

**EMPIRE RANCH
COMMUNITY ASSOCIATION
OWNERS MANUAL**



WHAT IS A COMMUNITY ASSOCIATION?

It is a nonprofit corporation registered with the State of California and managed by a duly elected Board of Directors. Its purpose is to maintain all common areas and to make the community an enjoyable place to live.

WHAT ARE THE CC&R'S?

The recorded Declaration of Covenants, Conditions and Restrictions, commonly referred to as CC&R'S, are the guidelines established in order for the Common Interest Community to enhance and protect the value of the Community. These guidelines usually cannot be changed without a specified majority vote. This change then becomes an amendment and is recorded with the County Recorder's office. Failure to abide by the CC&R'S can possibly result in a fine if the Board determines a violation has occurred. **You should carefully review the CC&R'S.**

WHAT ARE THE BYLAWS?

The Bylaws are the adopted guidelines and rules established for the operation of the Community. These Bylaws aid in the election of the Board of Directors, define duties and responsibilities of the Board and Officers and set other specifics, which are necessary to properly operate the Association. **Again you should carefully review the Association's Bylaws.**

WHAT ARE DEFINED AS COMMON AREAS AND FACILITIES?

The common areas and facilities that the Association is responsible to maintain include the major street landscaping, open spaces, entry monuments and lighting, etc. In addition, there are common services such as water and electricity, which the Association is responsible for paying through the collection of Assessments from the owners. Some of these common facilities will be completed in future phases of the Community. Additional common services can be included by a vote of the members and the Board of Directors.

WHAT IS THE BOARD OF DIRECTORS?

The Association is a corporation by law and, therefore, a governing body is needed to oversee the business. The Board of Directors is the elected governing body of the Association. A Board of five (5) Directors manages the affairs of the Association. These Directors create the rules and regulations for enforcement within the community, oversee budgeting and expenditure of funds, as well as work with the managing agent in maintaining Association common areas.

The Board of Directors usually organizes several committees to aid the community in decision making. Examples of this would be: Rules Committee, Architectural and Landscaping Committees, Nominating and Election Committees, etc.

WHO MAKES UP THE BOARD OF DIRECTORS?

It is normal that the initial Board of Directors consists of representatives of the Developer. This is done to provide the Owner holding the majority ownership of the Community, with adequate protection of their interests, especially when the Community entails several phases. At the first Members Meeting the homeowners will elect at least one representative to the Board.

WHEN DOES THE BOARD OF DIRECTORS HOLD MEETINGS?

The Bylaws state the frequency of the Board meetings. Board meetings are open to all homeowners, but the Board has the right to limit participation by individual homeowners. Depending upon the business to be transacted, Board meetings may occur only once a quarter or as often as monthly.

WHAT IS MY ASSESSMENT?

The assessment is the quarterly installment of the annual assessment amount due from each property. This assessment is used to operate and maintain the property that is commonly owned or controlled by the Association. The annual assessment is based upon the estimated expenses required to operate the Association and maintain the common areas and facilities (budget).

HOW IS THE AMOUNT OF MY ASSESSMENT DETERMINED?

The Department of Real Estate requires proforma operating budgets to be submitted by the developer for the first year's operation of the Association. The budgets are reviewed by the Department of Real Estate, utilizing their guideline figures for all common areas and facilities, which are the responsibility of the Association. The budgets adopted by the Association are generally based upon these budgets. There are two basic areas to the Association's budget: the Operating accounts such as utilities and landscaping, etc., and the Reserve accounts for replacement of components such as walls and lights, etc. **These amounts are difficult to predict accurately and even if accurately estimated initially, these amounts can increase with the age of facilities and with increased costs of living. Additional cumulative budgets showing additional lots and common areas for future phases have also been prepared and reviewed by the Department of Real Estate.**

WILL MY ASSESSMENT GO UP?

The assessments may increase after the first year due to changes in the operations and cost increases for utilities and services. Your Board of Directors will prepare a new budget each year to reflect changes and cost increases or decreases. The Board must obtain the majority vote of the members to increase the budget more than 20% from the prior year's budget. **As this is a phased Community in which additional lots and common areas may be annexed, it is possible that your assessments may increase or decrease when this happens.**

WHAT HAPPENS IF I DON'T PAY MY ASSESSMENT?

Not paying the assessment is not going to help solve problems. In fact, the CC&R'S state that not paying the monthly installment of the annual assessment causes the homeowner to be subject to late charges of \$10.00 or 10% of the delinquent installment, whichever is greater, as well as interest and collection charges. In addition, the Association can accelerate your installments and demand that the remaining balance of the annual assessment be paid in full if you are delinquent in the payment of your monthly installment.

If there is no payment from the homeowner, a lien can be filed which could eventually result in foreclosure of your home. Remember that all the owners share the responsibility of assuring payment to the Association so that the property can be properly maintained. **Be sure to closely review the Association's current adopted Assessment Collection Policy included in this manual.**

WHAT IS A MANAGEMENT COMPANY AND WHAT DOES IT DO?

A Management Company is hired to act as the agent for the Association. Typical responsibilities include:

Assessment Collection: Collection of the quarterly installments of the annual assessments and delinquent installments.

Supervision of all Subcontractors: Hiring, supervising and working with landscapers and utility companies, etc. The Management Company does not perform these services, but acts in a supervisory capacity only.

Accounting: Submitting quarterly assessment installment billings to the homeowners, maintaining current lists of homeowner addresses as received, processing of the Association payables, and submitting financial reports to the Board.

Communication: Performing as a liaison for the Association to the developer, providing information from the Board and Management to homeowners, as well as communication between homeowners, through distribution of quarterly newsletters or mailings.

Architectural Approval: Coordination and tracking of requests for approval from the Architectural Review Committee for plans for construction, alterations or improvements.

Problem Solving: Working with the Board of Directors in interpreting and enforcing the CC&R'S, Bylaws and Rules and Regulations of the Association. Responding to homeowners' requests regarding the common areas and the operation of the Association.

Consulting: Providing the Board with information pertaining to proper maintenance of the community, suggested Community improvements and to keep the Board advised of current Association Management procedures and laws.

IF I'M BUYING THE HOME BUT PLAN TO RENT IT, WHAT DO I NEED TO KNOW?

First of all, the quarterly assessments are still the responsibility of the homeowner. Screening of tenants before rental is very important, not only to the owner, but also in consideration of the other residents. Disturbances and disorderly conduct by tenants can result in a fine to the OWNER for their behavior. Preservation of the community as well as harmony among residents is the ultimate goal of any association. If a tenant violates these rights, the owner is expected to take the necessary measures to correct the situation. Each owner should be certain that his tenant is familiar with the Association rules and regulations.

IF I WANT TO MAKE ADDITIONS TO MY HOME OR MAKE NOTICEABLE CHANGES, WHAT DO I NEED TO KNOW?

The Association has governing regulations concerning additions or changes to the exterior of any premise. The regulations encompass the installation of landscaping and fences, adding a patio cover,

building a patio or pet enclosure, color of paint, etc. **You should review the Covenants, Conditions and Restrictions and the adopted Design Guidelines to determine the exact requirements, which will need approval. The Design Review Committee must approve all exterior changes. Applications and plans should be submitted to the Management Company.**

If a homeowner completes an exterior change without Committee approval, the owner may be required to remove the modification and be subject to enforcement proceedings. This regulation is set up to maintain the overall appearance of the community and protect the property values. **Also, the City of Folsom requires that any structural changes be submitted and approved through its office for proper building permits.**

WHOM DO I CONTACT?

Within the first year, if you have bought a home and are having warranty related concerns, contact the Customer Service Representative of the builder. Reports must be made in writing and it is advisable to send a letter certified to guarantee that the builder did, in fact, receive the work request. Should concerns not be reported by the homeowner or declined under the warranty by the builder, then the homeowner is responsible for pursuing repairs.

1) Common Area Concerns

Issues or complaints concerning common area maintenance or usage should be submitted through the Management Company or to the Board of Directors. As the Association matures, committee heads may be set up to monitor all complaints and aid in the timely correction of any problem area.

2) Difficulty With Neighbors

Hopefully this will not occur, however, sometimes there does develop a difficulty with a neighbor over the parking of vehicles, loud and excessive noise, animals, etc. These complaints should be made to the Management Company. The Management Company, in turn, will send a letter stating the violation or disturbance and enforce, through the Board of Directors, any fine, which the Association has established. At times the enforcement may necessitate the notification of local police. ***SEE REPORTING OF VIOLATIONS AND NEIGHBOR DISPUTE POLICIES RULE SECTION B-1.1 ADOPTED MARCH 2003.***

3) Utility, Water, Gas, Fire

Depending upon the nature of the concern or emergency, contact the appropriate agency **FIRST**. It is best to receive immediate service in the event of these type problems or in the event of an emergency. The Management Company should also be aware of these situations, as it allows for a monitor of recurring problems. Be sure to keep handy the emergency telephone numbers for the local companies and official agencies.

**EMPIRE RANCH COMMUNITY ASSOCIATION
RULES AND REGULATIONS**

EFFECTIVE: FEBRUARY 1, 2000

A. PREAMBLE

A-1. The authority for the Board of Directors to form and enforce rules and regulations is provided by the Declaration of Covenants, Conditions and Restrictions under Article III, Section 3.08. A copy of this Declaration was given to each owner at the time of purchase of their lot.

