

TABLE OF CONTENTS

Forward 1

I. General Information..... 1

II. Enforcement Policy..... 1

III. Board of Directors..... 2

IV. Architectural Rules..... 3

V. General Rules 6

VI. Pool Rules 8

VII. Traffic and Parking Rules..... 9

VIII. Assessment Delinquency Policy..... 10

IX. Election Rules..... 13

Mountain Meadows Villaggio Homeowners Association
c/o Anchor Community Management, Inc.
P. O. Box 3237
Camarillo, CA 93011-3237
805-388-3848 ↓ fax: 805-388-0856
After hours emergency line: 805-558-6581
www.anchorcommunitymgt.com/villaggio.htm

FORWARD

The purpose of Mountain Meadows Villaggio Homeowners Association is to preserve, protect and enhance the Villaggio property. To do so, rules must be enforced.

All Villaggio homeowners, by simply purchasing a home in Villaggio, have agreed to abide by the rules set forth by the Villaggio Board of Directors. Please take time to familiarize yourself and any tenants you may have with these rules. Owners are responsible for giving their tenants a copy of these rules and for seeing that tenants abide by them. We encourage you to help us maintain our property values and our quality of life by becoming familiar with and adhering to these Rules and Regulations (R&R's).

The Board of Directors seeks your cooperation and assistance in enforcement of these rules. Complaints, suggestions and /or recommendations must be in writing, signed and submitted to the management company before a violation will be issued. All complaints are kept confidential.

We look forward to your participation in the Villaggio HOA and we hope your residence in the community is a long and happy one.

I. GENERAL INFORMATION

Monthly homeowner assessments are considered late if received after the 15th of the month. If late, a \$10.00 late fee will be applied. If you have an after hours emergency affecting the common area, contact Anchor Community Management at 805-558-6581.

Any written communication with the BOD should be sent to:

Mt. Meadows Villaggio Homeowners Association
c/o Anchor Community Management, Inc.
P.O. Box 3237, Camarillo, CA 93011-3237

II. ENFORCEMENT POLICY

Schedule of Fines, Fees & Penalties

In order to enforce the Documents of the Association, the Board of Directors may levy fines for violations. Prior to any fines being imposed upon a member and per California Civil Code §1363(H), the member will be notified in writing at least 10 days in advance of a hearing date. The owner who committed the alleged violation shall have the opportunity to appeal such violation by speaking before the Board at a hearing.

Within 15 days of the conclusion of the hearing, the Board shall advise the owner in writing whether or not they are imposing a disciplinary action, including a fine. As always, homeowners are encouraged to attend monthly meetings. Fine may be imposed as follows:

- First Offense.....Written Notice
- Second Offense*\$25.00 PENALTY and a hearing before the Board
- Third Offense.....\$50.00 PENALTY
- Subsequent Violations.....\$50.00 PENALTY and subject to legal action, the homeowner is responsible for attorney's fees.

** of the same violation within a twelve month period*

- A. The failure of the Board to enforce the Rules and Regulations of the Association, the CC&R's or the By-Laws in any instances SHALL NOT constitute a waiver of the right to enforce the same thereafter.

- B. Any Association member may report a violation of these Rules & Regulations, the By-Laws and/or the CC&R's.
- C. All reports are to be made IN WRITING, stating nature of violation, date and time where possible and, where relevant, vehicle identification (make, model, and license plate number) to the Board of Directors through the management company. All persons reporting a violation must identify themselves to the Board/management company.
- D. In order to enforce the CC&R's, By-Laws, and Rules and Regulations, the Board of Directors may levy, assess and cover such costs as time and labor, legal expense, postage, etc. for violation of published Rules and Regulations governing the use of the common area. The fines shall be assessed against the homeowner involved for the violations by the owner, members of his or her family, or by any invitee, licensee or lessee of such owner.
- E. In the event a penalty is not paid within thirty (30) days from date of levy, or in the event that homeowner continues violations after warning and initial penalty, and following a reasonable time for appeal and hearing by the homeowner before the Board of Directors, legal action may be taken for its collection, including the collection of legal fees and court costs. All monetary penalties are immediately due and payable.
- F. A homeowners' association has a wide range of possible discipline actions it can impose upon an owner in violation of the governing documents, including monetary fines, suspension of voting rights, and suspension of privileges (such as use of portions of the common area). When the Board of Directors is to meet to consider or impose discipline upon a member, the Board shall notify the member in writing by either personal delivery or first-class mail, at least 10 days prior to the meeting. The notification shall contain, at a minimum, the date, time and place of the meeting, the nature of the alleged violation for which a member may be disciplined, and a statement that the member has a right to attend and may address the Board at a meeting. The Board of Directors shall meet in executive session if requested by the member being disciplined. If the Board imposes discipline on a member, the board shall provide the member a written notification of the disciplinary action, by either personal delivery or first-class mail, within 15 days following the action.
- G. Offenses that are of sufficient gravity, or of an immediate danger to life or property, shall be brought to the attention of the Moorpark City Code Enforcement, Police or Fire Departments as appropriate and the Association's attorney for immediate rules enforcement action.

