

STONE CANYON SAUSALITO

RULES AND REGULATIONS

ADOPTED 5/01

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INTRODUCTION

Stone Canyon Sausalito Homeowners Association is a planned unit development common interest association organized under Nevada Revised Statutes on May 9, 1996, and incorporated as a nonprofit corporation. The purpose of the Association is to provide services and facilities for the use, benefit and welfare of the owners and/or occupants, and to promote the recreation, health, safety and welfare of all of its members within the Property. All owners are members of the Association.

The governing documents of the Association consist of the Articles of Incorporation, Bylaws, Declaration (CC&Rs), and Rules and Regulations. Common Interest Associations are further regulated by Nevada Revised Statute 116. Article VII, 7.1 (1) Powers, of the Bylaws authorizes the Board of Directors to adopt rules in accordance with the provisions of the Project Documents for the use of the Common Area and the personal conduct of owners, occupants, and guests. These Rules and Regulations must be consistent with the Articles of Incorporation, Bylaws, Declaration (CC&Rs), and the law.

The Rules are based on the Bylaws and CC&Rs, and intended to promote harmonious community living and protect the common investment made by all owners. Living in a common interest community requires that each owner, resident, and guest show consideration for all others, and follow a standard of conduct that allows each to enjoy their individual rights without infringing on the same rights of others. Common sense should prevail.

Self-government of the community requires acceptance of restraints on all individual desires and lifestyles. The Association is governed by a five (5) member volunteer Board of Directors. The management company, through a contract with the Association, assists the Board of Directors with the daily operation of the Association.

The Board of Directors may amend these Rules and Regulations after notice to the membership as required by law.

It is the responsibility of each Owner to furnish a copy of these Rules and Regulations to a tenant and or guest. The Owner will be held responsible for the actions of tenants and guests and is subject to any enforcement action for violations of the governing documents.

ANTENNAS/SATELLITE DISHES

Satellite dishes are limited to 18" in size. The preferred placement location for satellite dishes is below the height of the wall in the patio area of each townhome. This preferred location cannot cause unreasonable installation delay, an unreasonable increase in cost, or preclude an acceptable quality signal.

ARCHITECTURAL CHANGES

1. All exterior improvements require prior approval of the Architectural Committee before installation. The owner must maintain all improvements in good condition.
2. An architectural change form must be submitted for approval 30 days in advance of installation. The form may be obtained from the management company or copied from these rules. The Committee or Board of Directors has 30 days to approve the application.
3. The drainage on the lot shall remain unchanged, and no improvement will be approved that affects the positive drainage installed by the declarant.

COMMERCIAL USE

1. No business or commercial use of a unit that significantly increases traffic or the presence of non-residents within the property is permitted. The use cannot be apparent or detectable by sight, sound, or smell from outside the boundaries of the lot.
2. No business or commercial use of a unit that creates a condition to prevent parking vehicles in the garage is permitted.
3. The activity must not increase the insurance obligation of the Association.

COMMON AREA USE

1. Any activity which may cause damage or deface the common areas and improvements are prohibited. The owner that is responsible for any such damage will be assessed the cost incurred by the Association for the repair and restoration of such damage.
2. Owners who delegate the right to use the common areas and recreational facilities to a tenant or contract purchaser shall not be entitled to these facilities as long as the delegation is in effect.
3. Soliciting is prohibited within the property.
4. No littering of the common area is allowed.

INSURANCE

1. It is the responsibility of each owner to insure his/her lot and personal property.
2. An owner who files a claim covered by the Association's insurance policy is responsible for the deductible and must submit the claim through the management company.

LANDSCAPING

1. Power and water utilities must be operational at all times for each individual lot. Any replacement of landscaping caused by the lack of utilities will be at the individual homeowner's expense.
2. The Association will maintain the turf, rocks, and plants in the front yards of each individual townhome. Replacement of rocks and plants in the front yards are the responsibility of the individual homeowner.
3. The landscaper will advise the homeowner of dead trees and shrubs. The homeowner has one week to replace the dead plants or the Association will replace and assess the cost to the homeowner's account.
4. Rock replacement shall be with ¾" Pink Marble color granite-type rock.

