Lot shall be commenced, applied, constructed, erected, or maintained by any person, until the plans and specifications showing the nature, kind, shape, height, materials, color, location and approximate cost of the same shall have been submitted to and approved in writing by the ARC on behalf of the Board, as to compliance with these Rules and conformity and harmony of external color, design and location with existing structures in Graeagle Meadows

Changes to any plans that require building department approval also require ARC approval. That approval must be obtained prior to performance of such changes. All structures and improvements must be built in conformity with the plans, as amended and approved by the ARC. Non-approved changes or modifications are subject to fines or other disciplinary action as provided hereafter.

The following projects are exempt from ARC review:

- 1. Normal maintenance and repairs by GMHOA personnel under general supervision of the Board, and/or substantial repairs, remodeling and new construction by GMHOA personnel, or third party contractors, that is specifically reviewed and approved by the Board.
- 2. All remodeling and construction by Owners that causes no change to the visible exterior, except interior remodeling that affects structural elements or systems shared in common with other attached units, such as plumbing, gas or electrical lines.
- 3. 'Normal maintenance and repairs' by Owners to existing structures. The standard for this maintenance and repair exemption for Owners is that the maintenance and repairs must be a like-for-like repair utilizing the same materials and colors, and reconstruction to the same dimensions as were present in the existing structure prior to the maintenance or repairs.

Owners must contact the ARC Chairperson or its other designee prior to commencing any significant interior remodeling to determine whether or not the work is exempt from ARC review procedures. Even if exempt from ARC review procedures, all remodeling and construction projects by Owners must comply with section C. 1 (Construction Standards), and D (Construction Rules) re use of licensed contractors, site conditions, authorized working hours, etc.

B. ARC Review Procedures

1. Applicants must review and be familiar with the requirements of these Rules and the GDs prior to submission of applications to the ARC. The ARC and/or the Board may adopt additional substantive rules, and amend these rules from time-to-time as provided hereafter. Applicants must contact the ARC Chairperson or its other designee to obtain a current set of all applicable ARC rules prior to application and/or plans preparation.

The three ARC review procedures are: 1) Fast Track Process for qualified Standard Design proposals; 2) the Expedited Review process for minor projects that do not involve Standard Designs; and 3) the more extensive Regular Review process for larger remodeling or construction projects. Examples of projects that will be reviewed under the Regular process include all proposals for remodeling or construction of any Improvements in the Common Area, including EUA's, unless they involve Standard Designs, or are otherwise specifically exempted by the ARC and Board. Examples of minor projects that will be reviewed under the Expedited Review process include installation of small satellite dishes, and window or door replacements that are not pre-approved Standard Designs for minor projects that if followed, will be approved by the ARC without notice to members or a public meeting. Appendix C contains the current approved Standard Designs for Fast Track projects.

Applicants should contact the ARC Chairperson or their designee prior to submission of their application for an initial opinion on whether the Fast Track, Expedited, or Regular Review procedures will be followed. The ARC has the discretion in all cases to specify which procedure will be applied after receipt of a "complete" application as set forth below.

2. For all proposed projects, an application in the form attached hereto as "Appendix A," provided by the ARC, must be submitted. A review/plan check fee of \$50.00 is required for the Expedited Review process, and \$100 for the Regular Review process. No application fee will be charged for Fast Track projects that qualify as Standard Designs.

For Regular Review applications to be "complete," the application must include four (4) complete sets of plans and specifications, with sufficient detail to be acceptable to the Plumas County Building Department. The ARC may also require applicants to have a licensed architect or engineer review the existing configuration of the building components and provide the ARC with a written opinion whether or not the proposed work will affect fire separation, structural elements, weatherproofing systems or pose a decrease in the acoustical separation of the unit from others.

For projects the applicant believes qualify for Fast Track or Expedited review, formal plans and specifications are not be required, but the applicant must submit accurate diagrams, a written description of the project, photographs of the affected areas of the unit, or similar information to accurately depict the proposed project for ARC review and determination as to whether the project qualifies as a Standard Design. For Standard Design applications that involve construction in the Common Area or Exclusive Use Areas, the ARC will advise and receive input from the Board on the proposal. In the event there is any reasonable question as to whether the project qualifies as a Standard Design, the Board will make the final decision on that issue.

Within ten (10) working days of receipt of the Owner's application, the ARC or its designee will review it, and advise the Owner whether it is complete or additional information must be submitted. Within fifteen (15) working days of receipt of a complete application, or any requested supplemental information, the ARC will advise the owner whether the application qualifies for Fast Track or Expedited Review. During this initial review, ARC and/or Board members may communicate by email and/or telephone with committee members and/or the applicant, without notice to nearby neighbors or other Association members. If the ARC and/or Board approves the project as a Standard Design, the applicant may proceed with the project immediately thereafter, subject to compliance with Section D (Construction Rules), and any other applicable provisions of these Rules.

3. For all proposals, the application form (Appendix A) must be signed by all applicants, certifying that the Owner has read, understands, and will comply with the requirements outlined in these ARC Rules and other GDs, including, if required, the notice requirement for neighbors set forth below. It is the

responsibility of the Owner to ensure that the builder complies with all ARC requirements.

All applicants also agree to pay the Association's out of pocket legal, architectural and/or administrative costs related to processing their application or enforcing the terms of any ARC approvals. The ARC may require the applicant to deposit a sum sufficient to cover the estimated cost of the ARC review process or elect to bill the actual cost at a later date. Any such costs that are not paid within ten (10) days of billing shall be a lien against the applicant's Lot and may be collected in the same manner as regular assessments and/or Individual Charges, per Article 6, section 6 of the CC&Rs..

The ARC may also impose reasonable conditions of approval to bring the applicant's unit into compliance with the Governing Documents. For example, the ARC may require Unit Owners to properly screen an oil tank, paint a front door, or remove an improperly parked vehicle or trailer as a condition of approval of any ARC application.

- For all applications except ARC approved Fast Track projects, the Owners of the 4. units/Lots on either side of, in front of, and behind the Lot on which work is to be done that requires ARC approval shall be entitled to notice of the proposed work before it is considered for approval by the ARC. If a particular Lot is not bordered by other units in these locations, the ARC will determine on a case-bycase basis, which neighbors are to receive notice of the proposed work. This notice shall be accomplished by the Owner of the Lot on which the work is to be done mailing notice of his intention to perform such work to each of the affected neighbors described above not later than five (5) days after submission of a complete application to the ARC. The ARC may not approve any type of application until it first confirms that at least ten (10) days have passed since the required notice to neighbors has been properly given. Such notice must include the name, address and telephone number of the then current ARC Chairperson or their designee, and an advisement to contact that person if they want to provide input on the application. As part of the ARC application process, the Owner of the Lot on which the work is to be done shall certify that he has provided the required notice. Failure of the applicant to provide such notice may result in denial of the Owner's application.
- 5. In the event the ARC fails to approve, disapprove, conditionally approve, or notice a meeting to review the Owner's application within sixty (60) days after a <u>complete</u> application and any subsequent information requested by the ARC have been received by it, formal ARC approval will not be required and the application will be deemed to have been approved. However, in the event a project that is contrary to applicable law or the GDs proceeds without ARC approval under this paragraph, the Board retains jurisdiction to review the project during construction or after completion, and if appropriate, impose disciplinary measures as allowed by the GDs. Owners are therefore urged to seek formal approval of projects that are covered by these Rules.

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6. If an application is disapproved, the ARC shall indicate in writing, the reasons for such disapproval that includes an explanation of why the application was disapproved, and a description of the procedure for reconsideration of the decision by the ARC and/or Board. Such written notification shall occur within the time frame set forth in paragraph B.5 above. An Owner may request an initial hearing or additional hearing with the ARC, or file a formal appeal with the Board, as provided hereafter. An appeal to the Board shall be held at a regular or special meeting of the Board that is duly noticed and open to all Members. The procedures at items K and M hereafter shall apply at all public hearings.

After a hearing with the ARC, or formal appeal to the Board, an applicant may elect to resubmit modified plans for reconsideration by the ARC within sixty (60) days from the date of the disapproval letter or appeal hearing, whichever is later, or the application will lapse and all materials will be returned to the Owner and the application will be deemed denied.

7. Variances

Variances regarding these ARC Rules or other GDs will be considered by the ARC upon receipt of a written request from the Owner outlining his specific reasons for the variance request. The ARC will promptly advise the Board of all variance requests, and the Board may, in its discretion, take primary responsibility for action on the variance request and/or the entire project application. Variance requests will be handled under the Regular Review process, and the Board must approve any variances at a regular or special Directors Meeting. If a variance is disapproved, the ARC shall indicate in writing, the reason for such disapproval and the procedure, if any, for reconsideration by the ARC and/or the Board. A variance that would be in violation of a building or other applicable code cannot be considered. A variance granted to one individual shall not be considered a precedent for other such requests. Each case will be considered on its own merits.