III. BOARD OF DIRECTORS

The Board of Directors (BOD) is elected each year for the purpose of conducting Association business. The Board terms are staggered so that one year, 3 directors are elected and the next year, two directors are elected.

- A. Meetings of the BOD are held on the fourth Monday of each month at 7:00 PM in the cabana. You are encouraged to attend to better understand the issues and problems facing the Association. You are also encouraged to come and address the Board on any matter of concern to the Association.
- B. In Accordance with California Civil Code, Section 1363, the Board of Directors of Mountain Meadows Villaggio has adopted the following resolution regarding the manner in which all meetings will be conducted:
 - 1. All meetings of the Association shall be conducted in accordance with Roberts Rules of Order.

2. All members shall be recognized by the Chairman before speaking.
3. When speaking, limit all comments to the time allowed by the Chairman of the meeting.

IV. ARCHITECTURAL RULES

The following rules and regulations regarding homeowner architectural plans and designs have been created by the Board of Directors (BOD) of the Mountain Meadows Villaggio Homeowners Association, which also acts as the Architectural Committee. Authority to create and enforce these rules is granted by the Conditions, Covenants and Restrictions (CC&R's) and the By-Laws of the Mountain Meadows Villaggio Homeowners Association.

Compliance with these rules is mandatory. Failure to do so may result in significant individual expense.

Architectural approval will always be conditional on the aesthetic appearance of the changes or additions contemplated by the homeowner as well as their harmony in relation to the surrounding properties and the neighborhood as a whole. It is best to assume that any change you may wish to make to the outside of your home that will be visible from the street or will extend above the height of your wall, will require prior approval. When in doubt, submit a request.

Refer to, Article IX, Section 1 of the CC&R's for clarification on architectural approval.

A. ARCHITECTURAL GUIDELINES

PURPOSE AND INTENT

The purpose of the following guidelines is to protect the value, desirability and attractiveness of Villaggio while permitting the flexibility required to consider appropriate designs and achieve a functionally and visually integrated community. The homeowner is responsible for obtaining Architectural Committee Approval for any changes to the exterior of the home, outside structures and landscaping, which fall within the Architectural Guidelines. If unapproved changes come to the attention of the Association, the homeowner will be required to conform to the existing guidelines.

These guidelines will help direct you when submitting your plans:

1. Front of Home - Any changes to the exterior of the unit must first be approved by the Board or architectural committee.
2. Rear and Side of House Additions
 - a. Plans must be submitted for any structure which will extend above the height of your wall and/or be visible from the street, prior to commencing construction.
 - b. All patio covers, decks (balconies), gazebos, etc., must have approval prior to installation.
 - c. Patio covers are subject to the following restrictions:
 - 1) Only open beam roof construction is acceptable.
 - 2) Materials must be redwood or treated lumber painted to match the house or painted white. Submit paint color chip along with plans. Note: If you prefer to match the color of the house rather than using white paint, be aware that when the house is repainted, if the patio color does not match the house, you will be required to repaint it.

- 3) Any damage to stucco must be repaired.
 - d. Adding a deck to your home is not permitted.
3. Miscellaneous
- a. All phone and television wiring must not be visible on exterior.
 - b. Modifications to exterior gutter and downspout will not be allowed, as these are the responsibility of the Association.
 - c. Only approved porch light fixtures may be installed. Call management for approved type.
 - d. No television antenna, satellite dish, etc., shall be constructed, erected or maintained on any building or connected in such a manner as be visible from the outside of any such building unless approved by the Architectural Committee. These devices can be used for the purpose of video reception only, as defined in the Federal Telecommunications Act of 1996. The Association requires video receptors to be placed so they cannot be seen from the street or common area, so long as installation as required does not impair signal reception.

B. SATELLITE DISH INSTALLATION POLICY

The purpose of the Satellite Dish Installation Policy is to maintain a favorable appearance in the Villaggio Homeowners Association development that is fair for all homeowners. The approval process for the placement and installation of the satellite dish is to ensure the structural integrity of the common area in on which the satellite dish maybe installed.

Home owners who want to install a satellite dish at their unit are required to obtain approval prior to installation by the Board of Directors.

APPLICATION PROCESS

Prior to installation, the homeowner will present the following in writing using the Associations Architectural Request Form and include the following attachments to the Architectural Committee:

- The location for mounting the satellite dish.
- The size of the satellite dish.
- Specifications for installation by the manufacturer.
- Specifications for installation by the installer.
- The location for entry of the cable wiring into the unit
- The homeowner must sign and date the above specifications acknowledging they understand the specifications.

Owners who install a satellite prior to Board approval are responsible for the cost of relocating and repairing incorrect installations and may be subject to fines.

SPECIFICATIONS FOR INSTALLATION

Installation plans will be reviewed and approved on an individual basis using the following guidelines from the Federal Communications Commission (47 C.F.R. Section 1.4000) and DBS Inc, www.dbsinstall.com, a professional satellite system installation service.