LEASES

1. Owners may lease their unit provided that the lease is in writing and that it provides that the tenant is subject to all provisions of the governing documents including these Rules and Regulations.
2. Owners are held responsible for the actions of their tenants.
3. A copy of all leases shall be provided to the Association.

LOT USE

1. Patios are to be maintained in a manner, free from debris, and shall not be used for storage of building materials, refuse, unused household or other items.
2. No clothing, sheets, towels or other items may be hung, dried, or aired so they are visible from the common area or any other lot or residence.
3. No patio/deck coverings, or other improvements may be installed on the exterior of the buildings unless prior approval is obtained from the Architectural Committee.
4. Large toys, portable sports equipment, including but not limited to portable basketball hoops, and other play items are to be removed from view after each use.

MAINTENANCE OBLIGATIONS

1. The Association shall maintain all common areas and improvements and provide landscape maintenance of the front yard of each residence.
2. Each owner shall be responsible for all aspects of maintenance of the residence other than the landscape maintenance of the front yard portion of the lot. Each owner shall maintain the walls or fencing located on their individual lot.

NUISANCES

1. No offensive activities shall occur upon any lot or on any street. Nothing shall be done on any Lot which may become an annoyance or nuisance to the neighborhood.
2. No owner shall permit or cause anything to be done or kept upon the property which would increase insurance rates or cause the Association or any residence to be uninsurable.

PARKING/VEHICLES

1. No trailer, boat, recreational vehicle, mobile home or similar vehicle shall be permitted to park on a Lot outside of the garage, or on any street bordering either the Common Area or any lot, or in any Common Area.
2. No vehicle may be parked on any lawn portion of any owner's lot.
3. All unregistered, or inoperable vehicles will be towed at the owner's expense.
4. No repair, maintenance or restoration of any vehicle shall be conducted on the property except within an enclosed garage with the garage door closed.

PETS

1. Animals shall not be raised, kept or bred for commercial purposes.
2. Dogs and cats, two (2) is considered a reasonable number, fish, and birds inside birdcages may be kept as household pets.
3. Any animal, which constitutes a nuisance to other owners, is not allowed.
4. Animals must be kept within an enclosure, or in the walled patio, or on a leash held by a person capable of controlling the animal. No animal may be staked in the front yard area of the residence.
5. All animals must be kept on a leash when outside the confines of the individual lot. All animal waste must be picked up immediately, and promptly and properly removed.
6. All patio areas must be maintained free of animal waste to eliminate odor and in a manner that does not attract insects and other pests or create a health hazard.

RECREATIONAL AMENITIES

1. Pets are not allowed in any of the recreational facilities except for certified service animals.
2. The recreational amenities are for the use of owners, residents and guests. The use of these facilities by guests is a privilege. Good judgement must be used on the number and frequency of guests. Rules governing residents apply to guests, and owners are responsible for the actions of their guests.

RECREATIONAL AMENITIES CONTINUED

3. Excessive noise is not allowed. Noise level must be kept to your personal area in order not to disturb others. Radios and other noise producing equipment are allowed provided the volume is low or headphones are used.
4. The amenities are open 24 hours per day. Quiet hours are from 10:00 PM to 7:00 AM.
5. No glass or bottled beverages are allowed.

POOL

1. The Association does not provide lifeguards. SWIM AT YOUR OWN RISK. Life saving equipment is to be used for its intended purpose only. The Association does not assume any liability in this regard.
2. Obey the Swimming Rules posted as per the Health Department.
3. Styrofoam or other objects made from material that may chip or flake are not permitted in the pool because of potential damage to the pool equipment.
4. No glass or bottled beverages.

SIGNS

One "For Sale" or "For Rent" sign not to exceed 18" X 24" may be displayed in the window of a residence. Signs are not permitted to be placed in the front yard landscaping. No other signs are permitted without prior approval from the Architectural Committee.

TRASH

All trash should be disposed of in securely tied trash bags or garbage cans. All garbage shall be put out for collection no sooner than the night before collection and must be removed from view the day of collection.

WINDOW TREATMENTS

Prohibited window coverings are aluminum foil, any treatment that uses foil, newspaper, sheets, cardboard, reflective tint, or paint. Window coverings as viewed from the outside should be neutral in color.