8. The Owner must notify the ARC within five (5) days of completion of all projects. Copies of completed building inspection records, if any, must be submitted to the ARC at that time. The ARC's designee will thereafter inspect the project to confirm the construction was consistent with the submitted application. If any of the construction is not consistent with approvals given by the ARC or any governmental entity, the ARC reserves the right to require removal of the unauthorized improvements or take other disciplinary action as provided below.

C. <u>Construction Standards</u>

1. For all projects, Owners must use licensed contractors and are advised to ensure that all contractors carry liability insurance and workers' compensation insurance on their workers. For Regular Review projects, prior to commencement of construction, Owners must provide the ARC or its designee with an executed agreement with a properly licensed and insured contractor. All contractors working on the job shall maintain workers' compensation insurance for all of their workers on the job and liability insurance of at least One Million Dollars. Owners will be responsible for the prompt repair of any damage caused to Common Areas and personal property by any contractors, workman or suppliers. Owners must also add the Association as an Additional Insured to their liability insurance. The Owner or their insurance agent must forward the actual Additional Insured Endorsement to the ARC or its designee prior to the start of any work.

2. These ARC Rules do not set forth detailed specifications for aesthetic requirements, building styles, building materials to be used, etc. Rather, all construction must comply with all Plumas County Building Codes and other requirements, and all applicable provisions of the GDs. Compliance with Building Code and other Plumas County requirements are the minimum standard. There may be instances when the ARC requires construction to stricter standards than Plumas County requirements. For example, if Plumas County code requirements were less stringent than Uniform Building Code requirements on a subject such as the width between vertical or horizontal components in a deck railing, the ARC can require compliance with the stricter of the two code requirements, or its own stricter standard.

Provisions of the CC&Rs that apply to construction, include but are not limited to Article 1, section 8 (Exclusive Use Areas), section 9 (Exterior Maintenance), section 13 (Interior Maintenance); Article 2, section 2 (Lots), section 3 (Common Area), section 5 (Owners Obligation to Maintain the Lot), section 13 (Maintenance Responsibilities). The following provisions of Article 3, Section 12 of the CC&Rs contain the specific provisions about Architectural Approval:

- a. No additions, alterations, repairs or restorations to the exterior or structural portions of any Lot, nor changes in or additions of fences, awnings, walls, windows, window coverings, skylights, exterior paint or decor, or other modifications visible from the Common Area or another Lot shall be commenced, applied, constructed, erected, or maintained by any person, until the plans and specifications showing the nature, kind, shape, height, materials, color, location and approximate cost of the same shall have been submitted to and approved in writing as to conformity and harmony of external color, design and location with existing structures in Graeagle Meadows by the Board. Construction of approved projects shall be performed by licensed contractors.
- b. Installation of freestanding or fireplace insert wood stoves, including pellet stoves, must be in compliance with all applicable building, fire and safety codes. Requests for installation of stoves shall be subject to the approval of the Board.
- c. Trees may not be removed or destroyed for any reason without prior Board approval.

- d. Approval by the Board of any plans or specifications shall not prevent the Association from withholding its approval to any identical plans or specifications, or part(s) thereof, when later or additionally submitted for approval by the same or any Owner.
- e. Approval by the Board of any plans or specifications shall not cause the Association or its Officers, Directors or Members to be liable in any way to any person. The current Owner of any property to which alterations have been made shall be responsible for the cost of any damage resulting from those alterations.

This is not an exhaustive list of all Governing Documents provisions concerning Owners' rights and obligations re improvements in the development. Owners are responsible for familiarizing themselves with and complying with all such requirements, whether or not enumerated above.

D. <u>Construction Rules</u>.

- 1. Permitted Hours of Construction and Duration of Project
 - a. When construction of any improvement has begun, the work thereon must be prosecuted diligently, and must be completed within a period of 60 days from the date work commences, and not later than 12 months from the date of ARC approval. If not so completed, and if no extension has been approved by the ARC, it will constitute a violation of Article 3, Section 2 of the CC&Rs (Nuisances), and is subject to penalty.
 - b. Construction activities and equipment maintenance shall take place only between the hours of 7:00 A.M. and 7:00 P.M. Monday through Friday, and 8:00 A.M. to 6:00 P.M. on Saturday. Non-noise generating construction activity such as interior painting, etc., shall not be subject to these restrictions.
- 2. <u>Construction Equipment and Site Condition</u>
 - a. Storage of motorized construction equipment and its accessory parts, may be stored outdoors on any Lot where it is being used only on a temporary basis during active construction.
 - b. Temporary storage of building materials is permitted only after ARC approval of plans which show the place and method of storage.
- 3. <u>Refuse Collection</u>
 - a. All Lots and the Common Area shall be kept neat and tidy during construction. Refuse piles, garbage, obnoxious, or offensive material shall be removed immediately.

b. During construction a trash container or dumptster is to be maintained on site and dumped as needed so as to keep the site neat and tidy. All such containers shall be protected from vandalism or upset. <u>Association trash containers cannot be used for disposal of construction debris or garbage.</u>

E. <u>Common Area/Exclusive Use Area Construction Policies</u>

The GMHOA CC&Rs recognize and create Exclusive Use Areas (EUAs) at Article 2, section 4(c). Article 1, section 8, defines Exclusive Use Areas by reference to that section. Article 2, section 4(c) identifies EUAs to include the following: "fenced yards, patios, decks, carports, garages, storage areas, and assigned parking spaces."

California Civil Code section 1351(i), also defines "Exclusive Use Common Area" as:

a portion of the Common Area designated by the declaration for the exclusive use of one or more, but fewer than all, of the Owners of the separate interest and which is or will be appurtenant to the separate interest or interests.

Section 1351(i) also specifies various items that are considered EUAs, such as porches, balconies, and patios that are located outside of the boundaries of the separately owned interest. These Rules confirm that all items listed at Article 2, 4(c) of the CC&Rs, and the items listed at Civil Code section 1351(i) that are located outside of the boundaries of a separately owned Lot, are considered EUAs, that are appurtenant to each Lot in the Graeagle Meadows development. As used in these Rules, both "Exclusive Use Area" and "Exclusive Use Common Area" are synonymous, and both are abbreviated as "EUAs."

In 2006, the California legislature passed Civil Code section 1363.07 which generally requires a Member vote before the Board may grant exclusive use of any additional Common Area. That section also provides that an association's governing documents may specify a different percentage vote than the 67% Member vote generally required by that section.

These ARC Rules have therefore been amended to allow for creation of new or expanded EUAs in the GMHOA Common Area pursuant to the specific provisions herein.

Creation, expansion or remodeling of EUAs in the Common Area will always require review by the ARC and Board of Directors. Relatively minor EUA projects such as replacement or alteration of properly screened propane or kerosene tanks, may be handled under the Expedited Review Process or the Fast Track process if it is a qualified Standard Design. Most EUA projects will be handled under the Regular Review Process, which means, among other things, notice to all Members, and a hearing at a Board meeting that is open to all Members. See section B for details on the Regular, Expedited, and Fast Track Review Procedures. Depending upon the findings and recommendations made by the ARC and Board, there are two options for Member voting on these projects: 1. If the ARC and Board review the proposed project and the Board determines that it substantially complies with the standards for development of EUAs at section F of these ARC Rules, and/or it qualifies as a pre-approved Standard Design, the project may be approved by the Board with no Member vote. In order to approve a Project that is not a Standard Design without a Member vote, the Board must specifically find that the proposed Project is in conformity and harmony with the external color, design and location of the other existing structures in the Graeagle Meadows development, per Article 3, section 12, of the CC&Rs. The required affirmative Member vote percentage to approve the grant of exclusive use of a portion of the Common Area under this alternative is zero percent (0%).

2. If the Board denies approval because it determines that the proposed project does not comply with the EUA standards at section F of these Rules and/or it does not qualify as a Standard Design, then approval of the proposed project must be submitted to a Member vote for approval. The affirmative vote of the Lots owning at least 51% of the separate interests in GMHOA is required to approve the project under this alternative.

3. There will be some proposals that the standards at section F do not apply to because standards have not been developed for them. For example, the standards at section F now apply only to exterior EUA projects that are not enclosed within existing fenced yards as of January 1, 2008. If the proposal is not a qualified Standard Design, or no standards have been developed that apply to a proposed project, the ARC and Board will evaluate each project on a case-by-case basis and determine whether or not the project will be submitted to a 51% Member vote under the second alternative. These proposals may be handled as a variance request under section B. 7. of these Rules. In cases where a membership vote is required because no standards have been developed, the Board will determine on a case-by-case basis whether the Association or the applicant pays the costs of any Member Election.