Only satellite dishes of approximately 1 meter (18 inches) will be approved. Satellite dish location should not be visible from the street.

Satellite dish installation shall be in the exclusive common area as define in the Villaggio Homeowners Association CC&R's and the F.C.C. ruling 47 C.F.R. Section 1.4000. If installation is not possible in the exclusive common area, the Board will determine the site based on what is best for the homeowner and the Association.

Cable wiring shall not be run along the outside walls or roof eaves. The cable wiring shall terminate to the inside walls or attic of the owners unit in the shortest, least noticeable location possible with not more than 2 feet of cable wiring exposed using the guidelines recommended by DBS Inc.

Roof access is prohibited. Installation using the roof for access is not permitted. Homeowners will be liable for cracked tiles, roof leaks or any damage caused to the roof structure.

The homeowner is encouraged to install the satellite dish in their exclusive common area.

After installation is complete, a final inspection will be required to ensure the work was done according to the approved Architectural Plan before final approval.

GUIDELINES

The homeowner will be required to utilize a reputable company for the dish installation. The contractor shall be licensed and insured.

The homeowner shall comply with all city, state and federal regulations relative to dish installation and use and obtain permits where applicable.

The homeowner shall be responsible for all maintenance, repair and replacement of the satellite dish, as well as any damage to the buildings, grounds or common areas as a result of the installation and removal.

The homeowner selling their unit shall remove the satellite dish installation and restore the installation location back to its original condition before Escrow closes.

Subject to the approval of the Board of Directors, the new owner buying the unit who wants to keep the satellite shall request in writing by signing this form that they will comply with the rules of this policy. The Property Manager will file and attach it to the original Architectural Request.

Satellite dish installation must be done in a manner so as not to distract or create a nuisance for neighboring units.

C. ARCHITECTURAL SUBMITTAL PROCEDURES

All requests should be sent to:

Mt. Meadows Villaggio Homeowners Association
c/o Anchor Community Management, Inc.
P.O. Box 3237, Camarillo, CA 93011-3237

1. Submit two (2) copies of your request, which should include your name, address and phone number, so that your request can be returned to you.
2. Approval by the Architectural Committee does not constitute approval by the City, and Approval by the City does not constitute approval by the Architectural Committee.

3. All submissions to the Architectural Committee must be in writing on the application form prepared for such purpose. Forms are available through the management office, or on line at www.anchorcommunitymgt.com/villaggio.htm. Submit the application form along with a copy of a plot plan, floor plan, exterior elevations, or other such drawings as may be required to adequately represent the proposed improvements. Plans must be drawn to a commonly accepted scale and include the following:
 - a. Subject property showing property lines and adjacent streets.
 - b. Name, address, email address and telephone number of the owner.
 - c. Location of the structure on the lot.
 - d. Requests for a new roof should include the existing or proposed color of the house.
4. When the form has been filled in, it must be sent to the Management Company. The owner may attend the Architectural Committee meeting.
5. The Management Company, upon receipt will stamp the date on the form, provide the form to the Architectural Committee or the Board of Directors, and send an acknowledgment card to the homeowner. The card will have the date the request was received noted. The homeowner will have a response from the Management Company within 30 days of the date the request was received.
6. The Management Company sends a letter to the homeowner indicating approval or disapproval of the architectural request. If disapproved, the letter will indicate a reason for disapproval.
7. The Architectural Committee or the Management Company will maintain records for all requests submitted whether approved or denied.
8. The architectural request is approved by default if no response is mailed to the applicant by the end of the 30th day from the date of receipt by the Management Company.

V. GENERAL RULES

- A. All homeowners, children, and guests may not cause damage to the landscaping, litter or discard cigarette butts in the common areas.
- B. Roller skates, skateboards, bicycles and all powered vehicles are not to be ridden in the landscaped or common areas, nor is playing allowed in the planter areas.
- C. 'For Sale' or 'for Lease' signs may be installed on an owner's separate interest or real property, or on the real property owned by others with their consent, if they are of reasonable dimensions and design and do not adversely affect public safety, including traffic safety, as determined by the city, county or city and county, advertising the following:
 1. That the property is for sale, lease or exchange by the owner or his or her agent.
 2. Directions to the property
 3. The owner's or agent's name
 4. The owner's or agent's address and telephone number.
 5. Signs may not be installed on real property owned by others without their consent, i.e.; signs may not be installed in common areas without the consent of the Homeowners Association.

