

BAY VILLAGE HOMEOWNERS ASSOCIATION RULES AND REGULATIONS

These rules and regulations ("Rules") apply to all Owners, residents, renters, occupants and guests (collectively referred to herein as "Owner/Occupant") of the Project. These Rules may be amended by the Board of Directors from time to time. These Rules and Regulations shall be interpreted and enforced in a manner that is consistent with the Bay Village Homeowners Association Amended Declaration of Covenants, Conditions and Restrictions (CC&Rs) and Bylaws.

- 1) **DEFINITIONS.** The Definitions set forth in the Declaration are incorporated herein by this reference.
- 2) **OCCUPANCY AND USE RESTRICTIONS.**
 - a) The residences and Lots shall be occupied as private residential dwellings. No structure of a temporary character, trailer, mobile home, camper, tent, shack, garage, or other temporary structure on any lot shall be used at any time as a residence, either temporarily or permanently.
 - b) Upon a change of ownership or transfer of an Owner's residence, the new Owner shall provide the Association with his/her name, address and phone number and **written verification of age demonstrating compliance with the Project's age restrictions for all occupants.**
 - c) Owners who rent to tenants are responsible for the Tenants' compliance with the Governing Documents. Owners are responsible for the conduct of their Tenants within the Project. If the Board levies any fines or penalties due to a breach of the Governing Documents by a Renter, said fines or penalties shall be levied against and paid by the Owner.
 - d) No trade or business may be conducted within the Project that involves customers, sales representatives or increased vehicle traffic. Incidental business activity that is not considered detrimental to the residential community may be conducted within the Project as long as:
 - i) the property of the Owner/Occupant is used primarily for residential purposes;
 - ii) the business activity does not involve any advertising which includes the address of the Owner/Occupant's property or the Project;

- iii) the business activity does not involve any employees, clients, customers, vendors, contractors, subcontractors, business associates, etc. visiting the Owner/Occupant's property or the Project;
- iv) the business activity does not involve excessive deliveries or pick-ups of mail or packages to or from the Owner/Occupant's property or the Project;
- v) no manufacturing of any kind shall take place in the Owner/Occupant's property or the Project; and
- vi) the business activity is not illegal, does not violate any local ordinances, and complies with all applicable business license requirements.

3) PETS AND ANIMALS

- a) All farm animals, both small and large, are prohibited.
- b) Each Owner/Occupant is responsible for his/her pets.
- c) Each Owner/Occupant agrees to indemnify, defend and hold the Association and other Owners/Occupants harmless from and against any loss or damage caused by his/her pets.
- d) Owners/Occupants shall be in compliance with the applicable rules and regulations of the County of Santa Cruz and the City of Watsonville relating to pets and animals.

4) COMPLIANCE WITH GOVERNING DOCUMENTS. All Owners/Occupants shall comply with the Governing Documents which include the Declaration of CC&Rs and these Rules and Regulations. Owners are responsible for the actions and conduct of their renters and guests. Any violation of the Governing Documents by a renter or guest shall be deemed a breach of the Governing Documents by the host Owner.

5) SAFETY AND SECURITY. Owners/Occupants are advised that the Association assumes no responsibility for providing security within the Project or any portion thereof. Each Owner assumes full responsibility for the safety and security of his/her own property.

6) PERSONAL CONDUCT, NUISANCES, AND NOISE.

- a) Owners/Occupants shall not substantially interfere with the quiet enjoyment of the Project by others. Activities or conditions which are unreasonable, unwarranted and/or unlawful, which constitute a nuisance, or which substantially interfere with the quiet enjoyment of the Project, are prohibited.

- b) Radios, televisions, record players, musical instruments, generators, and other sound-making devices must be used so that they do not disturb others, especially between the hours of 10 p.m. and 8 a.m. Emergency generators may be used as needed during power outages.
- c) Construction activities must start no earlier than 8:00 a.m. and end by 6:00 pm.

7) MAINTENANCE OF THE PREMISES.