A-2. The Board of Directors has or will create a Rules and Regulations Advisory Committee. The duty of this committee is to advise the Board of Directors regarding the Rules, the Bylaws and the Declaration of Covenants, Conditions and Restrictions.

A-3. The Manager of the Empire Ranch Community Association has been instructed by the Board of Directors to require the compliance of all persons on Association properties with the provisions of all Rules, Bylaws and the CC&R'S. In the instance of a person violating the Rules, the Bylaws or the CC&R'S, the Manager has further been instructed to do any of the following:

- a) Obtain names and addresses of violators and report to the Board of Directors.
- b) Remove the persons from the Association premises, if necessary.
- c) Call upon a law enforcement agency for assistance.
- d) Call upon residents to assist him in his duty.
- e) In the case of residents' children, make an effort to contact their parents immediately, prior to making the action called for in (b), (c), and (d) above.

A-4. The Rules as contained herein are issued by the Board of Directors. They are supplemental to the conditions of ownership in the Declaration of Covenants, Conditions and Restrictions. If there is any conflict the provisions of the Declaration will prevail.

The Rules are intended as a guide to the conduct and activities of all members, lessees and residents of the Empire Ranch Community Association and their guests, to the end that everyone living in and using the facilities will enjoy the maximum pleasure without annoyance or interference from others. Strict observance and adherence is urgently requested by the Board of Directors. Policing actions because of violations, should not have to be necessary, but might be required.

B. COMMUNITY RELATIONS

B-1. REGISTRATION All members and residents must be registered with the Manager.

- a) Association members are those individuals owning a lot at the Empire Ranch community.
- b) Residents are defined as owners and members of their families living on the premises of the Community, or lessees and members of their families living on the premises of Empire Ranch.
- c) Owners leasing their home retain their voting right in the Association but assign the use of all common facilities of the Community to the lessee of their home. The lessee assumes the privileges and responsibilities of membership, as hereinafter stated, but does not have a voting right the vote belongs only to

the owner. Non-resident owners are not permitted to use any common area facilities when so assigned to a lessee except as a guest of a resident.

- c) The lease or rental agreement must be in writing and must be for a term of not less than 30 days and **be subject to the CC&R'S, Bylaws and adopted rules**. The Owner is responsible to provide a copy of the CC&R'S, Bylaws and these adopted rules and regulations to their tenants at their sole cost. The Owner is required to notify management of the names and phone numbers of their tenants and provide a copy of the rental agreement. **Please refer to Section 2.07 (a) of the CC&R'S.**

B-1.1 **VIOLATIONS/NEIGHBOR DISPUTES/REPORTING OF VIOLATIONS POLICIES**

- a) **VIOLATIONS & NEIGHBOR DISPUTES:** The Board of Directors is charged with the duty to utilize the enforcement provisions contained within the governing documents. This means that when verifiable visible violations are brought to their attention they will proceed with action as they deem appropriate. That action may include correspondence, penalty assessments or pursuit of specific enforcement in the courts. As Empire Ranch does not have on-site management, employees or utilize the services of a pay patrol service, the membership at large shares the responsibility for policing the community and advising of violation issues. As a matter of course the Board periodically reviews the community to report violations to management. Management also reviews the project twice per month during regular day light hours and notes visible violations. The site reviews performed by the Board and Management, address violations that are readily visible during standard daylight drive-throughs. Correspondence generated from these site reviews is then sent out and the Board begins the process of monitoring ongoing violations and determining if hearings, a penalty assessment or other action is required. Persons in alleged violation of the governing documents are entitled to due process which includes the right to sufficient notice and also the right to cross examine witnesses at a disciplinary hearing. When the noted violation is readily visible the Board and/or Management serve as witnesses. If the violation is not witnessed by the Board or Management, (intermittent violations that are not occurring during a site review, violations that are not visible or violations that involve a neighbor dispute) a witness is necessary in order that action may be taken at a hearing. In order that the Board of Directors may ensure that information provided for intermittent violations or for violations that are not readily visible during standard day light drive-throughs of the project is accurate and that due process is provided to members that may be called to hearing for alleged violations, the following Policy for Reporting of Violations has been placed into effect. Additionally, a procedure relating to neighbor disputes has been put into place. The purpose of these policies is to ensure that the Board may have all the information that is required should enforcement action be necessary.

b) POLICY FOR REPORTING OF VIOLATIONS

The Board of Directors will not take action based upon anonymous complaints. Parties wishing to report a violation to the Use Restrictions, Rules or Regulations must identify themselves by name and address when reporting the incident to management either by telephone or by mail. The name of the reporting party will not be used in initial communication to the party in alleged violation. The first correspondence to a party in alleged violation is in the form of a courtesy notice that advises that an issue has been noted during a site inspection or reported to the Board. If the alleged violation is ongoing and not one that is readily visible to Management or the Board during regularly scheduled daylight drive throughs of the project and if additional action other than the initial courtesy letter is requested by the complaining party, their presence as witness at a disciplinary hearing will be required. The alternative to serving as a witness at a hearing is submission of digital photographs showing the violation in question, which include a date and time stamp. The Board will proceed with enforcement action without benefit of a witness if an ongoing violation is reported with submission of the required photographs, which can be relied upon as verifiable evidence. Anonymous telephone calls and anonymous written complaints and reports of violations will not be considered by the Board of Directors. Note: If the item being reported is one of the following: A) Garage not available for parking of vehicles B) Rear yard not installed or not maintained; the Board will process the complaint and advise the party in alleged violation that a complaint has been received and will request that they submit photos indicating that they are in compliance.

c) POLICY FOR RESOLUTION OF NEIGHBOR TO NEIGHBOR DISPUTES

This Neighbor-to-Neighbor Dispute Policy was duly adopted by the Board of Directors of Empire Ranch on March 19, 2003. Nothing herein is intended to be construed as an attempt to relieve the Association or the Board of Directors from any of its duties under the Declaration of Covenants, Conditions and Restrictions for the Empire Ranch Community Association or any other governing documents for the association. As the documents provide, "... failure to comply with any provision of the Governing Documents may be enjoined by appropriate legal proceedings instituted by Declarant, any Owner, the Association, its officers or Board of Directors...", a policy has been established setting procedure for Association involvement in certain, limited, Neighbor to Neighbor Disputes such as: Noise and nuisance issues, items relating to neighborly conduct, issues involving alleged cross lot drainage, issues relating to rear yard improvements and animal complaints.

A. DEFINITIONS

A. "Neighbor to Neighbor Dispute" shall mean a dispute or complaint(s) lodged by one Lot Owner against another Lot Owner, which, at the Board's sole discretion, does not impact the Common Area and involves only the adjacent neighbors in question.

B. POLICY TERMS

1. Complaints about and between neighbors are not, at any time, anonymous. The complaining party must be willing to provide the board with a written, signed complaint outlining the alleged problem and detailing the event(s) including date, time, location and the nature of the alleged violation.
2. Prior to requesting action by the Board of Directors, neighbors involved in disputes must first attempt to resolve the issue between themselves. The Board will not send courtesy notices to neighbors relating to neighbor issues unless proof has been provided to the Board (in writing) that attempts were made, to resolve the issues in person and also via written correspondence. With regards to animal nuisance complaints, the complaining party must first report the issue to the appropriate animal control authority and copies of the violation(s) issued by animal control must be submitted to the Board along with the complaint.
3. When a dispute or complaint is brought to the attention of the Board regarding interpretation of rights under, or enforcement of, the governing documents, the Board shall, at its next scheduled meeting, discuss the complaint or dispute and make a reasonable business judgment decision based upon the particular facts as to whether or not it constitutes a Neighbor to Neighbor Dispute or is in fact a violation to the documents that is not subjective in nature, is visible and may be reasonably enforced by the Association. The Board will not schedule special meetings to address neighbor disputes.
4. If the Board finds that the complaint or dispute constitutes a Neighbor-to-Neighbor Dispute that is not subjective in nature and may be reasonably enforced by the association, it shall notify the parties in dispute of its decision.
5. Both parties to the dispute shall be required to attend a hearing before the Board of Directors. If the complaining party is not willing to attend a hearing before the Board as a witness to their own complaint, the Association will take no further action.
6. If a hearing is held, the Board at its sole discretion, will consider matters in dispute using reasonable business judgment and will upon a review of evidence presented make one of the following determinations: a) The resources of the Association may not be reasonably expended for resolution of the dispute, b) Will direct the parties to pursue alternative dispute resolution at their own expense and provide a copy of the independent ruling for Board review prior to pursuing enforcement at Association expense, or c) Will proceed with enforcement action as they deem necessary.

THIS POLICY SHALL NOT BE APPLICABLE TO ANY COMPLAINTS OTHER THAN
NEIGHBOR-TO-NEIGHBOR DISPUTES

B-2. GUESTS

- a) Guests must be accompanied by a host or hostess of the Association when using the common areas of the Association.
- b) It is the right of each resident to question the presence of any person who appears to be trespassing on the common areas and/or advise the Manager regarding the situation.