MEETING PROCEDURES

Meetings of the Board of Directors will be monthly and must be held at least once every 90 days. Notice of the meetings will be sent to all owners. The meetings will be conducted using parliamentary procedure as a guide. Each meeting is preceded by a Homeowners Forum. This is the opportunity for the homeowners to ask questions, state opinions, and offer constructive suggestions for the operation of their Association. The elected Board of Directors, or the developer while he controls the Association, makes all policy decisions for the Association. After the Homeowners Forum portion is concluded, the meeting is called to order. From this point in the meeting until it is adjourned only the Board of Directors participates. Business and policy decisions are made according to an agenda. The Board of Directors may only take action on items listed on the agenda unless an item meets the criteria outlined in State law as an emergency.

Any owner is entitled to a copy of the minutes or a summary of the minutes of the meeting upon request and, if required by the Board of Directors, upon payment to the Association of the cost of making the distribution. Copies will be charged to the owner at \$.25 per page.

Executive sessions of the Board of Directors, limited to members of the Board of Directors and its invitees, are held either before or after the meeting of the Board of Directors. The Board may consider matters concerning violations of the governing documents including hearings, monthly assessments/dues payments delinquencies, personnel, and proposed or pending litigation at these meetings.

INSPECTION OF RECORDS

A written request to inspect records of the Association must be made through the management company. Inspections may be made during regular business hours by appointment and will be scheduled no later than 14 days after receipt of the written request.

All copies will cost the member \$.25 per page. Records of personnel or those pertaining to another unit owner are not available for inspection by the members.

COLLECTION POLICY AND PROCEDURE

1. Assessments are collected monthly and due on the first day of each month. They are considered delinquent after the 10th day of the month. The following is the collection procedure:
 - a) \$6.00 late fee added to assessment if payment is received after the 10th of each month.
 - b) A charge of \$25.00 will be assessed to the account for each NSF check.
 - c) An intent to lien fee will be added to the assessment if 60 days delinquent – notice sent to owner by certified, return receipt and first class mail
 - d) A lien fee and collection costs will be added to the assessment if 90 days delinquent – the lien will be filed by the trustee service contracted with the Association.
 - e) If payment in full is not received, foreclosure proceedings may begin at the direction of the Board of Directors.

ALL COLLECTION EXPENSES AND INTEREST INCURRED SHALL BE THE SOLE RESPONSIBILITY OF THE PROPERTY OWNER.

Good faith agreements to resolve delinquent assessments may be considered by the Board of Directors on an individual basis. Initiation and responsibility of such agreement shall rest solely with the unit owner and shall in no way relieve the owner of any expenses, interest, or assessments incurred or accrued.

PENALTY POLICY AND PROCEDURES

The Board of Directors of Stone Canyon Sausalito Homeowners Association has been given the responsibility to conduct, manage and control the affairs and business of the Association and to adopt, amend, repeal and enforce reasonable rules and regulations governing, among other things, the use of the Association property. Accordingly, the Association, through its Board of Directors, has approved the following enforcement Policies and Procedures for the Rules now in force or as amended hereafter, and for the Rules as may be hereinafter adopted or amended. An association member or the Association Manager may observe a violation of the governing documents. All complaints from association members must be writing and submitted to the Board of Directors through the management company. A complaint form may be obtained from the management company or copied from these Rules. The complaint may also be submitted in letter form. Prior to the imposition of any penalty for violation of the Bylaws, CC&Rs or Rules and Regulations, the Association shall provide the offending member with notice of the violation and an opportunity for a hearing. Owners are responsible for the violations of their guests or tenants.

1. Notice Procedures

First Letter – Courtesy or Awareness Letter – notification to member of infraction and request for compliance. Friendly in tone.

Second Letter – Violation – notification to member of infraction and request for compliance. Allow 15 days for compliance. More formal in tone than the first letter. Owner may request a hearing before the Board of Directors or Committee appointed for that purpose.

Third Letter – Hearing Notice – will notify member of the violation, time and place of hearing, invitation to attend, and the sanction that may be imposed. The Association shall have the right to limit the time of the hearing and limit the time in which any evidence may be presented.

If a subsequent violation of the same rule, for which compliance was obtained after the Second Letter, reoccurs within six (6) months, a Hearing Notice will be issued without sending a first or second letter.