- D. Dogs may be walked in the common areas but owners are required to comply with the City of Moorpark leash laws. Owners are to pick up all solid waste from their animals. No pets are to be tied up in the common areas.
- E. Destruction of landscaping (i.e. shrubs, trees, grass, walls, sprinklers, etc.), whether willful or unintentional, will be dealt with on an individual basis, and repair or replacement will be charged directly to the responsible homeowner using any and all applicable legal remedies. This will include any “accidental” destruction to plant material resulting from basketball games, street hockey and other types of sporting activities.
- F. Homeowners may not plant in common areas, without prior written approval from the Board. These areas are maintained by the Association.
- G. Garden hoses, when not in use, shall be stored out of sight.
- H. Umbrellas are allowed on decks but may not be left in the open position unless someone is on the deck. Open umbrellas are subject to being swept away when it is windy and present a liability to others.
- I. No benches, chairs, pots, etc. are permitted on the decks and balconies unless approved by the Architectural Committee.
- J. No decorative items, (i.e. statues, bird baths, fountains, etc.), are permitted to be displayed on the decks and balconies unless approved by the Architectural Committee.
- K. Hanging plants and other items may not be attached to the exterior, including deck areas, via nails, screws or other methods that intrude into the deck slats or building.
- L. Decks and balconies should be regularly cleaned and kept reasonably free of stains.
- M. Deck and balcony furniture should have a minimum 2” rubber foot in order to safeguard against puncture to the deck surface.
- N. Indoor/outdoor carpet and/or Astro-turf type materials may not be installed on the deck and balcony surfaces as they will cause rapid deterioration or the deck and balcony surface.
- O. In order to preserve a neat and uncluttered look in our neighborhood, all unsightly items, i.e. playhouses, tools, play equipment, toys, etc. must be removed from view of the street after use each day. Landscaped areas, common areas and sidewalks are to be kept free of all unattended toys, bicycles, skateboards, etc. at all times.
- P. Per the City of Moorpark ordinance, trash cans must be stored behind your fence or in the garage. Rubbish containers may be set out no earlier than the evening of the day prior to pick-up and must be stored out of sight again no later than midnight on the day of collection.
- Q. No part of the property may be used for business, manufacturing, storing, vending, or any other non-residential purpose.
- R. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding may be used a residence. Garages may not be used as living quarters nor may they be converted for another use other than parking.
- S. Garage doors are to remain closed at all times, except when someone is in attendance. Garage doors must be kept clean at all times or owners will be billed the cost of the association cleaning doors.
- T. No noxious or offensive activity may be carried on upon the Villaggio property.
- U. Holiday lights and decorations must be taken down no later than 10 days following the

holiday.

- V. Notify management if you are doing construction projects, so that the Association is aware of trucks on the property, etc. The homeowner is responsible for all damages caused by their construction projects.

VI. POOL RULES

These rules and regulations govern the entire area enclosed within the fenced in area, which includes the pool, spa, recreation room, bathrooms, and the area surrounding such facilities and are for the health, safety and well being of all persons using this area (the entire area will be referred to herein as 'pool/spa" area unless more specifically identified). These rules and regulations are minimum standards and all persons should use common sense and preserve the safety of themselves, family members, guests and all others.

- A. Only homeowners, their immediate family or guests are allowed to use the pool/spa area. The maximum number of guests at any one given time in the pool area is four (4). More than four (4) guests will be permitted, if arranged and approved by the Cabana Coordinator.
- B. Homeowners, family and guests use the pool/spa at their own risk.
- C. Children under the age of fourteen (14) are to be closely and continuously supervised by an adult, aged eighteen (18) or older, whenever they are in the pool/spa area.
- D. All persons are to conduct themselves in a quiet and courteous manner.
- E. Entry and exit to/from the pool/spa area will be via the pool gate only, and by use of the resident homeowner's pool key. There will be a **\$100.00** charge for a replacement key. The pool area gate is to remain locked after entering and exiting.
- F. Upon request of any resident homeowner or security or pool monitor a person in the pool/spa area must show his/her pool key or identify the homeowner with whom he/she is a guest. If the person cannot comply, he/she must leave the pool/spa area.
- G. No running, pushing or rough-housing, diving or jumping into pool or spa allowed. The tossing of objects into the pool or spa is strictly prohibited.
- H. Please keep noise to a minimum and don't use profanity.
- I. No glass or alcoholic beverages allowed at pool & spa. No inebriated people allowed at pool or spa.
- J. No food or beverages are allowed in the pool.
- K. Radios, tape players, televisions and other such items are permitted with personal headphones only.
- L. Animals are prohibited in the pool/spa area per the Ventura County Environmental Department ordinances, pets are not allowed in pool or spa areas. Violators will be levied an assessment totaling the actual costs involved in cleaning the pool or spa.
- M. No toys, pets, bicycles, skateboards, rollerblades, Styrofoam or inflatable devices is allowed in the pool and spa area.
- N. Cutoffs and street clothing are prohibited in the pool/spa. Swimming attire must be worn.
- O. All persons shall use the shower, prior to using the pool/spa.
- P. All babies should wear disposable diapers with rubber pants or cloth diapers with rubber

pants.