B-3. COMMON AREA DAMAGE Members, lessees and residents are responsible for payment of all cost of repairs for all damage to the Association's property caused by themselves, members of their families or their guests.

B-4. NEIGHBORLY CONDUCT

- a) All activities, whether individual or group, shall be conducted at a noise level that is reasonable and not disturbing to other Association residents. Each owner or resident is responsible for the conduct and behavior of their children, guests, and any visiting children and for any property damage caused by such persons.
- b) Vehicles, toys, or bicycles are not allowed to be parked or placed so they block or interfere with pedestrian traffic on the sidewalks. The placement of unattended tricycles, play toys, or other equipment in front yards and areas visible from adjoining lots is prohibited.
- c) No noxious or offensive activities or trades shall be carried on upon any Lot or Parcel, nor shall anything be done or replaced thereon which may be or become an annoyance, nuisance or unreasonable embarrassment, disturbance or annoyance to the residents or which shall in any way interfere with the quiet enjoyment of occupants in the residences.
- d) No activities shall be conducted, nor shall any improvements be constructed, anywhere on the property which are or might be unsafe or hazardous. Nothing shall be done or kept in the Community which will increase the rate of insurance on any Lot or Parcel without the approval of the Board, nor shall anything be done or kept in the Community which would result in the cancellation of insurance on any Lot, Parcel, Common Area or Common Facility, or which would be in violation of any law.

B-5. EXTERIOR APPEARANCE/SIGNAGE No sign or other advertising device of any character shall be erected, placed on car tops, maintained or displayed upon any portion of the Community except the following:

- a) Signs, advertising or other devices, or miscellaneous paraphernalia shall not be exposed or attached in any fashion to or on windows, fences and exterior walls or any other areas of buildings or grounds, unless written approval has been obtained from the Board of Directors. **NO VENDOR ADVERTISING SIGNS ARE PERMITTED.**
- b) One sign of reasonable dimensions advertising the home for sale or rent may be displayed in the window of a home, yard area or other areas designated by the Association.
- c) Other signs, such as open house or garage sale signs, or signs advising of the existence of security or surveillance services, or "no solicitation" signs, the nature, size, number, and location of which must be approved in advance in

writing by the Design Review Committee.

B-6. COMMON AREA LANDSCAPING AND SYSTEMS Common area time clocks and lighting systems are to be adjusted and/or set by authorized personnel only.

B-7. LANDSCAPING Each Owner shall maintain all landscaping located within the Owner's lot. If landscaping of the lots is not installed by Declarant or builder, every Owner shall install permanent rear yard landscaping within six (6) months after the earliest to occur of the following three events: Occupancy of the residence, final inspection of the Residence by the City or Close of Escrow on a completed Residence.

All landscaping shall be limited to the species listed in the Empire Ranch Residential Lot Plant Palette, which is included in this Owner's Manual as Exhibit A. The use of any plant species not listed will require approval by the Design Review Committee.

All landscaping in the Community shall be maintained and cared for in a manner consistent with the standards of design and quality as originally established by Declarant or builder and in a condition comparable to that of other well maintained residential areas in the vicinity of the Community.

- a) All landscaping shall be maintained in a neat and orderly condition.
- b) Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced.
- c) All lawn areas shall be neatly mowed and trees and shrubs shall be neatly trimmed.
- d) Irrigation systems shall be fully maintained in good working condition to ensure continued regular watering of landscape areas, and health and vitality of landscape materials.
- e) Each Owner shall be responsible for all landscaping located within the Owner's lot and all landscaping in the adjacent public street right of way between the sidewalk and the back of the curb.
- f) In the event that the Owner responsible for the landscape maintenance fails to do so properly the Association may cause the appropriate work to be done and shall be entitled to reimbursement for the costs thereof. (At least fifteen days prior to the date any work is to be done by or under the direction of the Association the Owner of the subject lot shall first be given written notice and an opportunity to be heard before the Board).

B-8. PARKING

- a) Garages are solely to be used for the parking and storage of standard passenger vehicles, and trucks not to exceed three-quarter tons in gross weight, boats or the storage of items of personal property **so long as such storage of personal property will not necessitate or result in the parking of vehicles on streets or regularly on driveways within the Project.** They are not to be used or converted for any type of living quarters, workshops or recreational activities. **Garages shall be kept clear so as to permit parking of the number of vehicles for which the garage was designed.**
- b) Garage doors must remain closed except for entering/exiting and when the garage is in use and attended.
- c) Residents must keep the driveways clean of any oil or other stains at all

times.

- d) **The Board designates all public streets as specified parking areas for parking of vehicles. Public street parking shall be enforced by the City of Folsom ordinances.**
- e) No motor vehicle shall be constructed, reconstructed or repaired within the Project and no dilapidated or inoperable vehicle, including vehicles without wheels(s) or an engine, shall be stored in the Project except for emergency vehicle repairs.
- f) **Campers, boats, trailers and trucks shall only be parked entirely within an Owner's garage or in a recreational vehicle parking area on the Lot which has been approved as to location, screening and design by the Architectural Review Committee. If an Owner or resident has a boat and trailer that are not regularly parked and stored on the Owner's Lot in accordance with this subparagraph (f), the Owner may park the boat and trailer during week days (Monday – Thursday) in accordance with the limitations imposed on commercial vehicles under subparagraph (g) below, and overnight on Friday and Saturday nights.**
- g) **Commercial trucks and vehicles that bear signage on the exterior shall not be parked within the Project, except for purposes of loading or unloading and then for periods not in excess of four (4) hours. This restriction shall not apply to commercial vehicles involved in construction activities on a Lot or vehicles owned and operated by persons providing services to a Lot or Residence. *The Board of Directors interprets a commercial vehicle as being a vehicle outfitted with visible equipment for commercial purposes, commercial trucks in excess of ¾ ton outfitted with commercial equipment and vehicles that are not standard passenger vehicles which display commercial signage or equipment for commercial purposes. The Board of Directors reserves the right to make a reasonable determination in reviewing enforcement action options when considering alleged commercial vehicles that are used for everyday transportation.***

B-9. ANTENNAS/SATELLITE DISHES Subject to the requirements of Civil Code Section 1376, as it may be amended from time to time, installation and maintenance of television or video antennae or satellite dishes over one meter in diameter visible from any Common Area or public street must be submitted to the Design Review Committee. Satellite dishes less than one meter do not need approval of the Design Review Committee, if they meet the following guidelines.

- a) They are not mounted on the roof or chimney of the residence.
- b) They are located at the rear or side of the residence (except corner lots) in the least conspicuous (obvious) location visible from the common areas or public streets.
- c) All wiring shall be painted to match the exterior of the residence.

B-10. PETS A reasonable number of common household pets may be maintained within the home under the following conditions:

- a) Whenever pets are outside of the resident's lot, they must be on leash or otherwise under full control of the owner. No dogs shall be allowed to run

loose.

- b) Residents must clean up after any mishap performed by their pets.
- c) Residents shall be responsible for any personal injury or property damage caused by their pets.
- d) Pets emitting excessive noise, or in any manner unduly disturbing other residents, may be prohibited by order of the Board of Directors after notice and a hearing.
- e) No animals shall be kept, bred or maintained for any commercial purposes, or in unreasonable numbers.
- f) Residents should not leave pet food outside as it may attract wild animals from nearby natural areas.
- g) No animals shall be maintained for any commercial purposes.

B-11. SPEED LIMIT The maximum speed limit within the confines of Empire Ranch is as posted and enforced by the City of Folsom.

B-12. BUSINESS ACTIVITIES No business or commercial activities of any kind are to be established, maintained, permitted or conducted in any home or on any portion of the common areas in violation of local ordinances or the CC&R's Section 8.06.

B-13. TRASH

- a) No rubbish, trash or garbage shall be allowed to accumulate on Lots or Parcels. Any trash that is accumulated by an Owner outside the interior walls of a Residence shall be stored entirely within appropriate covered disposal containers and facilities which shall be screened from view from any street, neighboring Lot, Parcel or Common Area except containers may be placed at the curbs on the day of the scheduled refuse pick up. Owners shall subscribe to a weekly refuse collection service from the refuse collection franchise holder as required by City ordinances. Any extraordinary accumulation of rubbish, trash, garbage or debris (such as debris generated upon vacating of premises or during the construction of modifications and improvements) shall be removed from the Property to a public dump or trash collection area by the Owner or tenant at his or her expense.
- b) All refuse containers, woodpiles, storage areas, machinery, equipment, signs and building materials shall be prohibited upon any Lot unless the same are stored in a place that is screened or hidden from view from the ground level of adjoining streets, Lots or Common Area.
- c) No quantities of manure, composting materials or decaying vegetation matter shall be stored in such quantities as to attract household pests or constitute an injury to the person or property of any other person. Such materials shall be stored in a manner so as to prevent the creation of obnoxious odors.
- d) All fallen or dead trees shall be regularly removed and shall not be allowed to accumulate thereon.