- 4. Specific Procedures for EUA development proposals.
 - Requests that involve a proposal to create a new EUA or expand or a. remodel an existing EUA, will usually be handled under the Regular Review procedures described at section B. of these Rules. The only exceptions are changes to or remodeling of existing EUAs such as upgrading deck railings or replacement or remodeling of propane or kerosene tanks that have received prior Board approval as a Standard Design. The ARC must advise the Board of the application, and consult with the Board during the review process. The ARC may take an advisory vote, but the Board has the final say and must vote on all EUA applications, except qualified Standard Designs. If the Board denies the application, rather than an appeal to the Board of Directors per sections K. and M. of these Rules, the applicant may appeal to the Membership by submitting a written request to the Board for a Membership vote on the project within fifteen (15) days of the date that the Board provided written notice of its decision to the applicant. To overrule the Board's decision, 51% of the Lots owning the separate interests in GMHOA would have to vote to approve the project. The applicant will be responsible for all costs of the Member election.

- b. An appeal of the Board's approval of an EUA development proposal can be made by any neighbor or other nearby Member that has been notified as required by section B.4 of these Rules. An appeal of a Board approved EUA proposal can also be made to the membership by a petition signed by five percent (5%) of the Lots owning the separate interests in GMHOA. In either case, the appealing party or parties must submit a written notice of appeal or a signed petition within fifteen (15) days of the Board's written notice to the membership that the project has been approved. In order to overrule the Board's approval, 51% of the Lots owning the separate interests in GMHOA will have to vote to deny the project. The Member(s) who file the appeal will be responsible for all costs of the Member election.
- c. Member elections on EUA projects will be handled under the 'double envelope-secret ballot' system set forth in the GMHOA Election Rules and any amendments thereto, per Civil Code section 1363.07(b). The ballot must specify whether GMHOA will receive any monetary consideration for the grant of the proposed EUA, and who will be responsible for insurance coverage for it. No specific quorum is required for the ballots to be opened and counted, but 51% of the Lots owning the separate interests in GMHOA will have to vote to approve or deny the specific ballot proposal for it to carry. The following additional specific procedures apply to Member votes re EUA proposals.

(1) The proponent of the vote, e.g., an applicant whose project has been denied, or a Member who believes an application has been improperly approved, must file a timely appeal with the Board as above, and within ten (10) days thereafter, submit a brief statement to the Board explaining their position that will be submitted with the written ballot for the Membership vote.

(2) Within ten (10) days of receipt of the notice of appeal, the Board must notify all Members that an appeal has been filed and that any Member may submit a statement or argument on the proposed project for consideration by the Members in their vote.

(3) Per section 4 of the GMHOA Election Rules, the written statements submitted by the proponent of the vote, and any other Members who wish to submit statements, will be considered "election campaign materials" and the Board will not have the right to edit or redact any content from the statements. The Board may include a statement that the Member, and not the Association, is responsible for the content of any statement submitted to the voters. The Board may also submit its own statement to be considered by the Members in the election.

(4) Unless the proponent of the election agrees to a delay, the Board must set the date for counting the ballots in the membership election within sixty (60) days of the Board meeting following the receipt of the

Member's notice of appeal, or the Board's notice to the Members that an election is to be held on a matter for which no standards have been developed. Per the GMHOA Election Rules, Members must be given at least thirty (30) days to cast their written ballots in the election.

(5) The Board may require the payment of an advance deposit for the estimated costs of the election by the party who is responsible for payment of election costs. The election costs the proponent is responsible for include but are not limited to attorneys and other professional fees incurred by the Association in direct connection with the preparation of election materials and holding the Member vote. Failure by a proponent to timely pay a deposit, or the full amount of election costs due the Association, is grounds for the Board, in its discretion, to delay the election process, including the counting of ballots and/or announcement or implementation of the election results.

5. Upper story decks or other proposed expansions of EUAs that do not physically touch the Common Area, but extend over the Common Area boundaries, are governed by these Rules.

6. As part of the application process, Members must also agree to pay all construction, maintenance and repair costs for new or expanded EUA projects in the Common Area. After completion of construction, if a Member does not properly maintain their deck or other EUA, GMHOA may give the Member reasonable notice to repair (not to exceed 60 days), and if the Member does not repair within that time period, GMHOA staff may repair and bill the Owner for all costs incurred.

7. For proposals to create new EUAs, or expand existing ones, applicants must agree to fully indemnify and release GMHOA for the construction and use of new or expanded EUAs. The GMHOA Release and Indemnity Agreement attached hereto as Appendix D must be signed by all such applicants and they must name GMHOA as a co- or additional insured as required by that document, prior to the commencement of any construction activities. This requirement also applies to new projects within existing fenced yards, since those areas are part of the GMHOA Common Area, although they are recognized as existing EUAs.

8. Existing EUAs will be 'grandfathered' so long as the Owner can show they were constructed as part of the original development, or completed by an Owner before January 1, 2008. Therefore, Members that do not propose new projects that affect their existing fenced yards, decks, storage areas, etc., will not be required to execute <u>new</u> indemnity or release agreements, or provide proof of insurance on their existing EUAs. Any existing indemnity and insurance agreements will remain in effect. There will also be no change in maintenance responsibilities for existing EUAs. For EUA features that were constructed as part of the original development, including decks, lawns, etc., whether they are inside or outside of fenced yards, GMHOA will continue to maintain those features. For EUA features that were added by Owners after the initial construction of the project, the Owners will remain responsible for maintaining those features, and continue to indemnify and provide insurance for GMHOA on them. Unit Owners will have the burden of proving that the EUA feature was completed with or without ARC approval prior to January 1, 2008 for them to be 'grandfathered'. "Completed" includes

that there were no pending or unresolved disciplinary/enforcement proceedings as of that date. In other words, construction or maintenance responsibilities may only be changed for projects that involve creation of new EUAs or expansion of existing EUAs, including new EUA projects within existing fenced yards.

Examples:

- a. A Member that proposed to build a new deck in the Common Area, within or without an existing fenced yard, would be required to pay the cost of the new or expanded deck, and indemnify, release and insure the Association by signing Appendix D, attached hereto. On the other hand, a Member who proposed to upgrade the handrail of an existing deck without expanding it per an ARC approved design, would not be required to pay for the upgrade or its future maintenance and repair, or indemnify and release GMHOA.
- b. A Member that requests to rebuild an existing deck within their fenced yard that the Member built after completion of the original project by the developer, would be required to perform and pay for that construction and future maintenance, and indemnify, release and insure the Association by signing Appendix D attached hereto. That would be consistent with the Owner's prior agreement and/or GMHOA's existing policy that Members are responsible for a deck or similar feature that was built by them or a prior owner after completion of the original development. On the other hand, normal landscaping maintenance such as tree trimming, grass mowing, and the like, would continue to be performed by GMHOA personnel without any specific charge to that Member or requirement that they release, indemnify or insure GMHOA

F. Exclusive Use Area Construction Standards

Member applications for construction, remodeling or expansion of EUAs that are outside of existing fenced yards will generally be approved by the Board if they substantially comply with the standards set forth in this section. However, the ARC and Board will evaluate each project on an individual basis and have the authority to modify these standards, or impose additional standards, based on the characteristics of each particular project. The Board reserves the right too enact specific standards that apply to EUA improvement projects that are within existing fenced yards at a later date.

Members are advised that effective January 1, 2008, a statewide building code was enacted that includes, among other things, the use of a variety of 'fire safe' construction materials or methods. The ARC/Board, in their discretion, may, but are not required to, require compliance with updated code provisions, including the 'fire safe' standards, even if they would not be required for a proposed project by the new building code. For example, the ARC may, but is not required to, require the construction of a concrete patio rather than a flammable wood deck.

1. Deck/Concrete Patio Standards

As part of the original construction, all Units either have an exterior wooden deck/concrete patio, or a fenced yard. All of the exterior decks were not constructed to the same size. Therefore, a request to expand an existing deck will generally be granted if it complies with the following standards, while a request to add a completely new deck will be handled on a case-by-case basis per section E.1.3 above, even though it complies with the following standards.

