

ORCHARD ESTATES INC., HOA

RULES AND REGULATIONS

RULES ENFORCEMENT & FINING SCHEDULE

INTRODUCTION

These Rules & Regulations for Orchard Estates Homeowners Association have been adopted by the Board of Directors as a supplement to the Covenants, Conditions & Restrictions (“CC&Rs”), Bylaws, Articles of Incorporation, and Architectural Guidelines (hereinafter, collectively, “Governing Documents”). In the event of any conflict between these Rules and the CC&Rs, the latter shall control.

These Rules and Regulations may be amended at any time by the Board of Directors upon thirty (30) days* written notice to the members.

VIOLATIONS

Violations of the Rules may result in violation notices, hearings, fines, enforcement action, and/or a civil lawsuit. The Board of Directors is empowered by the CC&Rs to levy Special Compliance and Special Damage Assessments, suspend Membership and/or use privileges and to pursue other legal action to ensure compliance of the Association’s Governing Documents.

Owners shall be liable for any breach of the Governing Documents by their tenants, guests, vendors, and invitees (“Guests”), including, but not limited to, any enforcement or reimbursement assessment levied as a result of such breach. Owners shall further be liable for the cost of repairing any damage to the common area caused by said Guests.

DEFINITIONS

The following definitions apply to these Rules:

1. **“Guest”** means any person who is authorized by a Resident to enter the Project, including, but not limited to, all invitees, vendors, service personnel, and contractors. “Guest” shall not include any person who has a written agreement with an Owner, as that term is defined more specifically herein and in the CC&RS, to rent or lease a dwelling within the Project for thirty (30) days or more.

2. **“Lot” or “Residential Lot”** means any single lot within the Orchard Estates Homeowners Association subdivision, and includes the residential unit and surrounding area.
3. **“Owner”** means the record holder(s) of any Residential Lot in the Project, as defined by the CC&Rs.
4. **“Privileges”** means those rights enjoyed by members in good standing of the Association, including the ability to vote and use the Common Area.
5. **“Project” or “Subdivision”** means the Orchard Estates Homeowners Association.
6. **“Renter” or “Lessee”** (collectively **“Tenant”**) means any person who is not a Guest and lease or rents a dwelling within the Project for thirty (30) days or more, and who pays valuable consideration to the Owner of the dwelling for same.
7. **“Resident”, “Occupant” or “Occupancy”** means any person or persons who reside and/or occupy a dwelling within the Project for more than thirty (30) consecutive calendar days or sixty (60) cumulative days in any one twelve-month period.

RULES

1. Animals

1.1. Number. No Owner, Resident, Tenant, or Occupant of any dwelling may raise or keep more than a combined total of three (3) domesticated pets, which are defined as dogs, cats, or other usual and ordinary household pets. No Owner, Resident, Tenant, or Occupant may keep or raise farm or other wild animals within a dwelling or elsewhere on their Lot or in the Project. Notwithstanding the foregoing, no Owner, Resident, Tenant, or Occupant of any residence may raise or keep pets which interfere with the Rights of any Owner or other occupant of a residence to the peaceful and quiet enjoyment of the residence or any Common Area. Should the Board determine that any such pet(s) or other animal(s) has created any unreasonable annoyance or nuisance to any Owner or

other occupant of a residence, the raising or keeping said pet within the Project shall be discontinued upon ten (10) days' written notice.

1.2. No Commercial Purpose. No Owner may raise or keep animals for any commercial purpose.

1.3. Leashes. All dogs must be on a leashes at all times when outside in unconfined areas or in the Common Areas. Dogs may not run free in front yards or in Common Areas at any time. People walking an animal must carry a proper receptacle for the removal and disposal of the animal's litter, and must properly dispose of the same. This is a City ordinance as well.

1.4. Liability. Owners of pets shall be fully responsible for any damage or disturbances their pets cause.

1.5. Pet Waste. Owners must prevent their pets from soiling all Lots and Common Areas. Owners are responsible for any required clean up.

2. **Bicycles and Sports/Play Equipment**

2.1. Storage. Equipment shall not be allowed on front lawns or in driveways overnight. Basketball standards may be used in The Orchard but put away when not in use. They must be stored in a place not visible from street or other neighbors when not in use. Equipment may not be placed in the gutter at any time for draining purposes.