B-14. SPORTS FIXTURES No basketball standards, hoops or backboards or other fixed sports or play apparatus shall be attached to the front of any Residence, garage or erected in the front yard. Portable basketball standards are permitted in front yards when in ACTIVE USE. If persons are not physically present playing ball, portable standards must be stored in the garage or behind the

rear/or side yard fence. During the summer months as determined by the Board of Directors (**Beginning Memorial Day weekend through the end of Labor Day weekend**), upon written request and subject to approval by the Board of Directors, portable standards may be placed in front yard areas during daylight hours while children are in and out of the house for play. The standards must be put away in the garage or behind rear or side yard fences each evening, at dusk during summer months. At the sole discretion of the Board of Directors and Design Review Committee, portable basketball standards are permitted behind rear and side yard fences and may also be permitted in certain screened locations where an interior courtyard has created by a Porta cochere pending review and approval by the Design Review Committee and Board of Directors.

At no time is any sports equipment permitted in streets, on sidewalks or in common areas.

***(Placement of items such as standards in the public right of way, (street or sidewalk) is also a code violation per the City of Folsom . City fines for obstruction of the public right of way range from \$100.00 to \$700.00).**

B-15. WINDOW COVERINGS Curtains, drapes, shutters or blinds may be installed as window coverings. No window shall be covered with aluminum foil, sheets or material not specifically designed for use as a window covering.

B-16. NATURAL OPEN SPACE USE Much of the open space in Empire Ranch was established to protect wetland and wildlife habitat. Federal and State law requires these areas be preserved in their natural state. Access to these areas may be restricted. Residents and their guests must stay on the designated pathways in the natural open space. Care should be given when walking, jogging or bicycling in these areas as there are an abundant amount of wild animals and rodents including rattle snakes and possible dangerous species. **Remember, most open space contains wetlands and sensitive habitat, which may be restricted and not available for use by residents or their guests.**

- a) There shall be no hunting, trapping or taking of any wildlife by other than the Association or as expressly permitted by the Association.
- b) There shall be no campfires, bonfires or open burning and no removal of vegetation except by the Association or governmental agency for controlled fire prevention purposes.
- c) There shall be no unauthorized motor vehicles, off-road or all terrain vehicles or motorized bicycles or motorcycles.
- d) No overnight camping shall be permitted.
- e) No one shall bring any dog or other pet into Natural Open Space Areas unless the same is leashed or otherwise attended and controlled and each Owner shall be responsible for removing any pet excrement.
- f) No waste materials, sewage, garbage, petroleum or other chemical product, paper, food or other foreign object shall be deposited or placed in the Natural Open Space, except that garbage may be placed in any container which the Association may place in the Natural Open Space expressly for that purpose.
- g) Access to Natural Open Space which is Community Common Area shall only be accessed at points designated by the Association and no Owner shall have any gate or other means of entry directly from his or her Lot or Parcel to Natural Open Space which is Community Common Area without the express written permission of the Association.

B-17. BURNING AND FIRES ON LOTS There shall be no exterior fires whatsoever on

Lots with the exception of barbecue fires or exterior fireplace architectural/landscape improvement structures that are professionally designed for such purpose. Lot Owners must ensure that such improvements are equipped with spark arrestors and other such fire prevention devices. No wood burning fireplaces or woodburning stoves are permitted within the Property unless they are EPA certified.

CUSTOM LOTS ONLY IN VILLAGES 48, 49 AND 50:

Vacant Lot Maintenance – All vacant lots must be mowed or disced with all debris removed from the site twice annually by May 15th and October 1st. Fill/Rocks/Construction Material on Vacant Lots – Vacant lots with dirt, rock, slag or fill materials including construction items placed on them must actively undertake grading or construction activity within six months of the date items have been noted on the lot. If activity is not taking place the items, including dirt and rocks, must be removed by the lot owner.

B-18. ARCHITECTURAL CONTROL

- a) **The Design Review Committee has developed Design Guidelines for the initial construction of your home and the initial landscape installation.** In addition, they have developed Supplemental Guidelines for changes to the exterior of your home and improvements to the lot. These guidelines conform with the CC&R'S of our Association. The purpose of these guidelines is to provide the required information and forms regarding any exterior changes and modifications of the home so the Committee may render its decision.

- b) When applying for approval, please send as much information as you can and include the following specific items:
 - 1. Completed Application Form
 - 2. Exact location: use a scale drawing if applicable.
 - 3. State color, size, composition and description.
 - 4. Photo, sketch, copy of an advertisement or facsimile.
 - 5. Contractor's name or company making the item etc.
 - 6. Two sets of plans.

Please send all applications for approval to THE MANAGEMENT COMPANY at:

**Empire Ranch Design Review Committee
c/o VIERRAMOORE, INC.
P.O. Box 348600
Sacramento, California 95834-8600**

Please remember that you must get approval BEFORE making any changes or additions.

- c) Alterations, additions or modifications made to your lot or the exterior surfaces of your home must have prior written approval from the Design Review Committee or the Board of Directors. This includes visible landscaping (Please see Exhibit A for the plant palette of acceptable plants.), solar energy systems, fences, walls, sun screens, bamboo blinds, decks,

- lattices, pools, spas, color changes, sheds, any sports apparatus, concrete etc.
- d) Any alterations that do not have prior written approval by the Committee or Board of Directors will be removed by the homeowner and the area will be restored to its original condition. Should the homeowner fail to comply, the Association will pursue its legal remedies including, but not limited to, having the alteration removed at the owner's expense.
 - e) In addition, the Board of Directors may also assess fines of not less than \$10.00 per day or more than \$50.00 per day for non-compliance of Board requests to have non-approved alterations restored to their original condition.

NOTE ABOUT NEIGHBOR ACKNOWLEDGEMENT: Neighbor Acknowledgement: The purpose of the neighbor acknowledgement and signature portion of the improvement application is so that neighbors may communicate concerns with one another when planning an improvement. Sometimes the party making the improvement does not realize that a proposed improvement may result in excessive noise or other problem and when your neighbor brings a plan to you for signature this is your opportunity to discuss it. The Design Review Committee will not deny an application and plan based upon a negative neighbor comment unless the proposed improvement has a direct, severe and extremely negative impact on the neighbor objecting to the improvement. Examples of this would be a proposed installation of an illuminated sports court, secondary structures of excessive size for woodworking or other construction hobbies, the addition of additional stories to a home or the addition of a cantilevered balcony that extends over a property line and severely impacts privacy. The Design Review Committee will not deny a plan and application to preserve a view. Though individual lots do not have a right to view preservation, persons submitting plans and applications should include all items on their plan that may impact a neighbor so that neighbors may have an opportunity to discuss and resolve any issues when presenting plans to one another for signature. Persons wishing the Design Review Committee to deny or place conditions on proposed improvements must submit their comments to the Design Review Committee in writing and must detail the perceived problem that will negatively impact them. The comments of persons wishing the Design Review Committee to deny or place conditions on an improvement proposed by their neighbor are not confidential. If a proposed improvement is denied or approved with conditions based upon neighbor comments, The Design Review Committee reserves the right to share such neighbor comments with the party who proposed the improvement.

ENFORCEMENT

Fines: To ensure compliance with the above-mentioned rules, Owners may be fined not less than \$10.00 or more than \$50.00 per occurrence or continuation of violations. Fine amounts are to be set by the Board of Directors based on the merits of each violation.

Due Process Requirements: Before the Board imposes any monetary penalties or suspension of membership rights or Common Area use privileges against any member for failure to comply with

the Declaration, the Bylaws or the Association Rules, the Board must act in good faith and satisfy each of the following requirements:

1. The member must be given 15 days prior written notice specifying the nature of the damage or violation and stating the time, date and place that the member will have an opportunity to be heard. Notice may be delivered personally or by mail. If the notice is given by mail, it must be sent by first class or registered mail to the last address of the member as shown on the Association's records.
2. The member will be given an opportunity to be heard, orally or in writing, by the Board. Members shall have the opportunity to present witnesses on the member's behalf and to cross-examine any witnesses that may testify against the member. After the hearing, the Board shall determine whether owner damage or a violation has occurred and, if so, may impose a "Reimbursement Assessment" which shall become effective not less than five (5) days after the date of the hearing or the Board may take such other action as may be appropriate.

EMPIRE RANCH COMMUNITY ASSOCIATION
ASSESSMENT COLLECTION POLICY

FEBRUARY 1, 2000

In accordance with Civil Code Section 1366 (c), and Article IV, of the Declaration of Covenants, Conditions and Restrictions, quarterly installments of the annual assessments levied by the Association pursuant to the Declaration shall be collected in four (4) equal installments due and payable on the first day of each and every **quarter** and shall be delinquent 15 days thereafter if not paid in full. If an assessment is delinquent, the Association shall be entitled to recover the following sums from the responsible owner(s):

1. The amount of all assessment installments then delinquent and which become delinquent during the collection process.
2. Reasonable costs incurred by the Association in collecting the delinquent assessment installment. In order to assure equitable and uniform treatment of all Association members, the Board of Directors hereby determines that reasonable costs of collection shall include, without limitation:
 - A. any reasonable costs incurred by the Association in contracting with a third party such as a management company, accounting firm, or collection agency for collection services;
 - B. reasonable attorney's fees if, in the discretion of the Board of Directors, an attorney is retained to assist the Association in the collection of any delinquent assessment installment; and
 - C. the actual costs incurred by the Association in connection with any court action initiated to collect delinquent assessment installments.
3. A late charge not exceeding 10% of the delinquent assessment installment or \$10.00, whichever is greater.