- a. Rear Decks/Patios:
 - (1) Rear decks shall be no wider than the unit itself plus any building projection such as a front porch or, chimney chase.
 - (2) Maximum Depth 16'
 - (3) Maximum Width 23'
- b. Side Yard Decks/Patios:
 - (1) Maximum Depth 12'
 - (2) Maximum Width 19'
- c. General Decks/Patios Standards:
 - (1) Notwithstanding the above, all deck/patio additions will be required to maintain adequate Common Area clearances as determined by the ARC and Board The minimum clearance to allow access to the Common Area is generally 12'.
 - (2) No tree removal or root cutting to make room for new or expanded decks, without specific approval and at the Owner's expense.
 - No overhangs onto Graeagle Land & Water properties (e.g., units 57 60 & 113 116)
 - (4) Built in benches are okay with standardized design(s) and/or dimensions to be developed by the ARC.
 - (5) Railings to be code compliant with a standardized design as in item 4 of Appendix C.
 - (6) Deck materials of redwood, cedar or Trex-type material are acceptable. Clear staining of natural wood, or brown or grey Trex-type materials are acceptable colors. Standard concrete patios are acceptable in place of first floor wood or Trex-type material decks and are subject to the same dimensional

limitations as wood or Trex-type decks.

- (7) Privacy walls may be modified or eliminated from time to time only if adjoining parties agree and if they are the same within a single building (i.e. some 3 unit buildings have 2 privacy walls which should remain consistent)
- 2. Exterior Tanks/Equipment Standards
 - a. Existing installations shall be 'grandfathered'. However any unscreened tanks must be properly screened using professionally installed grapestake fencing, at the unit Owner's expense. Owners of existing installations will be notified, they have a reasonable period of time (up to 60 days) to have a contractor install the screening, or GMHOA contractors or maintenance personnel will install it and the Owner will be billed for that cost.
 - b. New installations of kerosene and/or propane tanks and AC equipment should be permitted if they comply with the following standards: 1) Installations are on the side of buildings, 2) Professionally installed grapestake screening is provided at the unit Owner's expense, 3) the grapestake fencing is, in the ARC's judgment, the minimum size needed to hide the equipment and still allow access for filling, repairs, and maintenance, 4) fuel trucks can make deliveries without driving off of paved roads or driveways, 5) such installation does not interfere with Common Area access or cause undue noise, 6) all tanks or equipment shall be securely mounted on a concrete pad.
 - c. Exterior tanks, A/C equipment, and screening may be eligible for placement as a Standard Design under Fast Track procedures. See Item 3 of Appendix C for approved samples.

G. Exterior Remodeling Standards

Per the GMHOA CC&Rs, at Article 1, section 14 and elsewhere, the Members own their Lots and the structures on them. However, per Article 1, section 9, GMHOA has the right and responsibility for "Exterior Maintenance," and the CC&Rs and these Rules provide additional specific aesthetic and construction controls on exterior remodeling or improvements that can be made by Owners within the development.

Like existing EUAs, all exterior alterations that were completed by Owners as of January 1, 2008, will be 'grandfathered'. This includes alterations such as addition or replacement of windows, skylights, entry doors, etc. Also like existing EUAs that are grandfathered, unit Owners will remain responsible for and must indemnify, release and insure GMHOA for all exterior alterations done by them or their predecessors that were not constructed as part of the original development. Unit Owners will have the burden of proving that the exterior alterations or modifications were completed with or without ARC approval prior to January 1, 2008, for them to be 'grandfathered'. "Completed" includes that there were no pending or unresolved

disciplinary/enforcement proceedings as of that date. The following standards will apply to exterior alterations and modifications proposed by Owners after January 1, 2008:

1 For all projects by Members that involve altering the exterior of buildings, particularly work that involves piercing any waterproofing system of a unit, such as changing out or enlarging windows, or adding windows or skylights, unless the work is actually performed by GMHOA employees or contractors hired by it, the applicant must release, indemnify and insure GMHOA for all claims and damages resulting from the external alterations by signing the GMHOA Release and Indemnity Agreement attached hereto as Appendix D.

- 2. Window Replacement Standards
 - a. Approved replacement windows are the following: bronze, black, brown or almond colors of materials that comply with current building code.
 - b. Each building <u>must</u> be consistent. For example, if one unit in a building installs brown colored window replacements, later remodeling units in the same building must replace theirs with the same color and materials that comply with current code at the time those replacements are made.
 - c. Window replacements may be eligible for replacement as Standard Designs under the Fast Track procedures. See Item 1 of Appendix C.
- 3. Entry Door Replacement Standards
 - a. Natural wood grain or simulated wood grain entry doors are acceptable. Colors shall be limited to light, medium or dark natural wood stains, clear varnish/stain without colored stain over natural wood doors, and brown tones on painted doors. Clear glass may be used, including uncolored etched, opaque and decorative glass.
 - b. Bronze or brown colors are acceptable for storm or screen doors. See Item 2 of Appendix C for approved samples.
 - c. Entry doors may be eligible for replacement as Standard Designs under the Fast Track procedures. See Item 2 of Appendix C for approved samples.

H. Specific Construction and/or Maintenance Items

- 1. Fireplace Insert/Repair.
 - a. Broken fire bricks in the back of fireplaces must be replaced by unit Owners before they create an opening that can allow access of sparks or fire to the structure of the unit.

- b. Fireplace inserts may be approved if they meet the following conditions:
 - (1) Installation of freestanding or fireplace insert wood stoves, including pellet stoves, must be in compliance with all applicable building, fire, and safety codes. Request for installation of stoves shall be subject to approval by the ARC and the Board. (CC&Rs Article 3, section 12(b)).
 - (2) In order to obtain approval, unit owners will normally be required to submit written proof from the Plumas County Building Department, and a stove installer and/or manufacturer that these conditions have been met for the particular fireplace insert and unit involved in the application.

I. <u>GMHOA and Owner Responsibilities for Exterior and Interior Maintenance, etc.</u>

The GMHOA CC&Rs define the responsibilities for "Exterior Maintenance," and "Interior Maintenance," with respect to the residential Lots and the residential structures thereon owned by the Members, Exclusive Use Areas (EUAs), and the Common Area. Some of the definitions and provisions in the CC&Rs appear confusing and/or conflicting. The Board has developed policies over the years that interpret and clarify the provisions of the CC&Rs that deal with these issues. The Board's current policies on exterior and interior maintenance of the Member owned residential lots and structures, and for EUAs are stated below. These policies may be changed by future resolution of the Board of Directors and/or amendment of these Rules or other Governing Documents.

1. Exterior Maintenance of Residential Structures.

Article 1, section 9 of the CC&Rs is the principal section that defines GMHOA responsibility for "Exterior Maintenance." Association responsibilities include repair and replacement of roofs and other exterior building surfaces. The Board has interpreted this language to mean that in essence, the Association is responsible for repair and replacement of all exterior elements of the roofs and other exterior building surfaces. "Roofing" includes the insulation between the rafters and all construction elements from the top surface of the roof rafters out, including but not limited to roof decking and flashings, roof jacks and other penetrations, and finish roofing materials. "Exterior building surfaces" include the insulation between the studs, and all construction elements from the exterior of the studs out, including plywood sheathing, waterproofing membranes, siding and trim. The Board also interprets the Association's Exterior Maintenance responsibility to include prevention of water intrusion from around building penetrations such as windows, doors and skylights, unless they have been altered or installed by Unit Owners. The window unit/assembly itself for windows, skylights, patio doors, etc., including all operable parts and all glass portions, are the Owner's responsibility.

a. In order to perform a more efficient and effective job, the Board generally directs GMHOA personnel to perform some routine maintenance or repairs that may be the technical responsibility of individual Owners. The

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Association reserves the right to bill individual owners for maintenance or repair items that are their individual responsibility under the CC&Rs.

For example, if minor dryrot in building studs is discovered during a siding replacement project, the dryrot in the studs will usually be corrected by GMHOA personnel or its contractors, with the Association reserving the right to bill individual Owners for the dryrot repairs, since the studs are their specific responsibility per Article 2, section 13 of the CC&Rs.

- b. In keeping with the Board's policy to avoid water intrusion into the residences, GMHOA personnel routinely inspect and maintain gutters and downspouts along with roof flashings, even though gutters and downspouts are the responsibility of the Owners under the CC&Rs.
- 2. Interior Maintenance of Residential Structures.

The "Interior Maintenance" responsibilities of the Owners for their residential structures are primarily set forth at Article 1, section 13 of the CC&Rs. In essence, Owners are responsible for interior improvements and structural building components from the exterior of the studs and roof rafters in, plus interior plumbing and electrical wiring. Owners are also responsible for inspection and repairs caused by wood-destroying pests or organisms, and all utilities that are within the boundaries of their Lots, which may include septic lines or other utility features that are located outside of their residential structures, but within the boundaries of their Lots.