2.2. Safety. Bicycles, roller skates and other recreational equipment must be used with caution and used only on paved portions of the Common Areas with the legally required safety equipment, such as helmets. Homeowners accept full liability for using recreational equipment on streets or in Common Areas for themselves, family members and guests. Skateboard and bicycle ramps are prohibited in the streets and Common Areas. No Owner, Resident, Tenant, or Guest is permitted to use the streets within the community in such a way which obstructs traffic. The use of chalk on streets is not permitted. For health and safety reasons, playing in the retention basin areas and empty lots is prohibited.

3. **Conduct**

The Board of Directors has the power to discipline any person for any conduct, which, in its opinion, may endanger the welfare or character of the Association, as well as for violations of specific rules.

3.1. Nuisance. Disturbing noises which may interfere with the quiet enjoyment of others is not permitted at any time. Excessively loud talking, radios, televisions, stereos, or other noise or conduct between the hours of 10:00 p.m. and 8:00 a.m. shall be considered a nuisance. Any improper conduct or obscenities will not be tolerated. Actions by any person of any nature, which may be dangerous, create a health or safety problem, or disturb others, are not permitted. This includes noise, intoxication, quarreling, threatening, fighting, offensive, or abusive language or conduct. Except in case of emergency, no person shall be employed nor cause any other person to be employed in any construction, repair or landscaping activities except between the hours set forth as follows:

- (a) Monday through Friday, 7:30AM to 6:00PM;
- (b) Saturday, 8:00AM to 6:00PM; and
- (c) Sunday, no exterior work.

3.2. Liability of Owner for Acts of Another. An Owner is responsible for the conduct of his/her guests, family, and/or tenants, and all service personnel, vendors, contractors, and any other invitees.

3.3. Vendors. Vendors and their employees, regardless of whether they are retained by the Association or by individual Homeowners, are to be treated in a courteous and considerate manner. All complaints regarding service rendered by any vendor and/or its employees must be made to the Association Manager for appropriate handling.

4. **Flags**

4.1. General Restrictions. Only American flags and official Holiday flags may be displayed. No flag larger than 3' x 5' shall be allowed. Flag poles may not be placed in Common Areas or mounted on any common wall or patio deck

surface and all flag poles must be approved by the Architectural Committee. No flags, banners, or balloons will be allowed to advertise a residence for sale or lease. Frayed or torn flags shall promptly be replaced.

4.2. American Flag Permitted. An Owner retains the right, notwithstanding any other provision in these Rules or in the Governing Documents generally, to display the American flag made of fabric, cloth, or paper and displayed from a staff, pole, or in a window. No flag larger than 3' x 5' shall be allowed.

4.3. Number. Only one (1) flag is permitted per residence.

5. **Loss or Damage**

5.1. Nonliability of Association. The Association is not responsible for the loss or damage of property, including, but not limited to, clothing and automobiles, belonging to Owners, Residents, Tenants, and/or Guests.

6. **Renting/Leasing**

6.1. Restrictions on Partial Leasing. Orchard Estates is a single family community. Renting out portions of your home is not allowed.

6.2. Residential Purpose. Leasing of units within the Project is permitted for residential purposes only. You may not rent your home to multiple families at the same time.

6.3. Advertising Rentals. You are not permitted to advertise your property on the Internet or in print as a short-term or vacation rental. For purposes of this Section, the terms "short term rental" and "vacation rental" are interchangeable and shall refer to rental periods which are less than 30 days in duration.

6.4. Written Lease Required. All leases must be in writing. No residence may be leased for a period of less than thirty (30) days. Any Owner who elects to lease his or her unit shall be required to provide a fully executed copy of a signed lease/rental agreement to the Association's Property Manager prior to occupancy by the tenant. The lease agreement must include the names and contact

information for all Tenants or Occupants, a description of their relationship to one another, and the total number of occupants for the leasing period.

6.5. Tenants Bound by Governing Documents. Owners are required to provide each tenant a copy of the Governing Documents. Copies may be obtained from the Property Manager for this purpose. Additionally, all lease/rental agreements for any unit within the Project shall contain a provision binding the Tenant(s) to the Association's Governing Documents. By entering into a lease/rental agreement for a unit within the Project, Tenants agree to be bound by the Governing Documents and subject to the Association's enforcement powers as enumerated therein for any potential violation of the same.