- Q. No litter is to be left in pool or spa areas.
- R. Smoking is not allowed in pool or spa areas including the clubhouse.
- S. All complaints regarding the violations of rules or misuse of the pool/spa area must be in writing and signed. Complaints must contain relevant facts and identities. Mail complaints to:

Mt. Meadows Villaggio Homeowners Association
Anchor Community Management, Inc.
P.O. Box 3237, Camarillo, CA 93011-3237

S. POOL HOURS

9 AM - 10 PM - Sunday-Thursday

9 AM - 11 PM - Friday & Saturday

WARNING!!! NO LIFEGUARDS ON DUTY, SWIM AT YOUR OWN RISK!!!

WARNING!! Failure to comply with the pool/spa rules or misuse of the pool/spa recreation area facilities and equipment will not be tolerated and will subject the responsible homeowner(s) to possible fines and/or loss of pool/spa privileges as determined by the HOA Board of Directors.

VII. TRAFFIC & PARKING RULES

- A. All parking spaces within the Villaggio complex, including pool-parking spaces, are designated for guests. The only exception to this is when street cleaning days occur on the first and third Tuesday of the month, from 8:00-12:00noon, residents may park in the complex from 6:30pm on the Monday before these street cleaning days until 6:30pm on the Tuesday of the street cleaning days. Villaggio residents are allowed to park in guest parking (due to street cleaning) during these times only.
- B. Vehicles parking in guest parking spaces must belong to guests and not residents. Guest passes, formerly obtained from the management company are no longer necessary. Residents who park in guest parking will be issued one warning 48 hours prior to being towed. This is a one time courtesy forgiveness.
- C. Guests may park for a maximum of seven (7) days within a thirty (30) day period. The only exception to this rule is if the security company or the board has issued an exception. A warning will be issued by the security company on the 7th day within that 30 day period that the guest vehicle has parked in guest parking. The guest vehicle will then be towed on the 8th day within the last 30 days.
- D. The speed limit is 10 mph in Villaggio.
- E. There is no parking in common area driveways as they are designated FIRE LANES. All areas in front of garages or anywhere in Villaggio that is not designated guest parking is a fire lane.
- F. Automobile/vehicle repairs may be made only within garages.
- G. No mobile home, boat, trailer, or any type of recreational vehicles shall be kept, stored, repaired, serviced, overhauled, or parked on any property with in the complex (within a garage is acceptable).
- H. All vehicles involved in parking violations are subject to a warning citation or being towed.

Towing is at the owner's expense. Enforcement shall be accomplished by means of the Vehicle Code (City of Moorpark Police), private parking enforcement and security companies who tow. The following parking violations are subject to immediate towing at the owner's expense. **No warning will be given.**

1. Any unattended vehicle parked in a "FIRE LANE". All streets within the complex are "FIRE LANES" and must be kept clear for emergency vehicles.
 2. Any unattended vehicle parked parallel to the curb or parallel to their garage.
 3. Any unattended vehicle parked in such a manner as to prevent ready access to mailboxes, or another resident's garage.
 4. Any vehicle which appears to be inoperable, abandoned, not currently registered or not moved on a regular basis. Storage of any vehicles in guest parking is prohibited.
- I. Homeowners/tenants are responsible for informing their guests and invitees of these Villaggio Homeowner Association Traffic & Parking Rules, and are responsible for the behavior of their guests. Homeowners/tenants are responsible for providing the management company and Gold Coast Security with current vehicle license information by submitting an owner/tenant information form.

VIII. ASSESSMENT DELINQUENCY POLICY

Timely payment of regular assessments is of critical importance to the Association. Members' failure to pay monthly assessments when due creates a cash-flow problem for the Association and causes those owners who make timely payment of their assessments to pay a disproportionate share of the community's financial obligations. Therefore, the Board of Directors has enacted the following policies and procedures concerning collection of delinquent assessment accounts, which incorporate the provisions of the California Civil Code Sec. 1350-1373, and Villaggio's CC&R's.

- A. All regular assessments shall be due and payable, in advance, in equal monthly installments, on the first day of each month, in addition to all regular services and penalties (if applicable). A courtesy billing statement is sent each month to the billing address on record with the Association. **It is the owner of record's responsibility, however, to pay each assessment in full each month regardless of whether a statement is received.**
- B. Special assessments shall be due and payable on the due date specified by the Board in the notice imposing the assessment, or in the ballot presenting the special assessment to the members for approval, but in no event earlier than thirty (30) days after the special assessment is duly imposed.
- C. Regular assessments and special assessments shall be delinquent if not paid within fifteen (15) days after they become due.
- D. If an installment payment of a regular assessment or payment of a special assessment is not made within fifteen (15) days after it has become due, a late payment charge of \$10 shall be imposed, and the Association shall be entitled to recover any reasonable collection costs, including attorney fees, that the Association incurs in its efforts to collect the delinquent sums.
- E. If an assessment is unpaid for more than thirty (30) days after it is due, interest shall be imposed on all sums due, including the delinquent assessment, collection costs and late charges, at an annual percentage rate of twelve percent (12%).