- a. For some routine maintenance and repair items, the Association interprets the Owners' responsibility for "Interior Maintenance" to mean payment for repairs or maintenance done by the Association, rather than actual physical inspection and performance of repairs by individual Owners or their contractors. Per the examples above, the Association may inspect and perform repairs on gutters and downspouts, or other elements of the structure the Owner is "responsible" for under the CC&Rs, and reserve the right to bill the particular Owner for the costs incurred, rather than demand that the Owner perform the repairs themselves. The Association also reserves the right to inspect and notify individual Owners that they must perform repairs that are their responsibility, and if an Owner fails to perform the repairs themselves after reasonable notice (up to 60 days), the Association may perform the repair or maintenance and bill the Owner for the cost thereof.
- b. Structural building components that extend outside of the interior of the studs, and are not covered by exterior siding or other weatherproofing finish materials are the Association's responsibility. This includes glu-lam beams that are visible from the exterior in some of the units.
- 3. Exclusive Use Areas.

Article 2, section 4.C, defines EUAs to include most exterior improvements that are located outside of an Owner's Lot boundaries, but used exclusively by that Owner, including fenced yards decks, garages, carports, etc. Article 2, section 5, and Article 5 section 3 also deals with EUAs and maintenance responsibilities for them. These sections may not be entirely consistent. The Board has interpreted these provisions as follows:

- a. The Association is responsible for maintenance and repair of existing fenced yards and exterior improvements therein such as decks and landscaping, that were built by the developer as part of the original construction. As above, items that were added at a later date by Owners, such as decks within fenced yards, must be maintained and repaired by the Owner, who must also indemnify, release and insure GMHOA.
- b. For existing EUA accessory structures that were built as part of the original development or later approved by GMHOA including carports, garages and storage areas, exterior and interior maintenance responsibilities are the same as for the residential structures as set forth above. The same rule applies to garages or carports that may be constructed in the future, as allowed by Article 2, section 3, of the CC&Rs.
- c. For any existing EUA structures that were not built as part of the original development and/or built later by Owners without GMHOA approval, although they are considered 'grandfathered' if completed before January 1, 2008, they must be maintained and repaired by the Owner, including exterior and interior maintenance. The Owner must also indemnify, release and insure GMHOA for such structures.
- d. The Association maintains assigned parking spaces which are also considered EUAs.
- e. Construction and maintenance responsibilities for new or expanded EUAs that are done after January 1, 2008, are handled as provided in these Rules.
- f. The Board reserves the right to change its policies on responsibility for construction, maintenance and repairs of EUAs by Board resolution or amendment of these Rules or other Governing Documents as provided therein.
- 4. Maintenance of Utilities.

Article 2, Section 13, of the CC&Rs, is the principal section that deals with Association and Owner responsibility for the utilities in the development

a. The Board interprets Article 2, Section 13 (D) (Water Facilities) so that the Lot Owners are responsible for all maintenance, repair, replacement or improvements to water lines from the point of the connection with the

Graeagle Water Company (GWC) line to the Owner's residence. For example, the installation of 'stop and drain' valves or other plumbing fixtures or features in the water line between the GWC line and the residence would be paid for by the Lot Owner. The Association may adopt additional rules requiring the installation of specific improvements in the area between the GWC line and the residence, such as stop and drain valves to be installed by contractors hired by the Association or Individual Owners, at the Lot Owner's expense.

- b. All water lines on the Owner's Lot and in their residence structures, are also the responsibility of the Unit/Lot Owner per Article 1, Sections 9 and 13 of the CC&Rs, and these Rules.
- 5. "Point of Origin" Determines Responsibility for Damage Repairs and Investigation Costs.

For normal repair and maintenance, the allocation of responsibility for repairs and maintenance in the GDs (including these Rules), determines whether GMHOA or the Unit Owner is responsible for performing and paying for such normal maintenance or repairs. However, in cases involving repair or restoration resulting from damage, such as water damage, that is not covered by insurance, because of policy deductibles, exclusions, etc., the maintenance responsibility for the 'point of origin' of the cause of the damage, determines responsibility for the cost of the repairs, causal investigation, and any related testing or remediation work.

a. For example, if the water in a bathtub in a Unit overflows, the Unit Owner would probably be responsible for all resulting uninsured damage to their Unit, any other Units, and to any Common Areas, including EUAs. That is because the 'point of origin' of the damage would probably be either a malfunction of the tub's faucet or drain, which are elements the Owner has maintenance responsibility for, or an occupant allowing the bathtub to overflow, which would be a negligent act that the Owner would be responsible for.

On the other hand, if water leaked through a roof and caused damage to the interior of a Unit, absent an Owner or occupant's act that caused or worsened the leak, GMHOA would have the responsibility for any uninsured cost of repairing the damage, as it generally has the maintenance responsibility for the roof.

b. All uninsured costs of any investigation that may be necessary to determine the actual 'point of origin' of the damage will also be the responsibility of the party that has maintenance responsibility for the 'point of origin.' For example, if a Unit Owner believed that a roof leak caused damage to the interior of his Unit, but investigation established that the leak was actually caused by interior plumbing that the Owner is responsible to maintain, the Owner would be responsible for the uninsured cost of repairs to the interior of their Unit, and the uninsured

cost of investigation to determine the actual 'point of origin' of the water leak. In that example, if, in the opinion of the ARC and/or Board, air quality or similar testing was necessary to rule out potential health hazards resulting from the water leak, the Owner would also be responsible for the uninsured cost of that testing. The uninsured cost of any work beyond ordinary repairs and maintenance, such as mold or mildew remediation work, would also be the responsibility of the Owner.

- c. Owners are encouraged to promptly report any evidence of water damage to GMHOA maintenance personnel. Water damage that is allowed to continue for any significant period of time can cause greater damage than if it is promptly identified and repaired. If more serious damage is caused because of an Owner or occupant's delay in reporting the original damage, the Owner can be held responsible for the additional uninsured costs of repair or remediation resulting from the delay in reporting the damage.
- d. In determining whether an Association or an Owner's insurance policy should apply, or in any claims or litigation arising from such damage, the same 'point of origin' analysis will be applied.
- e. In the event an Owner's act or omission causes an increase in the Association's insurance policy premiums, the Board may, after notice and hearing as required by Section M (Enforcement), require the Owner to pay such increase in cost as "Individual Charges."
- f. GMHOA generally has responsibility for exterior maintenance under the GDs and these Rules. However, when Owners perform exterior improvements, such as replacing windows, doors, or skylights, or construct or expand EUAs, such as new or expanded decks, maintenance responsibility for those improvements is generally transferred to the Owner, unless the work is actually performed by GMHOA employees or contractors.
- 6. GMHOA Consent Required Before Unit Exterior or Common Area Maintenance and Repairs.

These Rules and the GDs generally prohibit Owners or occupants from making any exterior modifications to their Units or improvements to the Common Area without GMHOA's prior consent. Therefore, absent bona fide emergency circumstances, as determined by the Board, Owners must get permission from the ARC and/or the Board before performing any maintenance or repairs to unit exteriors or Common Area facilities. Generally, exterior building maintenance or repairs and Common Area facilities repairs will be performed by GMHOA employees or contractors at its expense. Owners that incur expense for exterior or Common Area facility repairs without the prior consent of GMHOA will be required to pay for the maintenance or repairs to EUAs that GMHOA has maintenance responsibility for pursuant to the GDs and these Rules.

J. Effect on Policies and Procedures Manual; Enforcement and Fines.

1. These ARC Rules supercede and replace in their entirety, the following sections of the GMHOA Policies and Procedures Manual that was in effect as of January 1, 2008 (PPM):

- Architectural Alterations Process
- Board of Directors Rule Regarding Architectural Alterations
- Common Area
- Condominium Architectural Alteration Conditions
- Fireplace-Repair/Inserts

Unless expressly superceded by these Rules, all other sections of the PPM remain in full force and effect.

2. The enforcement procedures referenced at section M of these Rules and the Schedule of Fines and Penalties at Appendix B, shall also apply to alleged violations of the Policies and Procedures Manual or any other Governing Documents. No other committees have been appointed with the authority to conduct hearings, so all references to the ARC in section M (Enforcement), and Appendix B (Fine Schedule), shall mean and refer to the Board of Directors, who shall have and exercise any authority granted to the ARC in said sections.

K. Appeal Procedures

The Board of Directors is the appeals authority for all decisions of the ARC, except for decisions on EUA development proposals which are made to the membership, as provided at section E.4 of these Rules. All such decisions may be appealed within fifteen (15) days following mailing of the ARC's decision to the Owner. A request for an appeal hearing before the Board must be in writing, and clearly set forth all grounds for the appeal, so that all Members who receive notice of the Board appeal hearing can be made aware of the issues on appeal.

The Board reviews all appeals 'de novo' and its decisions are final. A quorum of Board members is sufficient to conduct an appeal hearing, and a vote by a majority of a quorum is sufficient to make any decision at a hearing or related to a disciplinary proceeding.