4. Interest on all sums specified above; including the delinquent assessment installment; reasonable costs of collection; and late charges; at the rate of 12% per annum, said interest to commence 30 days after the installment becomes due and to continue on any unpaid sums until payment is received in full.

The Association shall be entitled to administer and enforce this Assessment Collection Policy either directly or through utilization of the services of a property management company, collection agency, accounting firm and/or attorney firm.

The Association's Board shall be further authorized and empowered to apply the Association's collection costs and any late charges recovered from delinquent owners to the satisfaction of fees incurred with third party contractors retained to assist in the collection process.

If the delinquent assessment installment, together with any late charges, interest and costs incurred is not paid in full within 45 days from the due date, a written notice of default and demand for payment shall be mailed to the delinquent owner(s) advising them of the intent of the Association to record a "Notice of Delinquent Assessment."

If payment in full is not received within 15 days of receipt of the written notice of default and demand for payment, a "Notice of Delinquent Assessment" may be recorded with the Sacramento County Recorder's Office establishing a lien on the owner's interest for the unpaid delinquent assessment(s) together with late charges, interest and costs incurred for collection including attorney fees, mailing costs and lien preparation and filing costs.

If payment in full is not received within 30 days of the recording of the "Notice of Delinquent Assessment", the Association may initiate a judicial or nonjudicial foreclosure of the lien or bring legal action against the owner personally obligated to pay the delinquent assessment installment without foreclosure or waiver of the lien and/or securing the same.

As a general rule, from and after the time that this Association commences enforcement proceedings to prepare and record the "Notice of Delinquent Assessment", partial payments will not be accepted and all amounts due to this Association, including without limitation current assessments due and preparatory enforcement fees and costs, must be paid to avoid further enforcement action. Notwithstanding the foregoing, acceptance of partial payments by or on behalf of this Association, whether inadvertently or intentionally, shall not constitute a waiver by this Association of its enforcement remedies, and such remedies may proceed as to any remaining balance due to this Association.

All payments will be applied to an owner's account first to the principal sum owed, then in descending order, to interest, late charges, collection expenses unless a payment agreement and forbearance agreement is executed between the Association and the Owner.

The Board of Directors of this Association (the "Board") may from time to time revise this policy, either generally or on a case-by-case basis, where the Board determines that such action would be in the best interests of this Association; provided, however, that no such revisions shall increase the amount of late charges or shorten the time periods for actions specified above unless such revision shall be applied generally to all units/lots governed by this Association and advance

notice thereof is given to the members of this Association.

This Assessment Collection Policy shall also apply to collection of any and all special assessments approved by the Board or the membership.

**EMPIRE RANCH COMMUNITY ASSOCIATION
INTERNAL DISPUTE RESOLUTION PROCEDURES
ADOPTED JULY 28, 2010**

In accordance with Civil Code Sections 1363.810 through 1363.850, every homeowners association is to provide its members with a fair, reasonable and expeditious process for resolving their disputes with the homeowners association. The following Internal Dispute Resolution (IDR) Procedures are intended to apply to disputes between Empire Ranch Community Association (hereafter "Association") and a member concerning the member's and/or Association's rights, duties or liabilities under the Davis-Stirling Common Interest Development Act, the Nonprofit Mutual Benefit Corporation law (found at California Code sections 7110 through 8910) or under the Association Governing Documents. The IDR Procedures are intended to provide a fair, reasonable and expeditious procedure for resolving disputes. Unless otherwise required by law, neither the Association nor its members are required to institute or participate in these procedures as a prerequisite to filing an enforcement action or assessment collection dispute in small claims or superior court.

1. Either the Association or a member of the Association may institute the IDR process. If the IDR process is instituted by a member, the Association must participate in the process in good faith. If the process is instituted by the Association, the member who is invited to participate is not required to do so.
2. A member of the Association shall not be charged a fee to participate in the IDR process.
3. The IDR process is instituted by mailing by first-class mail, postage prepaid, a written request for IDR to the other party or parties to the dispute. If a request for IDR is mailed to an Association member by the Association, it shall be mailed to the address of the member as shown on the Association's records. If a request for IDR is mailed to the Association by a member, it shall be mailed to the address of the Association's property manager, the Secretary of the Association or such other person or entity designated in a Board resolution to receive such a notice.
4. The request for IDR shall identify the requesting party or parties, the party to whom the request is directed, the nature of the dispute and the facts supporting the requesting party's position. Documents may be attached to the request which will clarify or support the requesting party's position. If the member intends to have his/her attorney present at any IDR meeting, the member must provide notice of this at least 15 days before the meet and confer.
5. If a request is mailed by the Association to a member of the Association and the member has not responded to the request within thirty days, the request shall be deemed rejected by the member.

6. Within thirty days of receipt of a member's request for IDR or receipt of a member's agreement to participate in Association-initiated IDR, the Board shall inform the member in writing by first-class mail, postage prepaid, of the representative or representatives designated to represent the Association in the process, and of a proposed date, time and place for the Association's designated representative(s) and the member(s) to meet and confer in an attempt to resolve the dispute. The Board may also direct that additional Board member(s), management representative(s) and/or the Association's attorney(s) attend the meeting. The meeting shall occur within sixty days of receipt of the member's request for IDR or the member's response to the Association's request for IDR, unless the member or the Board's representative(s) are not available during that time period, in which case the meeting shall occur as soon as reasonably possible.

7. During the IDR meeting, both the Association and the member(s) shall have a reasonable opportunity to state and explain their positions regarding the issue or matter in dispute. If during the meet and confer, the member and the Board's representative(s) reach an agreement in principal regarding the manner in which the dispute may be resolved, they shall put the agreement in writing and the member(s) shall sign it. At the next regularly scheduled Board meeting following the meet and confer, the Board of Directors may only approve and ratify the agreement by a majority of a quorum of the Board if the Board concludes that the agreement is not in conflict with the law or the governing documents and is consistent with the authority granted the Board of Directors. The agreement shall only become binding on the parties if such agreement is ratified by a majority of a quorum of the Board. Should the Board of Directors decide to become bound by, and therefore sign, the agreement, a copy of the signed agreement shall be returned to the member(s) within fifteen days following the Board's execution of the agreement, and the original of the agreement shall be maintained in the Association's business records.

8. If the member participating in IDR is not satisfied with the results of the meeting previously described herein, the member has a right to appeal to the Board of Directors by sending a Notice of Appeal, by certified mail with return receipt requested, within fifteen days following the IDR meet and confer.

**EMPIRE RANCH COMMUNITY ASSOCIATION
DESIGN REVIEW COMMITTEE
SUPPLEMENTAL DESIGN GUIDELINES
EFFECTIVE: FEBRUARY 1, 2000
UPDATED 2001/2002/2003/2010**

The Declaration of Covenants, Conditions, and Restrictions (CC&R'S) for Empire Ranch Community Association in the City of Folsom, County of Sacramento, recorded on January 15, 1999, in the office of the Sacramento County Recorder in Document #199901150172, and any amendments thereto (CC&R'S) and specifically, Section 5.02 of the CC&R'S, authorize the formation of an Design Review Committee which shall have the duty to consider and act upon such proposals or plans submitted to it pursuant to the terms of the CC&R'S, to adopt Design Guidelines, and to carry out all other duties imposed upon them by the CC&R'S.

Article 5 of the CC&R'S provides that no alterations, modifications, additions, or other

improvements including fences, walls, structures of any kind, awnings, screens, etc. may be made to the exteriors of residences and/or lots without obtaining architectural approval in accordance with the provisions of the CC&R'S and subject to the approval of the City of Folsom.

1.0 **SUBMISSION OF PLANS FOR APPROVAL**

The following Rules have been adopted by the unanimous vote of the Members of the Design Review Committee and apply to submission of plans for approval by the Design Review Committee.

These Guidelines contain minimum standards and any plans submitted which do not meet or exceed these standards shall not be approved.

1.1 All plans, specifications and any work thereunder must conform to the requirements of the CC&R'S or these **Supplemental Design Guidelines**, whichever is more restrictive. In the event of a conflict between these **Guidelines** and the CC&R'S, the more restrictive shall apply. It shall not be the obligation of the Design Review Committee to determine if plans, specifications or any work thereunder comply with any governmental law, ordinance or regulation, including but not limited to applicable laws regarding building permits, building codes and standard or safety regulations. All applicants must comply with such laws, ordinances and regulations, in addition to the CC&R'S and these **Guidelines**. **The Design Review Committee shall have no responsibility to determine the structural or drainage adequacy of any plans submitted for approval.**

1.2 The Design Review Committee may review and act upon plans submitted by prospective Owners prior to their acquisition of title. Any such action of the Design Committee for prospective Owners shall be conditioned upon such prospective buyer acquiring a fee simple interest in the property described in the plans. Such approval is not applicable to any other property without the express written consent of the Design Review Committee.