6.6. Owner Liability for Damage; Direct Association Right of Action Against Tenant. Each Owner shall be liable to the Association for any damage to the Common Area or to Association owned property caused by a Tenant or Occupant. Failure of any Tenant or Occupant to comply with these Rules, or with any other provision contained in the Governing Documents, may subject the Owner and/or Tenant to disciplinary action, including court action. The Association is further vested with a direct right of action against any Tenant or Occupant for any damage caused to the Project, or for violation of the Governing Documents. Such actions shall include, without limitation, eviction proceedings, and the Association is further authorized to collect its attorney's fees and costs associated with any civil action. Should the Association elect to initiate eviction proceedings against any Tenant or Occupant, it must first give the relevant Owner thirty (30) days' notice of its intent to do so. The Owner shall then have a reasonable opportunity to cure the violation directly within the thirty (30) day period prior to the Association instituting any unlawful detainer proceeding.

6.7. Fees. An administrative fee of **\$50.00** shall be imposed for each rental of a residence within the Project to defray administrative costs associated with leasing of units (i.e., processing the tenant information, supplying copies of the Governing Documents, and programming the telephone entry system for tenants).

7. **Signs / Banners / Decorations / Garage Sales**

7.1. General Prohibitions. No name plates, signs, posters, billboards, advertising devices, or other displays of any kind are permitted, except signs advertising a home for sale or lease, unless approved by the Association's Architectural Committee using the process outlined in the CC&Rs. Real estate signs must be no larger than 18" x 24" with beige background and brown lettering and may be displayed in the front yard only. Except as specifically permitted by the Association, no flags, banners or balloons will be allowed to advertise a residence for sale or lease.

7.2. Address Numbers. Address numbers must be plainly visible and legible from the street at all times. Address numbers must be illuminated at night and the maintenance, repair, and replacement of bulbs is the sole responsibility of the Owner. Tree branches, vines or flowers may not block the address numbers.

7.3. Seasonal Displays. Seasonal or holiday displays must be removed within fourteen (14) days of the relevant holiday.

7.4. Garage Sales. The Association does not permit garage sales.

7.5. Lighting. Owners must maintain the lights above their garage doors. These lights are on a photocell so they come on automatically at night however the bulbs need to be changed periodically. Replacement of bulbs is the sole responsibility of the Owner. Before the addition of any additional exterior lighting the Owner must submit an application to the Architectural Review Committee.

8. **Storage in Side and Back Yards**

8.1. General Provisions. Structures or other objects exceeding the height of a wall, including storage sheds, are not allowed in back yards without architectural approval. If items are stored in the side yard, which are visible from any part of the Common Area, they must be maintained in a neat, clean, orderly, safe and attractive condition at all times. Additionally, please see Section 11.3 regarding the storage of recreational vehicles (RVs) and motor homes.

9. **Trash**

9.1. Storage. Trash must be kept in sanitary containers and stored in either the garage, or side yard behind the gate except for scheduled trash collection days (or the previous evening). All residents and their guests must be cooperative in maintaining the cleanliness of our streets.

9.2. Receptacles. Receptacles must be removed from the street and stored the same day they are emptied.

10. **Ancillary Use Restrictions**

10.1. Purpose. Except for home occupations, no Residential Lot shall be occupied and used except for residential purposes by the Owner(s); his/her Tenants or other Occupants, and/or Guests.

10.2. Home Occupations. Home Occupations shall mean any legal activity conducted by a Homeowner as an ancillary use within his/her primary dwelling unit. It is intended that Home Occupations shall be limited to use of the interior of the home (such as through the means of computer, fax, telephone, modem and reasonable mail), as set forth in the Association's Home Occupation Policy and for no other purpose. No Owner may advertise his or her Home Occupation in such a way which is visible from the exterior of the Unit. The Home Occupation may not involve illegal activity of any kind. Any marked increase in visitors or vendors resulting from the Home Occupation may be deemed a nuisance and is actionable by the Board of Directors. No shipping or storing of products for distribution purposes is permitted on the premises. A Home Occupation License is required from the City of Indio. The City requires the Homeowners Association in a Common Interest Development to sign off before it will issue a Home Occupation Business License.

10.3. Maintenance of Lots and Residences. Each Owner shall be solely responsible for the maintenance of his/her Lot and residence, and for all associated maintenance and repair costs.