However, in those instances where the ARC consists of more than one Director member, the Board must use its best efforts to establish a quorum that does not include more than one Director who is also a member of the ARC. All members of the ARC that are also Directors may participate in appeal hearings, but should not vote on the matter subject to appeal, unless a quorum cannot be obtained without counting the Directors that are also ARC members. If requested prior to commencement of the hearing, a Member will be granted a continuance to the next regularly scheduled Board meeting if a quorum cannot be obtained without counting the Directors that are also ARC members.

The Board will schedule appeal hearings for the next regular or special Board meeting that is at least fifteen (15) days after receipt of the Owner's written request for an appeal hearing, and provide written notice of the date and time of the hearing to the Owner by first class and certified mail. The Board may request the submission of additional relevant

information for its review prior to the hearing. If the appealing Owner does not personally appear at the scheduled hearing, the Board may deny the appeal without further review. Appeal hearings will be conducted pursuant to the procedures at paragraph M (Enforcement), item 3, with the Board exercising all functions of the ARC referenced in that paragraph.

The fact that a director may have witnessed an alleged violation and/or given testimony about it does not automatically require that director's recusal in an appeal hearing. If the Owner subject to discipline intends to demand recusal of a director, they must do so in writing, at least 72 hours before the scheduled appeal hearing. The Board, voting without the challenged director(s), shall decide the challenge by a majority of a quorum. The Board's decision shall be final and binding. If a quorum cannot be obtained without counting the vote of the challenged director(s), unless the party who presented the challenge agrees otherwise, the Board must continue the appeal hearing to another date.

L. <u>Schedule of Fines and Penalties</u> - See Appendix B.

M. Enforcement

- These ARC rules may be enforced by any proceeding in law or in equity, including but not limited to an application for a temporary restraining order and permanent injunction and/or requests for damages and attorneys' fees for violation of these Rules, as allowed by the GDs and/or applicable law. The ARC and/or Board will generally try to resolve disputes or violations informally, and follow the noticed hearing procedure at paragraph M.3 in most instances. However, the Board retains discretion to take immediate action to correct serious violations as allowed by the GDs, these Rules, and applicable law.
- 2. Enforcement by Individual Owners. The CC&Rs at Article 7, Section 1, authorize enforcement of the GDs by individual Owners. However, an Owner must first file a complaint with the ARC and may not file litigation or arbitration to enforce the GDs, until the Owner's complaint has been considered and approved or rejected by the ARC, or until ninety (90) days after the filing of such written complaint with the ARC, whichever occurs first. Any litigation or arbitration filed by an Owner to enforce the GDs is subject to the ADR requirements of Civil Code Section 1369.510 et seq.
- 3. Notice and Hearing Procedures.

The procedures set forth in this section are intended to augment the basic procedures set out at Article 12 of the Bylaws.

When any complaint to or inspection by the ARC reveals a potential breach of or noncompliance with any provisions of these Rules, the ARC may, in its discretion, conduct an informal investigation of the alleged breach or noncompliance, notice a formal hearing on the matter as provided herein, or in serious cases where it deems necessary, take immediate action without a prior hearing to correct the breach or violation. In most cases, the ARC will contact the Owner informally, and may, in its discretion, request voluntary correction of a breach or non-compliance by letter or other informal written communication.

It is the general policy of the ARC and the Board that enforcement matters be resolved informally and by mutual agreement when possible. The ARC will comply with the Notice re Dispute Resolution Procedures (IDR/ADR) requirements, and provide Owners subject to discipline with copies of said notice when applicable. Formal enforcement hearings on alleged violations will generally be noticed only after informal resolution has been ineffective. This general policy favoring informal resolution of disputes does not infringe on or affect the ARC and/or Board's discretion to institute formal enforcement proceedings when, in its discretion, it deems they are appropriate.

If the ARC believes that a formal hearing may be necessary, it may, in its discretion, advise any party that filed a complaint that they must appear at the hearing. If the party that initiated the complaint does not, within five days after receipt of notice of his required appearance, agree to appear at the disciplinary hearing in person, by telephone or written statement, the ARC, in its discretion, may drop the complaint, or proceed with any enforcement action that it deems appropriate.

In the event the ARC elects to notice a formal hearing on the alleged breach or non-compliance, written notice shall be given by personal delivery or first class and certified mail to the Owner of such Lot at the same address to which the Association sends assessment statements. It is the obligation of all Owners to advise the Association promptly of any change of address or any second address to which official notices are to be sent. Notification by email, facsimile, or similar electronic transmission may be used in addition to, but not in lieu of, personal or mail delivery as required herein.

The notice shall be given at least fifteen (15) days, and not more than sixty (60) days before any scheduled hearing, and shall contain, at a minimum, the date, time, and place of the meeting or hearing, the basic facts that support the alleged violation for which an Owner may be disciplined, and a statement that the Owner has a right to attend and may address the ARC at the hearing. The Owner may also appear by written statement or by telephone conference call so long as the request to appear by telephone is made at least three (3) days in advance of the hearing. Pursuant to Corporations Code section 7211, ARC members and witnesses called by it may attend the hearing by telephone conference call or other electronic means, so long as all persons participating in the hearing are able to hear and communicate with one another. The ARC shall meet in executive session at the hearing, if requested by the Owner being disciplined.

In cases where personal delivery has not been effected, the notice of hearing shall conclusively be deemed to have been given five (5) days after the first class and certified mailing to the Owner at his/her last known address. Failure to pick up mail or to advise the Association of a change of address will not prevent the ARC from proceeding with a hearing and taking disciplinary action.

Hearings are intended to be informal, and representation by attorneys is generally discouraged, unless the Board believes legal issues are of particular importance at a hearing. Owners may be represented by an attorney or other legal representative only with the permission of the ARC and/or Board. Any Owner that wants to be represented by an attorney or other legal representative must advise the Board of that fact in writing, at least seven (7) days before the scheduled hearing. If an Owner is to be represented by an attorney or other legal representative at the hearing, attorneys' fees incurred by the Association for its counsel related to the hearing may be assessed against the Owner as Individual Charges per Article 6, section 6 of the CC&Rs.

Any written materials or evidence that the Owner intends to have considered at the hearing, including the names of any witnesses the Owner intends to call at the hearing, must be received by the ARC at least 72 hours before the scheduled hearing. The hearing will be conducted by the ARC Chairperson, or its other designee. Each side will generally have the right to make a brief opening statement. The Owner may explain or deny the alleged violation(s), and both sides may present evidence including witnesses and documentary evidence. Formal rules of evidence shall not apply, and all relevant and credible evidence should be considered, although the ARC shall have the authority to impose reasonable limitations on the presentation of evidence, such as limitations on time, the number and/or relevancy of witnesses and/or pages of documents to be presented at the hearing, and the exclusion of witnesses or evidence that the Board does not deem sufficiently relevant, reliable or credible. Each side shall generally have the right to make a brief closing statement. Each side may waive any rights provided at the hearing, such as the presentation of an opening or closing statement.

Before and/or after the hearing, the ARC may meet in private, executive session, outside of the presence of the Owner that is subject to discipline, to informally consult experts or witnesses, or consider evidence presented at a hearing and discuss and/or decide appropriate action to be taken by the ARC.

The ARC may, after consideration of the evidence, set another hearing date for the consideration of additional evidence, or determine penalties, if any, to impose, and if appropriate, what corrective measures it will take and the approximate date of such actions should noncompliance by the Owner continue. If the ARC imposes discipline on an Owner, the ARC shall provide the Owner a written notification of the disciplinary action and the factual basis for such action, by either personal delivery or first class and certified mail, within seven (7) days following the hearing. The decision may include fines and/or suspension of privileges, a specified date by which to correct the offending conditions (after which the Association may correct the offending condition itself as provided in the GDs or allowed by applicable law), a recommendation to the Board that a lawsuit be filed to compel compliance by the Owner and to recover the Association's costs and attorney's fees, a recommendation to the Board that the Owner's membership rights be suspended, or such other remedies that are consistent with the GDs and these Rules.

In all instances where the ARC gives notice that a violation must be corrected, a specific time limit for correction will be included in the notice that is at least five (5) days after the date of the notice of decision. The specific time set for correction of a violation shall be a reasonable period based on the particular violation and the time required for a prudent person acting diligently to remedy the violation.