1.3 Plans must be submitted **IN DUPLICATE AND ACCOMPANIED BY THE APPROVED APPLICATION**, showing the Homeowner's name, address, lot, number, telephone number, and Owner's signature, to:

Empire Ranch Design Review Committee
c/o VIERRAMOORE, INC.
P.O. Box 348600
Sacramento, California 95834-8600

1.4 **Professionally prepared plans and specifications must be drawn to scale, showing nature, kind, shape, height, materials, location, color and dimensions of existing structures, driveways, sidewalks and fences, as well as location, setbacks, color and dimensions of proposed additions and/or improvements, including but not limited to patios, patio covers, visible landscaping areas, walls and fences, gazebos, screens, structures of any kind, sports apparatus, balconies, spas and pools, etc. Plans shall be accompanied by an application and a description and/or sample of all materials and colors proposed to be used and a proposed construction schedule.**

1.5 **All required landscaping plans shall include the type of sodding, seeding, trees, hedges, shrubs, drainage and irrigation system. Driveway additions must be approved by the Design Review Committee prior to installation. See guideline 2.26 regarding driveways and walkways.**

1.6 Any submittal for initial Improvements on a Lot or for additional improvements which may affect drainage shall include a drainage plan. Drainage plans for downhill Lots or Parcels must be designed to accept drainage from uphill Lots or Parcels.

1.7 Lots that are not adjacent to the common area open space or golf course property, backyard landscaping plans need only to show any structures that will exceed the height of the existing fence or are visible from the ground level of the adjoining lots or streets. Backyard hardscape (walkways, patios, etc.) and decks which are not visible from the streets or exceed the height of the fence do not need Committee approval. Full landscape plans are required for lots adjacent to or back up to the common area open space and golf course property. Please see Exhibit A in this Owner's Manual for the accepted plant palette.

1.8 The City of Folsom has developed a plan for required street trees for the Community. If a street tree is removed it must be replaced with the same species. Please contact Management with any questions.

1.9 POSITIVE DRAINAGE MUST BE CONSIDERED TO ASSURE THAT WATER DOES NOT DRAIN TOWARDS THE FOUNDATION OR INTO A NEIGHBORS YARD. Please refer to section 6.11 of the CC&R's for restrictions regarding drainage.

1.10 If there is a particular view of importance or obstruction to any Homeowner, it should be noted. *SEE PAGES 14-15 REGARDING NEIGHBOR ACKNOWLEDGEMENTS.*

1.11 The Design Review Committee may request any additional information, plans and details as it reasonable sees fit to adequately review the request for approval.

1.12 Within thirty (30) days of receipt of plans for approval which comply with the above Guidelines, the Design Review Committee shall review the plans (as set forth under "Design Review Committee Meetings" below) and shall grant written approval, written denial, or a written request for additional information or clarification of information submitted. Any plans submitted which do not comply with these Guidelines may be rejected by the Design Committee. Such rejection shall be accompanied by a statement of what deficiencies must be corrected prior to formal review by the Design Review Committee.

1.13 The Committee shall not be obligated to begin its review of a proposal until a complete application is submitted. Any application for approval of Residences, swimming pools and other structural improvements must include grading and drainage plans and specifications and plans for structural improvements must show four elevations. The Design Review Committee may require that a model of the proposed construction be submitted as a condition of its final review, if the Committee deems a model is necessary. Finally, approval from the Design Committee must be obtained by an Owner prior to the Owner's submission of the same improvement project to the City of Folsom for a building permit or other governmental approvals.

2.0 GENERAL ARCHITECTURAL GUIDELINES

The following are general guidelines, which the Design Review Committee will follow in approving or denying your plans. The Committee reserves the right to amend them from time to time without prior notice. For more specific guidelines please refer to the CC&R'S.

2.1 **Patio Structures, Sunshades, Arbors, Sheds, Trellises, and Gazebos:** Structures shall be made of wood, masonry, or similar materials. Shade structures and gazebos constructed of wrought iron, wood, masonry, wood-look materials and canvas or canvas like materials will be considered by the DRC and require submission of an application and plan prior to installation. Canvas color selection will be approved at the sole discretion of the Design Review Committee. Shade structures must be constructed in a workmanship-like manner and maintained in an attractive condition. Shade structures that are designed for temporary use as determined at the sole discretion of the Design Review Committee, (examples including but not limited to those constructed with aluminum, metal (other than wrought iron), plastic or PVC supports are not permitted.

2.2 The side elevations of the above structures shall not be enclosed in any manner, except for sheds and in the case where a wall on a main dwelling forms a natural enclosure to some or all portions of a side elevation.

2.3 The following materials shall NOT be used for the roof (top cover surface) on sheds, patios and sunshades:

- A. Metal structures and supports, including metal awnings.
- B. Plastic and fiberglass panels.
- C. Plastic webbing, reed or straw like materials.

2.4 No balcony may be built that may infringe upon a neighbor's privacy unless the neighbor gives their consent in writing. Such consent letter shall be attached to the submitted plans.

2.5 No cutting into or encroachment upon a slope or hillside will be permitted without approval first obtained from the Design Review Committee. Slope areas within any lot shall be maintained by the Owner in a neat, orderly and safe condition and in such a manner as to enhance their appearance, maintain established slope ratios, prevent erosion and sliding problems and to facilitate orderly discharge of water through drainage systems. No structure, planting, debris or other materials shall be placed or permitted to remain or other activities undertaken which might damage or interfere with established slope ratios, create erosion or sliding problems, or interfere with established drainage function or facilities.

2.6 **Exposed Equipment:**

- A. **No equipment shall be exposed to public view including sport apparatus. Basketball standards, shall not be affixed to the front of a home or garage, or erected in the front. Portable basketball standards will not be permitted in front of a home when not in use.**
- B. Television or radio poles, satellite dishes, cables or antennae of any description installed outside of a dwelling are strictly prohibited if visible

from the common area or another lot unless approved by the Board of Directors or exempt by FCC regulations.

2.7 **Fences:** No fences, hedges or walls shall be erected or maintained other than those initially installed by Declarant, unless first approved by the Design Review Committee. Fences, **including painting**, shall be of a material that is compatible with the surroundings and of a material similar to that of existing fences. Fences over six feet in height (as measured from a level area adjacent to such fence) which obstruct the view of any neighbor or are visible from the common areas, streets or adjoining lots, will require the written approval of the affected neighbor, as well as approval from the Design Review Committee and the City of Folsom. No landscaping or fences installed shall prevent adequate driver visibility from the streets within the project. **All wrought iron fencing shall be painted black semi-gloss powder coat. All wooden fencing visible from the streets shall be painted “loam” or stained Sandstone Kelley Moore/Cabot 6197. (6197 used to be stock item, now color has to be matched with “6100” series).**

2010 Revision -

***Design Guideline Change Notice:** Pursuant to California Civil Code 1357.110 and in accordance with Sections 3.07 and 5.19 of the Declaration, the Board of Directors and Design Review Committee have amended the design guidelines and formalized wood fence paint color guidelines for production homes delivered by Elliott Homes Inc. The original approved paint color noted in the design guidelines related only to production Villages 4, 6, 7, 8, 11, 13, 16,17,18, 20,29,39, 40, 41 and 47. This color is Sandstone Kelley Moore Cabot 6197. This is the original color that the previous production builders applied to production lot wood fencing. The Design Review Committee and Board of Directors wished to expand the approved wood fence paint color for other production lots to address subsequent production villages. The reason, purpose and intent of this change was to provide for homeowner maintenance and painting of production lot wood fencing while using paint color that matches that originally delivered with the home. (i.e. production homes delivered with fence paint differing from Sandstone Kelley Moore Cabot 6197 will not be required use this differing paint color when maintaining and repainting wooden fences). The change was adopted at a duly noticed meeting conducted on July 28, 2010*

Please note for information: Kelley Moore matches to the original design color are, (for paint) “Loam” and, (for stain), “Cabot Sandstone”. 6197 used to be stock item. Now color should be matched with the 6100 series.

***Original Design Guideline Related to Fence Color (2.7):**...“All wooden fencing visible from the streets shall be painted or stained Sandstone Kelley Moore Cabot 6197.”*

***Revised Design Guideline Change Related to Fence Color: (2.7):** Unless otherwise submitted and approved by the Design Review Committee, all production lot wooden fencing visible from the streets shall be painted or stained as follows :Production Villages 4, 6, 7, 8, 11, 13, 16,17,18, 20,29,39, 40, 41 and 47 – Sandstone Kelley Moore Cabot 6197 or matching product. Production Villages 21, 22, 24, 25, 26, 27, 31, 32, 34, 35, 38, 54, 58, 60, 61, 62, 63 – Kelley Moore El Dorado Tan or matching product.*

2.8 **Vehicle Storage:** Trailers, recreational vehicles, campers, trucks, boats or inoperable vehicles can be stored on the lot only if in conformance with Article 8.14 of the CC&R'S.

2.9 **Screening:** All improvements to screen a vehicle from view of the street(s) must be approved by the Design Review Committee. Screening may be accomplished by the extension of fencing or the addition of trellises and mature landscaping. Please refer to Section 2.7, if fence extensions or trellises over 6 feet in height are planned. The Committee will require that the owner must have a minimum of 85% of the surface area of the vehicle viewable from street screened. All landscaping plants, trees or bushes shall be of a minimum 15 gallon size and must mature within 18 months of planting to meet the 85% minimum screening requirement. No vehicle(s) may be placed on

the lot until all improvements have been approved and completed. **Placement of tarps over vehicles to effect screening is not allowed.**

2.10 **Signs:** Please refer to Article 8, Section 8.05 of the CC&R'S regarding various sign uses permitted and Section B-5 of the adopted Rules and Regulations.