- F. If an assessment is unpaid for more than thirty (30) days after it is due, the Association will send a written warning (pre-lien letter) via first class and certified mail to the owner of record. There is an administrative charge for this action, plus the cost of certified postage. The owner has the right to request internal dispute resolution ("IDR"), upon receipt of the pre-lien letter.
- G. If the assessment is unpaid after 30 days following the postmark of the pre-lien letter and fails to request IDR, the Board shall decide, by majority vote in an open meeting, whether to authorize the management company to record a lien in the Los Angeles County Recorder's Office against the property concerning all sums that are delinquent, including delinquent assessments, plus late charges, costs and reasonable attorney fees. There is an additional administrative/recording charge for this action. Additional charges and costs are incurred by the owner to record a Release of Lien after payment in full.
- H. If an assessment is unpaid for more than thirty (30) days after recordation of the lien, the Association may refer the matter to its attorney or trustee or other such designated agent for collection. The Association may cause an action at law to be brought against the owner who is personally obligated to pay the delinquent assessment, or may cause a judicial or non-judicial foreclosure proceeding to be initiated to foreclose its lien against the owner's unit, when the delinquent assessment amount totals One Thousand, Eight Hundred Dollars (\$1,800) or more, *or* the assessments are delinquent for more than twelve (12) months. If a lawsuit or foreclosure procedure is initiated by the Association to recover assessments, the Association is entitled by law (Civil Code Section §1366) and by the Declaration of the Covenants, Conditions and Restrictions (CC&R's) of the Villaggio Homeowners Association to recover not only the amount in default, plus late charges and interest, but also reasonable costs of collection, including title company charges and attorney fees. **You could lose ownership of your property if a foreclosure action is completed.**
- I. The decision to foreclose on a lien must be made by a majority of the Board of Directors in an Executive Session meeting and the Board of Directors must record their votes in the minutes of the next open meeting of the Board. The Board must maintain the confidentiality of the delinquent owner(s) by identifying the matter in the minutes by only the parcel number of the owner's property. Prior to initiating any foreclosure sale on a recorded lien, the Association shall offer delinquent homeowners the option of participating in IDR or Alternative Dispute Resolution ("ADR"). An owner has the right to request alternative dispute resolution with a neutral third party pursuant to Civil Code Section 1369.510 et seq. before the Association may initiate foreclosure against the owner's separate interest, except that binding arbitration shall not be available if the Association intends to initiate a judicial foreclosure.
- J. Any payments made shall be first applied to assessments owed, and only after the assessments owed are paid in full shall such payments be applied to late charges, interest, and collection expenses, unless the owner and the Association enter into an agreement providing for payments to be applied in a different manner. Payments received on delinquent assessments will be applied to the owner's account by the balance forward payment method, i.e., in reverse order so that the oldest arrearage is retired first. Thus, an owner's failure to pay interest or late charges on delinquent assessments will result in continued delinquencies.
- K. Any owner who is unable to pay an assessment will be entitled to make a written request for a payment plan to be considered by the Board of Directors. An owner may also request to meet with the Board in executive session to discuss a payment plan if the request is mailed

within fifteen (15) days of the postmark date of the pre-lien letter. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. Payment plans shall not interfere with the Association's ability to record a lien on an owner's separate interest to secure payment for the owner's delinquent assessments. If a payment plan is approved, additional late fees from the homeowner will not accrue while the owner remains current under the terms of the payment plan. If the owner breaches an approved payment plan, the Association may resume its collection action from the time the payment plan was approved.

- L. If an owner disputes any late charge or other charge levied by the Association, the owner is obligated to pay the amount in question despite such ongoing dispute and will be entitled to a refund or credit if the dispute is resolved in the owner's favor.
- M. Nothing herein limits or otherwise affects the Association's right to proceed in any lawful manner to collect any delinquent sums owed to the Association. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and costs of collection, including attorney's fees, must be paid in full to the Association.
- N. There is no right of offset. An owner may not withhold assessments owed to the Association on the alleged grounds that the owner is entitled to recover money or damages from the Association for some other obligation.
- O. The Association shall charge the owner a Twenty Dollar (\$20) fee for any check returned unpaid by the owner's bank.
- P. Until the owner has paid all amounts due, including delinquent assessments, late charges, interest, and costs of collection, including attorneys' fees, the Board of Directors may suspend the owner's right to vote, after providing the owner with a duly noticed hearing pursuant to Civil Code Section 1363(h). However, any suspension imposed shall not prevent the delinquent owner from the use, benefit and pleasure of the owner's lot.
- Q. **The mailing address for overnight payment of assessments is: Villaggio Homeowners Association, c/o Anchor Community Management, Inc. 215 E. Daily Drive, Suite 10, Camarillo, CA 93010.**

We hope that you will never be subject to the above procedures. We appreciate your cooperation and understanding regarding the critical importance of assessment collections.