- 4 Exercise of Discretion. The failure of the ARC, and/or the Board to impose any prescribed fine or to avail itself of any prescribed remedy, shall not be deemed a waiver of its authority to do so in any instance, but rather an exercise of its discretion in dealing with a specific situation.
- 5 Mandatory Mediation. Prior to initiating any arbitration or litigation regarding any decision by the ARC and/or Board, all Owners will be required to participate in a non-binding, neutral, third party mediation process pursuant to Civil Code Section 1369.510 et seq. The mediation process will be conducted by a third party acceptable to both the Owner and GMHOA. The mediation may be conducted informally, but if the parties cannot agree on any procedural aspect of the mediation, it shall be conducted pursuant to the mediation rules of JAMS. Unless otherwise agreed by both parties, mediation proceedings shall be held in the Graeagle Meadows area and the cost of the mediation process will be divided equally between the Owner and GMHOA. Any Owner that fails or refuses to participate in mediation as required by this paragraph shall not be entitled to collect attorneys' fees or costs in any arbitration or litigation arising from any action or decision, or any alleged failure to act or decide, by the ARC or the Board that is the subject of such arbitration or litigation. Participation in this mandatory mediation by an Owner will satisfy the ADR requirements of Civil Code section 1369.510 et seq., as described in the GMHOA Notice re Dispute Resolution Procedures (IDR/ADR).

N. Limitation on Liability, Non-Waiver and Indemnity

Neither the ARC, the Board of Directors of the Association, nor any member thereof, shall be liable to any Owner or entity for any damage, injury, loss or prejudice suffered or claimed on account of:

- 1. The approval or rejection of, or the failure to approve or reject any plans, drawings, or specifications, whether or not defective.
- 2. Construction or performance of any improvement project, whether or not pursuant to approved plans, drawings or specifications.
- 3. The development of any Lot, or Common Area facility within the subdivision.

The approval by the ARC of any plans, drawings, or specifications for any work done or proposed, or in connections with any other matter, shall not be deemed to constitute a waiver of any right to withhold approval as to any similar plan, drawing, specification, or matter. Failure by the ARC to enforce any Covenant or Restriction or any Rule or Regulation shall in no event be deemed a waiver of the right to do so thereafter.

In no way does the GMHOA design review process eliminate the requirement of obtaining building and other required permits from Plumas County or any other governmental entity.

Except as specifically provided for herein, in any arbitration or litigation arising from or related to these Rules, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs, including but not limited to any expert witness fees or costs. The ARC and/or Board may include in any fine or penalty, all attorneys' fees and other costs incurred in investigating, holding hearings, or taking other disciplinary action regarding alleged violations of the GD's, whether or not the matter proceeds to formal mediation, arbitration or litigation. Further, in the event that GMHOA, or any of its agents or employees, including but not limited to Board and ARC members, incurs any costs or expenses as a result of any claims, arbitration or litigation filed against them, which action includes allegations that a particular Owner has breached any provision of these Rules, the GDs, or applicable law, that Owner shall fully indemnify and defend GMHOA, its agents and employees, against all costs and expenses incurred in such action, including but not limited to attorneys' and expert witness fees. For example, if a GMHOA Owner or their tenant cut down a tree in a Common Area, and that tree fell on a nearby car, if the car's owner sued GMHOA because the tree was located on its Common Area property, the Owner and their tenant that cut down the tree would indemnify and defend GMHOA against that claim and/or lawsuit. If that tree cutting resulted in governmental enforcement action against GMHOA, the Owner and their tenant that cut down the tree would indemnify and defend GMHOA against that governmental action. Similarly, If an Owner pursued a claim or filed a lawsuit against GMHOA that alleged ARC or Board members had failed to enforce provisions of these Rules or other GDs against another Lot Owner, the Lot Owner alleged to have breached these Rules or other GDs in the lawsuit, would fully indemnify and defend GMHOA and the Board and/or ARC members named in the lawsuit.

O. <u>Amendment</u>

These Rules may be amended by majority vote of the ARC and the Board of Directors, and in compliance with Civil Code sections 1357.100, et seq., and/or 1378, if applicable to such amendment.

Certificate of Secretary

The undersigned Secretary of the Graeagle Meadows Homeowners' Association, a California nonprofit mutual benefit corporation, hereby certifies that the foregoing Architectural Review Committee Rules and Regulations were duly approved by the affirmative vote of a majority of the Board of Directors, after submission by mail to all of the members for review and comment as required by law. These combined Rules were submitted to the Members for review and thereafter adopted by vote of the Directors on two separate occasions. Sections A-D and K-O of these Combined Rules were adopted by the Directors on January 24, 2008. Sections E-J of these Combined Rules were adopted by the Directors on July 29, 2008. Further revisions to these Rules were submitted to the members in September 2010 for review and comment as required by Civil Code section 1357.100 et seq., and thereafter approved by the affirmative vote of a majority of the Directors on November 13, 2010.

Dated: 11/13/10

andes, Secretary

COMBINED ARCHITECTURAL REVIEW COMMITTEE RULES & REGULATIONS

APPENDIX A APPLICATION FOR REMODELING OR CONSTRUCTION PROJECT

For larger projects subject to the Regular Review process, a \$100.00 plan check/application fee is required. Minor projects subject to the Expedited Review process require a \$50.00 application fee. No application fee is initially required for Fast Track applications for Standard Designs. Regular Review projects also require four complete sets of plans and other information per section B of the ARC Rules and Regulations. For all applications, provide a general description of the proposed project below or on attached pages. For Expedited Review and/or Fast Track proposals, in lieu of formal plans and specifications, include project description drawings, photographs of the affected areas of the unit, manufacturer's specifications and/or similar information, to accurately depict the proposed project for ARC review and determination as to whether it qualifies as a Standard Design.

I am applying for review under the:

- 1. Regular Review Process (Larger projects, EUA construction or remodeling, etc.)
- 2. Expedited Review Process (Minor projects but not Standard Designs)
- 3.
 General Fast Track Process for Standard Designs

Project Description:

□ Continued on attached page(s)

Acknowledgment of GMHOA ARC Rules and Regulations

This is to attest that _______, Owner(s) of Unit/Lot ______, has read and understands the ARC Rules and Regulations. Although others may act on the behalf of the Owner as architect, contractor or agent, Owner hereby certifies that he/she is fully acquainted with the construction drawings and specifications, intends to build in accordance with the approved documents, and agrees to accept the responsibility for the enforcement of and adherence to the ARC Rules and Regulations.

I also understand that I may need to notify neighbors if required by the Rules, and that I must employ only licensed and insured contractors and name GMHOA as an Additional Insured on all insurance policies. I acknowledge that the ARC has the right to enter the Unit/Lot for inspections until final ARC approval has been granted.

Unit/Lot No email address/fax no:	
Mailing Address:	
Property Owner Name (Printed)	Date:
Property Owner Signature	
Property Owner Name (Printed)	Date:
Property Owner Signature	
Contractor Name:	Architect Name:
Address:	Address:
Phone:	Phone:
email/fax:	email/fax:
Rev. 11/13/10	

APPENDIX B GMHOA SCHEDULE OF FINES AND PENALTIES

The ARC will hear and decide cases involving alleged violations of the ARC Rules. If an Owner or their guest or invitee is found to have violated a provision of the Rules, the ARC may impose a fine according to the following schedule or, in its discretion, take other or additional disciplinary action.

Unless superceded by a later set of Rules or other Governing Documents amendments, this Schedule of Fines is also applicable to all alleged violations of any of the GMHOA Governing Documents. The Board of Directors will act as the enforcement body that hears and decides alleged violations or any of the Governing Documents, except for alleged ARC Rules violations, which will initially be investigated and heard by the ARC as provided in these Rules.

Consistent with the Board's general policy to obtain voluntary compliance where possible, the ARC will usually seek an informal resolution before instituting formal enforcement proceedings. Except for cases of serious or intentional violations, the general policy will be to issue a written warning in lieu of noticing a formal hearing which can result in the imposition of a fine or other sanctions pursuant to the GDs.

The following schedule of fines is applicable to ARC Rule and other Governing Documents violations:

First	Second	Third	
Offense	Offense	Offense	
Written Warning	\$500	\$1000	
and/or \$100			

The ARC and/or Board may impose lesser or higher fines, depending upon the facts of each case, and may assess Association attorneys' fees, investigation costs, and other costs related to member disciplinary proceedings as "Individual Charges" under Article 6, section 6, of the CC&R's, in addition to or as a part of any fine. For example, the Board may consider whether a violation appears to be intentional, negligent, or innocent in imposing a higher or lesser fine, or taking other enforcement action. For serious, repeated or intentional violations, the ARC and/or Board reserve the right to impose per diem fines, with a specific dollar amount for each day a violation continues until it is cured. Any and all costs incurred by the Association to correct damage inflicted in violation of any rule or other GDs provision, may be added to the fines and collected as a cost of enforcement The ARC and/or Board also reserve the right to impose alternate or additional disciplinary measures, and to take additional enforcement actions in all cases, consistent with the Governing Documents, and applicable law.

Although fines and penalties assessed for GDs violations can result in the recording of a lien against the Owner's lot/unit, such liens cannot be enforced by the sale of the Owner's lot/unit by non-judicial foreclosure. This Schedule of Fines and Penalties is subject to change by the Board of Directors, subject to the member notice and comment requirements in Civil Code section 1357.100 et seq.