10.3.1. Landscaping. Owners shall assure that their Lots are properly landscaped and that all landscaping, including but not limited to grass,

trees, and shrubs, are properly trimmed and maintained. Weeds or other debris shall not be allowed to collect, and any dead vegetation or destroyed landscaping must be replaced immediately. Winter rye seed must be planted each year no later than November 15th to allow for germination. Bermuda grass must be mowed at ¾" – 1." Rye grass shall be mowed at a height 1 ½" – 2." Owners must also follow the overseeding procedures set forth in Section 3.08 of the CC&Rs.

10.3.2. Irrigation. Homeowners are responsible to make proper adjustments to irrigation to avoid excess run off into gutters and the retention basin. Owners are responsible to ensure their sprinklers do not over-spray onto the driveways, walkways, streets or the adjacent Lots.

10.3.3. Plant Palette. Seasonal flowers and plantings must also be changed over to appropriate material in accordance with the approved plant palette as stated in the Architectural Design Guidelines. All Lots and units shall be maintained in a neat, clean, orderly, safe, sanitary and attractive condition. Please refer to the HOA Plant Palette for your choice of flowers and plants.

10.3.4. Compliance with CC&Rs and Architectural Guidelines. All painting, landscaping and alterations of the exterior surfaces of the residences shall be in conformance with the requirements of the CC&Rs and Architectural Guidelines, and must have prior approval from the Architectural Review Committee. In the event that a Lot is not properly maintained, the Association shall have the right, but not the obligation, to restore the water and power if necessary, to furnish the labor and/or materials necessary to clean, repair and/or maintain said Lot and to assess and charge the Owner all of the costs needed to bring said Lot into compliance with the CC&Rs, Rule and Regulations, and Architectural Guidelines.

10.3.5. Rear Lot Landscaping. The Owner shall landscape the rear lot within six (6) months of obtaining title to the property or within six (6) months of adoption of these Rules and Regulations. Said landscaping must be in accordance with the Architectural Guidelines applicable to

the Project, and no Owner shall landscape the rear lot in such a manner which creates a nuisance to or requires maintenance by an adjacent Owner.

11. **Vehicles and Parking**

11. 1. General Provisions. Garages MUST be used for their primary purpose, parking vehicles. Vehicles MUST be parked in the garage at night unless one or more of the following special circumstances exist:

a. All garage spaces are occupied by other vehicles

b. The Owner has obtained permission from the management company to park in the driveway overnight. In this case the description of the car and the license plate number must be immediately provided to management to prevent the vehicle from being cited.

c. Temporary guests may park in the driveway or curbside providing they have an overnight parking pass displayed on the dashboard or in the windshield of the vehicle. Parking passes will be distributed in the mail or may be printed out from the management company's website. The parking pass must be filled out with The Orchard Owner's address, the date, and the license number of the temporary guest vehicle in which the pass will be displayed.

11.2. Towing. No vehicle may be parked curbside overnight. Vehicles may not be parked in a manner which interferes with any entrance to or exit from the Association property. The Association shall have the power to remove any vehicle within the Project parked in violation of these Rules & Regulations, Vehicle Code § 22658.2, or City ordinances.

11.3. Recreational Vehicles. For purposes of this section, recreational vehicles shall be defined to include: all recreational vehicles, van conversions, motor homes, travel trailers, tent trailers, trailers, camper shells, detached campers, boats, boat trailers, or other similar equipment or vehicles. Recreational vehicles may only be parked in a garage with the door closed or in an area which cannot be seen from any street, Lot, other residence or Common Area. However, owners of recreational vehicles are provided a twenty-four (24) hour leeway period for loading and unloading.

11.4. Inoperable Vehicles. No inoperable vehicle shall be permitted to remain upon any area within the Project in such a manner as to be visible from any street, Common Area, or Lot. Working on vehicles in the driveway is STRICLY PROHIBITED.

11.5. Commercial Vehicles. Commercial vehicles may only be parked in garages. An exception exists for police or other law enforcement vehicles: if any Resident is employed by a law enforcement agency and permitted to drive an agency-owned vehicle home after his or her shift, such vehicles may be parked on the street overnight. For purposes of these Rules, the term “commercial vehicle” is defined to include, without limitation, those vehicles not used for a personal purpose which are used by the driver for commercial or business purposes. Such vehicles may or may not bear commercial license plates, roof racks, ladders, etc. This definition further includes all flat bed trucks, vehicles with utility boxes extending from cab to tailgate, vehicles with material hauling racks, hearses, vehicles with signs or marking of a commercial nature, and/or vehicles used to carry tools and/or equipment of trade, inventory, or products for sale.