2.11 **Landscape Materials:** It is recommended that a mixture of lawn, plant materials and ground cover be used. All landscaping shall adhere to the plant palette list found in Exhibit A unless approved by the Design Review Committee. Statuary, water features and yard decorations must be of a size that is compatible (at the sole discretion of the DRC) to lot size and configuration. Landscape coverage with any colored rock, gravel, sand or wood chips need approval of the Committee.

2.12 **Commercial Use:** No part of any residence shall be used, or cause to be used or allowed or authorized in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing vending or non-residential purposes unless specifically permitted by local ordinance and Section 8.06, of the CC&R'S.

2.13 **Utility Service:** No lines, wires, or other devices for communication or transmission of electric current or power, shall be constructed, placed or maintained anywhere in or on any lot, unless contained in conduits or cables underground or concealed in, under or on a building or other approved structures, excluding temporary power or telephone services incidental to construction of approved buildings.

2.14 **Temporary Occupancy:** No trailer, tent, shack, barn, garage, basement of any incomplete building, or temporary building or structure will be used as a residence, either temporary or permanent.

2.15 **Nuisances:** No plans shall be approved which might, in the opinion of the Design Review Committee, render any lot portion thereof, unsanitary, unsightly, harmful or detrimental to any property in the vicinity or to the occupants thereof. No exterior speakers, horns, whistles, bells, or other sound devices, except security devices used exclusively for security purposes shall be located, used or placed on any lot.

2.16 **Clothes Drying Facilities:** No outside clotheslines or other outside clothes drying or airing facilities are allowed on a lot.

2.17 **Fires:** There shall be no exterior fires whatsoever on Lots with the exception of barbecue fires or exterior fireplace architectural/landscape improvement structures that are professionally designed for such purpose. Lot Owners must ensure that such improvements are equipped with spark arrestors and other such fire prevention devices. No woodburning fireplaces or woodburning stoves are permitted within the Property unless they are EPA certified.

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2.18 **Mailboxes:** Mailboxes and mailbox structures, unless installed by Declarant, must be approved by the local postal authority and the Design Review Committee.

2.19 **Structures for Animals:** No structure for the care, housing or confinement of any animal shall be maintained so as to be visible from neighboring property unless approved by the

Design Review Committee. **Please refer to Section 8.04 of the CC&R'S for additional animal restrictions.**

2.20 **Outside Lighting:** No exterior yard lighting without adequate and proper shielding shall be installed on any residence or erected in any yard without Committee approval.

2.21 **Approval of City of Folsom:** Without approval of the City of Folsom, no Owner may construct an addition to or remodel a residence, or construct or architecturally alter a swimming pool, spa, accessory structure, or fence.

2.22 **Storage of Materials:** Storage of construction materials is not allowed in the streets. Construction debris shall be removed from the front yard of a residence on a daily basis.

2.23 **Minimum Setbacks:** Minimum setbacks for all structures including accessory structures (pools, spas, sheds, etc.) shall be in accordance with the City of Folsom Codes and Ordinances.

2.24 **Construction Activities:** Construction activities are permitted in accordance with codes and ordinances of the City of Folsom.

2.25 **Trees:** Oak trees with a diameter of six (6) inches or greater at breast heights (dbh), shall **not** be removed without the prior written approval of the Association. Prior to any construction activity within fifty (50) feet of any tree, which has been identified to be saved, a fence shall be erected at the drip-line of any such tree.

2.26 **Driveways and Walkways:** Walkways from the rear/side yard gate are permitted without application provided that they do not exceed 36" in width, are installed in a workmanship like manner and of a color and material that are consistent with the color pallet of the community. **NO DRIVEWAY ALTERATIONS ARE PERMITTED WITHOUT SUBMISSION OF AN APPLICATION, PLAN AND APPROVAL OF THE DRC.** The DRC will consider approval of proposed driveway expansions for rear yard access, however submittals that call for a solid pour of concrete to expand a driveway to back of curb will not be approved. Hollywood Drive installations utilizing grass or Turfstone pavers will also be considered. Solid concrete Hollywood Drives will not be approved. Under no circumstances may driveways be altered for the purposes of parking more vehicles in the driveway than for which the driveway was originally designed. Additionally, the Design Review Committee reserves the right to place conditions on expansion areas which provide for access to rear yards only and which preclude the parking of any vehicle on the proposed expansion at any time.

2.27 **Interior Furniture in Exterior Locations & Exterior Furniture in General:** Furniture designed for interior use (examples include upholstered furniture, metal folding chairs, etc.) may not be placed in an exterior location on any lot where visible from the street sidewalk or common areas. Outdoor furniture of significant size that is placed in landscaped front yard areas (such as swings, patio sets and like), has a significant visual impact on the community and as such requires approval of the Design Review Committee. All furniture visible from the street, sidewalk and common area must be maintained in an attractive condition.

2.28 Golf Safety Netting:

The guideline below has been adopted for the purpose of ensuring that homeowners may install safety netting on individual lots while providing for consistency in design and installation for the Empire Ranch community. Golf course safety netting is considered to be a permanent fixture and architectural improvement for the protection personal property on individual lots. In an emergency situation temporary netting may be installed for up to 90 days however, permanent golf safety netting, installed per the guidelines below must be installed within the 90 day period. **Golf safety netting installed per the guidelines below *only* is pre-approved for installation. If the proposed netting exceeds the height of the roofline or differs from the guideline below in any way, plans and an application must be submitted to the Design Review Committee for review and approval. Note: In order to preserve consistency in appearance alternate color selections for golf course safety netting and poles will not be approved.**

Golf netting and support poles installed to protect rear yards and buildings is allowed per the installation guidelines. The preferred location for mounting of golf course netting will be a location to the furthest most rear property boundary or furthest side boundaries so that golf net and support poles appear as a natural part of the boundary fence structure.

GOLF NETTING MATERIAL DESCRIPTION AND INSTALLATION GUIDELINES:

a) **Support Poles:** The support poles must be of steel pipe, must be a minimum of 3” inches in diameter and must be installed in a concrete footing at a depth consistent with generally accepted guidelines for fence post installation. 4” diameter poles are recommended for maximum durability and support. The maximum height of the poles and netting will be no higher than roofline of both one and two story homes. If this is insufficient to protect against damage please explain with submission of plans and application in order that the Design Review Committee may make a determination based upon the specific problems that you are experiencing on your lot. The spacing of the poles should be a maximum 25’ feet on center. Alternate spacing will be considered provided that support is sufficient to hold netting taut and provide adequate support.

b) **Color Selection:** In order to maintain consistency in the netting and supports to be installed all components are to be black in color. Support poles must be steel pipe which is powder coated or painted to match the wrought iron fence that abuts the property. All rigging and fittings must also be black.

c) **Netting:** The netting will be made of 100% knotted nylon and treated with polyurethane water repellent coating dipped or pre-colored black. A one (1”) inch square spacing maximum is suggested.

d) Provisions for Repair and Maintenance:

Support poles and rigging which have not been powder coated shall be routinely painted so as to present an acceptable appearance and the poles shall be installed and kept in vertical alignment. *Note: Powder coated support poles will sufficiently reduce long term maintenance expense. The netting shall be routinely painted (if dipped) so as to present an acceptable appearance. The netting shall not be allowed to sag and shall be taut at all times. Holes or snags should be immediately repaired.

3.0 **ARCHITECTURAL DESIGN REVIEW COMMITTEE MEETINGS**

3.1 The Design Review Committee shall meet as necessary to properly perform its duties. The Committee can convene by telephone if necessary.

3.2 Notice of meetings shall not be in writing and may be given by telephone. Meetings shall be held not more than thirty days after receipt of a plan submitted for approval.

3.3 The Committee shall keep records including copies of its Rules, Guidelines and Procedures, plan approvals and/or rejections, and copies of correspondence to Homeowners and others.

3.4 In reviewing plans, the Committee may, but is not obligated to, have the plans reviewed by and consider the opinions of professional consultants and others including those who are not Members of the Association, conduct open hearings and consider evidence and comments from all relevant sources, and make a personal inspection of the property involved without the presence of other Members of the Design Review Committee or the Owner of the property. If the Design Review Committee chooses to conduct an open hearing, at least five (5) days prior written notice of such hearing must be given to the Owner submitting plans for approval. Such hearing may be adjourned and reconvened at a time no later than twenty-five (25) days from the date the plans were submitted for approval.

3.5 The Design Review Committee Members will review the plans and either grant approval in entirety, disapproval in entirety, or approval subject to conditions. Management shall notify the Homeowner in writing of the action taken by the Committee.

3.6 Any Member of the Design Review Committee, or any consultant retained by the Design Committee who has an ownership or financial interest in the property for which an application is being processed, or is legally related to the applicant, must disqualify himself or herself from participating in the architectural review process of that application.

3.7 Approval of any plan by the Design Review Committee does not waive the necessity of obtaining City permits which may be required. If Design Committee approval is obtained and modifications to the plans are required by the City or other authority, such modification to the plans must be reviewed and approved by the Design Review Committee pursuant to procedures set forth in these Guidelines, prior to the start of any work.