2. Hearing Procedures

The Hearing Committee, upon hearing the evidence, may decide that no violation exists or find that a violation exists and impose penalties. If it is determined that a violation does exist, the Board of Directors or its appointed Committee shall have the right to impose the following sanctions:

1. Suspend the voting rights of any member on matters related to the common interest community for a period not to exceed 30 days.

PENALTY POLICY AND PROCEDURES CONTINUED

2. Assess a fine for each failure to comply. The fine must be commensurate with the severity of the violation, but must not exceed the limits as set forth in NRS 116.

3. If a fine is imposed and the violation is not cured within a minimum of 14 days or longer period as may be established by the Board of Directors or its Committee, the violation shall be deemed a continuing violation. An additional fine may be imposed for each 7-day period or portion that the violation is not cured. Any additional fine may be imposed without notice and an opportunity to be heard.

3. Appeals Procedures

If the hearing is before a committee of the Board, the violator shall have the right to appeal the decision to the Board of Directors. The appeal must be in writing addressed to the Board of Directors and must be received by the Association within 10 days after receipt of notification of the hearing decision.

FINE SCHEDULE:

1ST Offense: \$25.00

2nd Offense: \$50.00

3rd Offense: \$100.00

Forms follow

**STONE CANYON SAUSALITO HOMEOWNERS ASSOCIATION
COMPLAINT FORM**

COMPLAINANT: _____
NAME

ADDRESS: _____

PHONE: _____

PERSON OR ADDRESS WHO IS VIOLATING GOVERNING DOCUMENTS:

NATURE OF COMPLAINT: Brief statement of date(s), time(s), Rule or Covenant
violated, Nature of Complaint: _____

Management Response: _____

Mail to: Stone Canyon Sausalito Homeowners Association
c/o Horizon Community Management, LLC
601 Whitney Ranch-Building B, Suite 10
Henderson, NV 89014

Fax: 898-4619

Date _____

**STONE CANYON SAUSALITO HOMEOWNERS ASSOCIATION
ARCHITECTURAL CHANGE
INDEMNITY AGREEMENT**

OWNER is the owner of a townhome located in Stone Canyon Sausalito Homeowners Association (Association) and wishes to commence construction of the improvements as designated in the attached architectural change request.

LICENSED CONTRACTOR has been hired by Owner to effect the improvement.
OR OWNER will install improvement.

CONSTRUCTION of the improvement is subject to the Declaration of Covenants, Conditions, and Restrictions and Rules and Regulations of the Association, and any permit or license requirements of the City or County.

OWNER AND LICENSED CONTRACTOR hereby agree to construct the improvements subject to the above mentioned documents and regulatory bodies.

OWNER shall be responsible for the conduct of Licensed Contractor, its employees and agents within Stone Canyon Sausalito Homeowners Association property.

OWNER AND LICENSED CONTRACTOR hereby indemnify the Association and Architectural Committee and hold them harmless against and from any and all liabilities, claims, losses, damages and expenses connected with the improvements of construction of the improvements.

AGREED AND ACCEPTED THIS _____ DAY OF _____, 20____.

OWNER:

LICENSED CONTRACTOR: (If other than Owner)

Print Name

Print Name

Sign Name

Sign Name

Property Address

Address

City/State/Zip

License Number

**STONE CANYON SAUSALITO HOA
MEMBER INFORMATION SHEET**

OWNER'S NAME: _____
Please Print

MAILING ADDRESS: _____

PROPERTY ADDRESS: _____

PHONE: _____

EMERGENCY CONTACT: _____
Name
Phone

IF YOUR PROPERTY IS LEASED:

TENANT NAME: _____

TENANT PHONE: _____

IF MANAGED BY SOMEONE OTHER THAN THE OWNER:

MANAGING AGENT NAME: _____

ADDRESS OF MANAGING AGENT: _____

MANAGING AGENT PHONE: _____

LOCAL EMERGENCY CONTACT PHONE: _____

Mail to: Stone Canyon Sausalito HOA
c/o Horizon Community Management
601 Whitney Ranch-Building B, Suite 10
Henderson, NV 89014

Fax to: (702) 898-4619