11.6. Speeding/Safety Provisions. Drivers must observe all traffic signs, speed limits (15 mph), California Vehicle Code provisions, and City of Indio ordinances. Any motor vehicle, including but not limited to automobiles, trucks, motorcycles, golf carts, motorbikes, mini-bikes and/or motor scooters (hereinafter, collectively, “motor vehicles”), which disturbs the quiet enjoyment of the residents shall be prohibited from use within the Project. No vehicle may be parked against the direction of traffic. Reckless operation in or on any motor vehicle is prohibited. Drivers of any motor vehicles must be properly licensed as if driving on public streets, as determined by State, County and City laws and regulations.

12. **Window Coverings**

12.1. General Provisions. Windows may not be covered by aluminum foil, bedding sheets, blankets, paint, paper or cardboard.

13. **Security**

13.1. General Provisions. Garage doors should be kept closed when a resident is not working in the garage or around the front yard to help minimize the risk of theft.

RULES ENFORCEMENT & FINING SCHEDULE

The Association and/or any Owner have the right to enforce the Association's Governing Documents including CC&Rs and the Rules and Regulations and any other governing documents. This right includes requesting the violator to cease the offending action, taking legal action against the violator and making a complaint to the Board of Directors. Once a resident gives the Board of Directors a written complaint that a rule has been violated, the Board will investigate the allegation and may take action against the offending resident, including but not limited to fining or specially assessing if appropriate, or instituting legal action. However, nothing in this section obligates or requires the Board of Directors or authorized committee to take any action against an individual resident. The Board of Directors, in making a decision to take enforcement action, will determine the costs and benefits of taking such action.

A. DUE PROCESS:

1. Prior to the imposition of any fine, individual reimbursement assessment or suspension of rights, the homeowner shall be given notice and an opportunity to appear in person or in writing before the Board of Directors or appropriate committee.
2. The notice delivered to the Owner by the Board will include (a) a written description of the alleged violation; (b) a reference to the specific provision of the governing documents alleged to have been violated; (c) the date, time and place of the scheduled hearing; (d) and description of the steps necessary to correct the violation and (e) a list of the sanctions which may be imposed at the hearing.
3. The date for the hearing will be no less than fifteen (15) days after the date the notice of hearing is mailed to the Owner. An Owner may attend the hearing, submit a written statement of defense to the Board in advance of the hearing, or both. If the Owner does not attend the hearing but instead submits a statement of defense, the Board shall consider the statement in reaching its decision.
4. The hearing will take place in Executive Session and any decision rendered by the Board will be made after the Owner has had an opportunity to be heard. An Owner is entitled to appeal the Board's decision once. The Board's decision on any such appeal is final and binding on an Owner.

B. ENFORCEMENT GUIDELINES:

GENERALLY, though not necessary, the Association will adhere to the following schedule:

1. First Offense. Warning Letter and Request to Correct Violation (if applicable). Possible fine not to exceed \$100.00, and a special assessment to reimburse the Association for costs incurred in compelling compliance.
2. Second Offense. Possible imposition of fine not to exceed \$300.00, individual assessment to reimburse the Association for costs to compel compliance. Institute Alternative Dispute Resolution and/or Internal Dispute Resolution. Filing of lawsuit.

- 3.** Third Offense. Possible imposition of fine not to exceed \$500.00, individual assessment to reimburse the Association for costs to compel compliance. Institute Alternative Dispute Resolution and/or Internal Dispute Resolution. Filing of lawsuit.
- 4.** Additional Penalties. In addition or in lieu of the penalties listed above, the Board may impose any of the following sanctions:
 - a.** Levy a special assessment;
 - b.** Suspend the Owner's membership privileges, including voting privileges;
 - c.** Enter upon a Lot to perform maintenance which, according to the Declaration, is the responsibility of the Owner;
 - d.** Record a notice of noncompliance if allowed by law.

No action against the Owner may take effect prior to five (5) days after the hearing.

Depending on the severity and frequency of the violation, the choice of enforcement procedure(s) and/or remedies utilized by the Association may vary. Fines will usually vary from \$100.00 to \$500.00. In extreme cases, the fines may be substantially higher. Please note that any monetary penalty imposed for failure of a Member to comply with the Governing Documents may not be characterized as an assessment, which may become a lien against the member's separate interest. However, the HOA may pursue past due fines and dues in court.

The Association reserves the right to institute any of the above-reference enforcement measures at any time.