- a) Owners/Occupants assume full responsibility for the maintenance and upkeep of his/her own property. Owners/Occupants are responsible for trees and tree removal, trimming or pruning for those trees which are located on his/her Lot.
- b) Each Lot and Residence shall be well-maintained and attractively painted as reasonably determined by the Board; yards shall be neat and free of garbage and debris.
- c) Laundry, towels, swimwear, or other apparel may not be hung outdoors in view from the streets, except as otherwise approved by the Board. Laundry lines must be placed discreetly out of sight from the streets.
- d) Owners/Occupants shall dispose of all trash, garbage, and debris of any kind in a proper trash receptacle or container. Recyclable materials shall be deposited in the appropriate container(s) in accordance with refuse removal rules adopted by the City of Watsonville. Garbage containers shall be removed from the street and placed out of view from the street on pickup day.

8) SIGNS AND SELLING.

- a) Except as specifically permitted by these Rules and Regulations or as allowed by law, signs or commercial activity are prohibited. This includes, without limitation, "For Sale" signs or other signs advertising anything for sale or advertising any other commercial activity. Auction, garage, yard sales, or other similar activities are not allowed without proper permits from the City of Watsonville.
- b) An Owner/Occupant is allowed to advertise the sale of his/her property, provided, however, only one sign is allowed, and such sign shall be removed within three (3) days after close of escrow.
- c) Political signs posted on an Owner/Occupant's Lot shall be removed within five (5) days after the election.

9) LAWS AND REGULATIONS. All Owners/Occupants shall comply with all applicable Federal, State, and local laws and ordinances.

10) ENFORCEMENT. Failure to comply with any of the Governing Documents and these Rules and Regulations, constitutes grounds for appropriate action and discipline by the Board. Any Owner/Occupant is entitled to written notice from the BVHA Board of Directors describing the infraction/non-compliance and will be allowed time to request a hearing on the allegations.

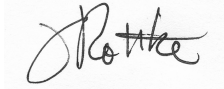
11) INFRACTIONS AND PENALTIES.

- a) Monetary Fine. The Board may impose a monetary fine for any violation of the Governing Documents or applicable laws and regulations in an amount up to the amount set forth in the following schedule of fines (depending on the severity of the offense):

First infraction:	\$0 – written warning notice issued
Second infraction:	\$25
Third infraction:	\$50
Each additional infraction:	up to \$100 per additional infraction
Ongoing infractions:	up to \$100 per day

- b) Voluntary Compliance. Before imposing monetary penalties, the Association will endeavor to exercise reasonable efforts to work with an Owner to encourage him/her to voluntarily cure violations.
- c) Imposition of Fines. Fines may be imposed on a per day, per week or per month basis for continuing violations. Fines may be imposed concurrently with other action by the Board to address a violation if it is necessary.
- d) In addition to the foregoing fines, an Owner's voting privileges may be suspended and he/she may be charged the actual cost of any expense that the Association incurs in remedying an infraction or violation.
- e) Notice and Hearing. Before imposition of a fine or penalty or suspending privileges, the affected party shall be entitled to a notice and hearing. When the Board is to meet to consider or impose a fine, penalty or discipline upon an Owner, the Board shall notify the Owner in writing, by either personal delivery or first-class mail, at least ten (10) days prior to the meeting. The notification shall contain, at a minimum, the date, time, and place of the meeting, the nature of 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 Board at the meeting. The Board shall meet in executive session if requested by the Owner being disciplined. If the Board imposes discipline on an Owner, the Board shall provide the Owner a written notification of the disciplinary action, by either personal delivery or first-class mail, within fifteen (15) days following the action. A disciplinary action shall not be effective against an Owner unless the Board fulfills the requirements of this subdivision.

These Rules and Regulations were adopted by the Board of Directors on January 16, 2018.

A handwritten signature in black ink, appearing to read "Rottke", is enclosed within a light gray rectangular box.

JoAnna Rottke, Board President