CHRONOLOGICAL CHART - DELINQUENCIES

Day	Action/event
1	Assessment due
15	Unpaid assessment becomes delinquent. A \$10.00 late fee is applied.
30	If account is still delinquent, interest shall be imposed on all sums due, including the delinquent assessment, collection costs and late charges, at an annual rate of 12%
30	A Notice of Delinquency (Pre-Lien) is sent via 1 st Class and Certified mail, detailing the amount due, the collection procedures of the Association, an itemized statement of the charges owed by the owner including the principal amount, any late charges and the method of calculation, and any attorney's fees, and a statement detailing that any payments towards such a debt shall first be applied to the principal owed, and only after the principal owed is paid in full shall such payments be applied to interest or collection expenses (Calif. Civil Code Section §1367). Administrative charge + Certified mail fee.

- 60 The member will have thirty (30) calendar days to cure the payment delinquency. If the delinquency is not cured within thirty (30) calendar days of the Pre-Lien letter, a NOTICE OF ASSESSMENT (Claim of Lien) will be filed on the member's property (administrative/recording charge).
- 90 Lawsuit or foreclosure procedure or Small Claims Action may be filed (lien service, attorney or paralegal hourly rates + costs).

IX. ELECTION RULES

Pursuant to California Civil Code Section 1363.03, the following rules and procedures shall apply for the Election and Removal of Directors.

- A. Meeting at Which Secret Ballots Shall Be Tabulated.
1. The inspector(s) of election shall tabulate the ballots for the election of directors at the annual meeting of the owners or, if no quorum is present, at an adjourned meeting duly noticed. The Board of Directors shall determine the date, time and place of said annual meeting and/or adjourned annual meeting of the owners in accordance with the Association's Bylaws.
- B. Nomination of Candidates.
1. At least sixty (60) days before the date of the meeting at which the ballots for the election of directors are to be counted, the Association shall mail to each owner a Candidate Nomination Form.
 2. According to the Association's Bylaws "The affairs of this Association shall be managed by a Board of five (5) directors, who need not be members of the Association." [Bylaws, Article IV, Section 1.] Board members shall serve for two (2) year terms, elected in staggered terms, [per amendment of the Bylaws approved by the membership, June 2001].
 3. "Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. In the event that a member of the Nominating Committee shall die, become incapacitated, resign or cease to be a member of the Association, the Board of Directors, at the next regular meeting, shall appoint a replacement member to the Nominating Committee. The Nominating Committee shall make as many nominations for the election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members." [Bylaws, Article V, Section 1]
 4. Any candidate nominated by another person, prior to the deadline for nominations by the candidate nomination form, will be contacted to confirm that such candidate consents to having his or her name placed in nomination for election to the Board. Write-in candidates and candidates nominated from the floor, at the meeting, must be present to accept said nomination.
 5. All candidates who meet the qualifications to serve on the Board, if any, and, if

appropriate, have confirmed their willingness to run for election to the Board, shall be listed on the secret ballot.

6. The Candidate Nomination Form must be returned to the Association at the address provided on, and by the deadline stated on, such form, which deadline must be at least thirty (30) days before the date the ballots for the election of directors are scheduled to be counted.

C. Inspector(s) of Election.

1. The Board shall appoint one or three independent third party(ies) as inspector(s) of election after the close of candidate nominations, but before the secret ballots are mailed to all of the owners. An independent third party includes, but is not limited to:
 - a. a volunteer poll worker with the county registrar of voters;
 - b. a licensee of the California Board of Accountancy;
 - c. a notary public;
 - d. a member of the Association provided such member is not a member of the Board of Directors or a candidate for the Board of Directors or related to a member of the Board of Directors or a candidate for the Board of Directors; and,
 - e. a person who is currently employed or under contract to the Association for any compensable services.
2. Prior to the secret ballots being mailed to all of the owners, the inspector(s) of election shall meet to determine to whom the secret ballots shall be returned (the "Ballot Collector"), which may be the Association's property manager, if any.
3. The inspector(s) of election shall also do all of the following:
 - a. determine the number of memberships entitled to vote and the voting power of each.
 - b. determine the authenticity, validity, and effect of ballots, proxies, etc., if any;
 - c. receive ballots;
 - d. hear and determine all challenges and questions in any way arising out of or in connection with the right to vote;
 - e. count and tabulate all votes;
 - f. determine when the polls shall close;
 - g. determine the result of the election;
 - h. perform any acts as may be proper to conduct the election with fairness to all members in accordance with this section and all applicable rules of the Association regarding the conduct of the election that are not in conflict with this section.
4. The inspector(s) of election may appoint and oversee additional persons to count and tabulate the votes as the inspector(s) deem(s) appropriate.
5. An inspector of election shall perform his or her duties impartially, in good faith, to the best of his or her ability, and as expeditiously as is practical. The decision or act of a majority shall be effective in all respects as the decision or act of all.
6. Any report made by the inspector or inspector(s) of election is prima facie evidence of the facts stated in the report.

7. The Board may remove and replace any inspector of election prior to the tabulation of ballots if an inspector of election resigns or if the Board reasonably determines that an inspector of election will not be able to perform his or her duties impartially and in good faith.