APPENDIX C

GRAEAGLE MEADOWS HOMEOWNERS' ASSOCIATION ARC APPROVED STANDARD DESIGNS FOR FAST TRACK REVIEW PROJECTS

Summary of Fast Track Review Procedures for Standard Designs

Pre-approved Standard Designs are usually handled under the Fast Track Review Process. Although application fees are waived for qualified Standard Designs (SDs), applications must be submitted, and ARC approval obtained before construction or remodeling begins. Initial ARC review is limited to making a determination as to whether a proposed project qualifies as a Standard Design. For Standard Design applications that involve construction in the Common Area or Exclusive Use Areas, the ARC will advise the Board and it makes the final determination if there is any question as to whether a Common Area/EUA application qualifies as a Standard Design.

Owners are advised to contact the ARC Chairperson, or their designee, to inquire about the process prior to submission of their application. The ARC can act on all Fast Track Review matters by telephone meeting or email correspondence between ARC and/or Board members or the applicant, and without a public hearing. The ARC will use its best efforts to review and advise the applicant if the proposal qualifies for Fast Track review, or other action is necessary, within fifteen (15) working days of submission of a complete application.

Owners are urged to use Standard Designs when available and to contact the ARC at least 30 days in advance of any planned improvement or installation to allow sufficient lead time for ARC review and action. If the ARC does not approve the project as a Standard Design, the ARC may require notification of nearby neighbors and process the application under the Expedited Review Process, or notice a public hearing under the Regular Review Process. Alternatively, the Member may elect to revise and resubmit the proposal to the ARC, or they may appeal the ARC decision to the Board of Directors, as set forth at section B of the Rules.

Approved Standard Designs as of July 30, 2010

1. Window Replacements.

Window replacements without change to existing openings, using the same styles and bronze, black, brown or almond colors, and no change to exterior trim details or colors are acceptable. Replacement window materials must also comply with current building code.

For example, upgrading from the original single pane glass to dual pane glass with the same window sizes, styles and colors, would be considered a Standard Design, to be handled under the Fast Track Review Process. If the replacement windows are not identical, but in the ARC's judgment, substantially similar to the original windows, with frame colors of bronze, black brown or almond, they can also be approved as a Standard Design.

Each building must be consistent, i.e., if one unit uses brown colored window replacements, later remodeled units in the same building must replace theirs with the same colors and materials that are consistent with current code at the time those replacements are made.

No photos are available at this time. See the ARC's designee for photos that may be available in the future.

2. Entry Door Replacements.

Natural wood grain or simulated wood grain entry doors are acceptable. Colors shall be limited to light, medium or dark natural wood stains, clear varnish/stain without colored stain over natural wood doors, and brown tones on painted doors. Clear glass may be used, including uncolored etched, opaque and decorative glass.

Bronze or brown colors are acceptable for storm or screen doors.

Current approved samples of entry, screen and storm doors are attached. See the ARC's designee for color copies and/or additional designs that may be approved from time to time.

3. Exterior Tanks or Equipment.

New installations of kerosene and/or propane tanks and AC equipment are acceptable if they comply with the following standards: 1) Installations are on the side of buildings, 2) Professionally installed grapestake screening is provided at the unit Owner's expense, 3) the grapestake fencing is, in the ARC's judgment, the minimum size needed to hide the equipment and still allow access for filling, repairs, and maintenance, 4) Fuel trucks can make deliveries without driving off of paved roads or driveways, 5) such installation does not interfere with Common Area access, or cause undue noise, 6) all tanks or equipment shall be securely mounted on a concrete pad.

Current approved samples are attached. Also, see the ARC's designee for color copies and/or additional designs that may be approved from time to time.

4. Deck Railings.

Redwood 2 x 6 for top rails/caps, 2 x 4 for bottom rails, and 4 x 4 posts are approved materials. Redwood must be construction common (con common) grade, or better. All wood components must be properly sealed with ARC approved clear stain or dark paint for long term protection. Stain or paint colors will be determined by the ARC on a case-by-case basis to be consistent with nearby deck and/or building colors. 3/4" round, vertical balusters, bronze in color, must be used. Railing height and baluster spacing must comply with current codes at the time of installation. As of August 2009, the code requires 42 " high railings with not more than 4" spaces between vertical balusters and the bottom rail and the deck.

Deck railings may only be installed on decks where they are required by applicable code. For example, if a deck is 12 inches off the ground, and code does not require a railing, one will not be approved, unless there are safety concerns such as proximity to a steep slope which will be determined by the ARC on a case-by-case basis.

Examples of commercially available deck rail systems that comply with these standard design requirements are the Decko Rail System available through Home Depot, and the Deckorator System available through Lowes.

Photographs of current approved samples are attached. Also, see the ARC's designee for color copies and/or information on additional designs that may be approved from time to time.

FRONT DOOR STYLES <u>Samples</u>



Doors colors must be natural wood grains (i.e. oak, walnut, etc.), synthetic wood grains or painted hues of brown. Clear glass may be used including uncolored etched, opaque and decorative glass

SCREEN AND STORM DOORS Samples

Screen Doors



Storm Doors



Screen and storm doors are to be bronze or brown in color.

STAKE ENCLOSURES

PROPANE/KEROSENE TANKS AND AIR CONDITIONERS

Samples



Air Conditioner Enclosure Enclosure Size: 55" D x 55" W x 60" H Tall Propane EnclosureEnclosure Size:25" D x 25" W x 60" H



Maximum Tank Size

Kerosene Tank Enclosure Size: 48" D x 36" W x 60" H



Small Propane Enclosure Size: 16" D x 16" W x 22" H DECK RAILING Samples







APPENDIX D

GRAEAGLE MEADOWS HOMEOWNERS' ASSOCIATION EXCLUSIVE USE AREA/EXTERIOR REMODELING RELEASE AND INDEMNITY AGREEMENT

1.

I, ______, acknowledge that the Graeagle Meadows Homeowners Association (GMHOA) has agreed to allow me to construct, expand or remodel an Exclusive Use Area (EUA), or do exterior remodeling or construction to my unit as follows: [describe work to be done]_____

(hereinafter "the Project").

- 2. I have agreed to construct the Project with my own funds with licensed contractors and otherwise in conformance with these ARC Rules. Therefore, I accept all responsibility for construction, repair and maintenance for the Project described above and agree to indemnify and expressly release GMHOA, its directors, agents, owners, officers, employees or other persons or entities acting on its behalf ("GMHOA and its Agents") from any maintenance and repair responsibilities, and any damages, including consequential damages, that may result, in whole or in part, from the Project described above.
- 3. I also agree that on behalf of myself and all others using the Project with my express or implied consent, I assume all risk of its use, and I hereby voluntarily release, forever discharge, and agree to hold harmless GMHOA and its Agents from any and all liability, claims, demands, actions or rights of actions, which may be related to, arise out of, or is in any way connected with, the construction, maintenance or use of the Project, including those allegedly attributable to any negligent acts of GMHOA or its Agents. I am not releasing any claims relating to reckless or intentional misconduct by GMHOA or its Agents.
- 4. I agree to fully indemnify and defend GMHOA and its Agents for any costs or expense, including any increased insurance premiums and all costs of defense and reasonable attorneys fees and expert witness fees, relating to any claim for injury, loss or damage, arising out of or in any way connected with the construction, maintenance, repair, or use of the Project by myself or anyone using it with my express or implied consent.
- 5. I agree not to make any demand or claim or commence, prosecute, or cause to be prosecuted, any action at law or in equity, or any arbitration or other legal proceeding of any kind, to recover any kind of damages, costs or attorneys' fees arising out of or related to the Project described above.
- 6. I also represent that I have in effect a policy of homeowners insurance, or similar insurance, that covers any damage to person or property arising out of or related to my construction, maintenance and/or use of the Project. Upon execution of this release, I will name GMHOA, its agents and employees, as co- or additional insured on such insurance policy or policies. I will provide GMHOA with a Certificate of Insurance confirming it has been named as a co or additional insured not later than seven days after execution of this release.

EXCLUSIVE USE AREA/EXTERIOR REMODELING RELEASE AND INDEMNITY AGREEMENT REV.11-13-10

7. This Release and Indemnity Agreement shall be binding on all of my successors and assigns, including but not limited to any subsequent purchasers of my Lot. This Agreement shall not be recorded, but GMHOA may, at its option, unilaterally record a short memorandum describing the terms of this Agreement in the office of the Plumas County Recorder.

My signature below indicates that I have had sufficient opportunity to read this entire document, that I have read it, and that I understand it affects my legal rights and that I agree to be bound by its terms.

Dated: _____

Dated: _____