4.0 **PROCEEDING WITH WORK**

4.1 Upon receipt of approval from the Design Review Committee, the Owner shall begin and complete work within one year from the date of approval or approval given shall be deemed revoked.

5.0 **NON-COMPLIANCE AND ENFORCEMENT PROCEDURES**

5.1 If the Design Review Committee finds that the work has not been done in substantial compliance with the approved plans, the Committee shall notify the Owner in writing and request that the Owner remedy same. Notice of non-compliance or non-completion may be recorded by the

Association in accordance with Section 8.18, of the CC&R'S. If the Owner fails to remedy the non-compliance within thirty days after the date of the notice of non-compliance, the Design Review Committee shall then set a date on which a hearing will be held before the Committee.

6.0 **WORK PERFORMED WITHOUT PRIOR APPROVAL**

6.1 If work is commenced or completed without Design Review Committee approval, the Committee may require the Homeowner to submit plans for approval and may approve or disapprove the plans, notwithstanding the fact that work has commenced prior to Design Review Committee approval. If plans submitted for approval are found to be in violation of the CC&R'S, the Empire Ranch Design Guidelines, these Supplemental Guidelines or otherwise by the Design Review Committee, or the Owner fails to submit plans as requested by the Design Review Committee within thirty days after the date of written request from the Design Review Committee, the Design Review Committee shall then set a date on which a hearing will be held before the Committee.

6.2 In the event the Design Review Committee receives a complaint that work has been commenced or completed without Design Committee approval, the following procedures will be taken.

- A. The Design Review Committee will make an investigation to verify the complaint is accurate.
- B. The Design Review Committee will make a determination whether such construction is in violation of the CC&R'S, including the failure to obtain Design Review Committee approval.
- C. If a determination of violation of the CC&R'S is made by the Design Review Committee, the Committee will notify the Owner in writing of the violation and request that the violation be remedied.
- D. If, within thirty days from the date of notice of violation, the Owner fails to remedy the non-compliance, the Design Review Committee shall set a date on which a hearing will be held before the Committee.

7.0 **GENERAL CONDITIONS**

7.1 Any condition or material not defined within these Rules and Guidelines shall become a matter of judgement on the part of the Design Review Committee unless described in the CC&R'S. See the CC&R'S for the general use restrictions.

7.2 Neither the Design Review Committee nor any Member thereof shall be liable to any Owner for any damage, loss, or prejudice suffered to claimed on account of:

- A. the approval or disapproval of any plans, drawings and specifications, whether or not defective;
- B. the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications;
- C. the development of any property within the project; provided, however, that such Member has acted in good faith on the basis of such information as may be possessed by him.

7.3 Pursuant to Section 8 of the CC&R'S, "Declarant" under the CC&R'S is exempt from the Design Review Committee; therefore, these Review Committee Guidelines shall not apply to the Declarant.

The Design Review Committee Guidelines may be amended only by a unanimous vote of the Design Review Committee and a majority vote of the Board of Directors.

7.4 **Neighbor Acknowledgement:** The purpose of the neighbor acknowledgement and signature portion of the improvement application is so that neighbors may communicate concerns with one another when planning an improvement. Sometimes the party making the improvement does not realize that a proposed improvement may result in excessive noise or other problem and when your neighbor brings a plan to you for signature this is your opportunity to discuss it. The Design Review Committee will not deny an application and plan based upon a negative neighbor comment unless the proposed improvement has a direct, severe and extremely negative impact on the neighbor objecting to the improvement. Examples of this would be a proposed installation of an illuminated sports court, secondary structures of excessive size for woodworking or other construction hobbies, the addition of additional stories to a home or the addition of a cantilevered balcony that extends over a property line and severely impacts privacy. The Design Review Committee will not deny a plan and application to preserve a view. Though individual lots do not have a right to view preservation, persons submitting plans and applications should include all items on their plan that may impact a neighbor so that neighbors may have an opportunity to discuss and resolve any issues when presenting plans to one another for signature. Persons wishing the Design Review Committee to deny or place conditions on proposed improvements must submit their comments to the Design Review Committee in writing and must detail the perceived problem that will negatively impact them. The comments of persons wishing the Design Review Committee to deny or place conditions on an improvement proposed by their neighbor are *not confidential*. If a proposed improvement is denied or approved with conditions based upon neighbor comments, The Design Review Committee reserves the right to share such neighbor comments with the party who proposed the improvement



EXHIBIT A RESIDENTIAL LOT PLANT PALETTE

Botanical Name

Common Name

***TREES:**

Acer spp.	Maple
Albizia julibrissin	Silk Tree
Alnus rhombifolia	White Alder
Arbutus unedo	Strawberry Tree
Betula spp.	Birch
Cercis spp.	Redbud
Cinnamomum camphora	Camphor Tree
Cornus spp.	Dogwood
Crataegus phaenopyrum	Washington Thorn
Gleditsia triacantos 'inermis'	Honeylocust
Lagerstroemia indica	Crape Myrtle
Liquidambar spp.	Sweet Gum
Liriodendron tulipifera	Tulip Tree
Magnolia grandiflora "St. Mary's"	Magnolia
Pistachia chinensis	Chinese Pistache
Pinus canariensis	Canary Island Pine
Pinus eldarica	Mondell Pine
Plantanus acerifolia 'Bloodgood'	London Plan Tree
Prunus spp.	Flowering Plum / Cherry
Pyrus calleryana 'Aristocrat'	Aristocrat Pear
Quercus coccinea	Scarlet Oak
Quercus suber	Cork Oak
Robinia spp.	Locust
Sapium sebiferum	Chinese Tallow Tree
Sophora japonica	Japanese Pagoda Tree
Ulmus parvifolia 'Drake'	Evergreen Elm
Ulmus parvifolia 'Brea'	Evergreen Elm

SHRUBS:

Agapanthus 'Peterpan'	Lily-of-the-Nile
Arctostaphylos spp.	Manzanita
Ceanothus spp.	Ceanothus
Cistus purpureus	Purple Rockrose
Dietes vegeta	Fortnight Lily
Escallonia fradesii	Pink Escallonia
Escallonia spp.	Escallonia

Hemerocallis hybrids	Daylily
Heteromeles arbutifolia	Toyon
Juniperus spp.	Juniper
Lavendula angustifolia	English Lavendar
Leptospermum scoparium 'Ruby Glow'	New Zealand Tea Tree
Pennisetum setaceum 'Cupreum'	Fountain Grass
Pinus mugo	Mugo Pine
Pittosporum spp.	Pittosorum
Plumbago capensis	Cape Honeysuckle
Raphiolepis indica	India Hawthorn
Raphiolepis spp.	Raphiolepis
Rhamnus Californica 'Eve Case'	Coffeeberry
Ribes sanguineum	Red Flowering Currant
Ribes viburnifolium	Evergreen Currant
Rosa spp.	Vine Roses
Rosea spp.	Rose
Viburnum tinus 'Spring Bouquet'	Laurustinus
Xylosma congestum	Shiny Xylosma

GROUNDCOVERS:

Arctostaphylos 'Emerald Carpet'	Emerald Carpet Manzanita
Baccharis pilularis 'Twin Peaks'	Dwarf Coyote Brush
Helianthemum nummularium	Sunrose
Hypericum calycinum	St. Johnswort
Trachelospermum jasminoides	Star Jasmine
Trifolium fragiferum	O'Conner's Legume
Verbena puruviana	Verbena
Vinca minor	Periwinkle
95% Mustange Fescue Blend & 5% Bronco Kentucky Bluegrass	Turf Grass

VINES:

Ficus pumila	Creeping Fig
Parthenocissus tricuspidata	Boston Ivy
Rosea spp.	Rose
Vitis spp.	Grape

***TREES (rear & side yard adjacent golf course):**

Acer macrophyllum	Bigleaf Maple
Acer rubrum 'Red Sunset'	Red Maple
Acer rubrum 'October Glory'	Red Maple
Alnus rhombifolia	White Alder

Betula nigra	River Birch
Cedrus deodara	Deodar Cedar
Cercis spp.	Redbud
Cinnamomum camphora	Camphor Tree
Cornus spp.	Dogwood
Fraxinus angustifolia 'Raywood'	Raywood Ash
Geijera parvifolia	Australian Willow
Pinus coulteri	Coulter Pine
Pinus sabinana	Digger Pine
Pistacia chinensis	Chinese Pistache
Platanus acerifolia 'Bloodgood'	London Plane Tree
Platanus racemosa	California Sycamore
Prunus spp.	Flowering Plum / Cherry
Pyrus calleryana 'Aristocrat'	Aristocrat Pear
Pyrus callervana 'Respire Pear'	Respire
Quercus lobata	Valley Oak
Quercus rubra	Red Oak
Quercus wislizenii	Interior Live Oak
Sequoia sempervirens 'Aptos Blue'	Redwood
Tilia cordata 'Greenspire'	Greenspire Little Leaf Linden
Ulmus spp.	Evergreen Elm

***Palm trees will be considered by the DRC. Palms must be maintained and trimmed regularly of fronds that are no longer viable. Additionally, some varieties of palms, such as Queen Palms, are susceptible to pink rot in the crown. Care should be used in pruning of palms that may be infected with this disease as it can be transferred during maintenance.**