D. Secret Ballot Procedure; Record Date.

1. Ballots and two pre-addressed envelopes with instructions on how to return ballots shall be mailed by first-class mail or delivered by the Association to every member not less than 30 days prior to the deadline for voting.
2. Ballots must ensure the confidentiality of the voters.
 - a. A voter may not be identified by name, address, or lot, parcel, or unit number on the ballot;
 - b. The ballot may not require the signature of the voter;
 - c. The ballot itself is inserted into an envelope that is sealed. This envelope is inserted into a second envelope that is sealed. In the upper left hand corner of the second envelope, the voter prints and signs his or her name, address (separate interest identifier) with unit number if any, that entitles him or her to vote. The second envelope is addressed to the inspector(s) of election of the Association, who will be tallying the votes. Failure to do so will invalidate the ballot and member's vote.
3. Owners may return their secret ballot by mail, hand deliver it to the meeting or complete the ballot at the meeting; provided, only those ballots which are delivered to the inspector(s) of election prior to the polls closing shall be counted.
4. A member may submit a written request to the Association for a receipt for delivery of the election materials.
5. The record date for purposes of voting shall be the date the ballots are mailed to all of the owners.
6. Once cast, secret ballots cannot be revoked; they are irrevocable.
7. The polls shall open on the date the ballots are mailed, and close when the voting period is officially closed at the annual membership meeting by the Inspectors of Election.

E. Campaigning.

1. All candidates or members advocating a point of view during a campaign, including those not endorsed by the Board, shall be provided equal access to Association media, newsletters, or Internet Web sites (if any) for purposes that are reasonably related to the election. The Association may not edit or redact any content from these communications, but may include a statement specifying that the candidate or member, and not the Association, is responsible for that content.
2. All candidates, including those who are not incumbents, and all members advocating a point of view, including those not endorsed by the Board, for purposes reasonably related to the election, shall be provided equal access to any common area meeting space, if any exists, during a campaign at no cost.

F. Handling of Ballots.

1. As secret ballots are returned to the Ballot Collector, the Ballot Collector shall check off on a sign-in sheet that a ballot has been received for such a resident. The first secret ballot

received for any residence shall be the ballot which is counted. Any subsequent ballots for the same residence which are received shall be deemed invalid and shall be discarded.

2. The sealed ballots at all times shall be in the custody of the inspector(s) of election, Ballot Collector, or at a location designated by the inspector(s) until delivered to the inspector(s) at the meeting for the opening of the ballots and the tabulation of the vote. After the counting of the ballots and the certification of the election results by the inspector(s) of election, the ballots shall be transferred to the Association.
3. No person, including a member of the Association or an employee of the management company, shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated.
4. After tabulation, election ballots shall be stored by the Association in a secure place for no less than one year after the date of the election. In the event of a recount or other challenge to the election process, the Association shall, upon written request, make the ballots available for inspection and review by members or their authorized representatives. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote.

G. Tabulation of Votes; Quorum Requirement.

1. All votes shall be counted and tabulated by the inspector(s) of election in public at a properly noticed open meeting of the members or of the Board, at which a quorum of members or a quorum of Board members, as the case may be, must be present.
2. The inspector(s) of election shall confirm that no more than one ballot was returned for each residence.
3. Any candidate or other member of the Association may witness the counting and tabulation of the votes.
4. The inspector(s) of election may establish a physical boundary or buffer zone around them during the tabulation of ballots.
5. In order for the vote for the election of directors to be valid, ballots must be returned by at least a quorum of the owners.

H. Announcement of Results.

1. The results of the election shall be promptly reported to the Board of Directors and shall be recorded in the minutes of the next meeting of the Board of Directors and shall be available for review by members of the Association.
2. Upon certification of the election results by the inspector(s) of election, the newly elected Board members shall be deemed to have taken office.
3. Within 15 days of the election, the Board shall publicize the results of the election in a communication directed to all members.

I. Other Voting/Campaign Issues.

1. The total number of memberships entitled to vote equals the total number of residences in the Association. However, owners whose voting rights have been suspended in accordance with the Association's governing documents after notice and hearing shall not be entitled to vote.
2. "...A member shall be entitled to cumulate his or her vote for one or more candidates for the governing body if the candidate's name has been placed in nomination prior to voting

and if the member has given notice at the meeting prior to the voting of his or her intention to cumulate votes. If cumulative voting is in effect, each member entitled to vote at any election for directors may cumulate his votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which his Unit or Units are entitled, or distribute his votes on the same principle among as many candidates as he thinks fit. The candidates receiving the highest number of votes up to the number of directors to be elected are elected." [Bylaws, Article V, Section 2]

3. Association funds may not be used for "campaign purposes" in connection with any board election. The term "campaign purposes" is defined to include, without limitation, (1) "expressly advocating the election or defeat" of any candidate that is on the ballot; or (2) "including the photograph or prominently featuring the name of a candidate on a communication" from the association (except the ballot and voting materials and equal access communications sent pursuant to the Section, above, entitled "Campaigning").
4. The Board of Directors may enact and implement a "Meeting Code of Conduct" to govern the conduct of members at meetings.