



NEPENTHE ASSOCIATION COMMUNITY RULES



This is the third revision of the Nepenthe Association Community Rules, effective April 2017.

Using the authority granted to it in Section 6.6. (a)(ii)(E) of the CC&Rs, the Board of Directors may, from time to time, adopt new or revised rules and regulations that change these Community Rules.

All new or revised rules will be incorporated into this document as soon as possible. Members will be notified when a revision of these rules is adopted and will be provided a link to the latest revision on the website. Members who prefer to receive the latest revision of these rules as a printed document may request a printed copy from the Club-house front desk.

The latest version of these rules is always available on the Association's website, shown below. A printed copy of the latest version is available for viewing at the front desk.

<http://NepentheHOA.com>

Adopted by the Board of Directors on May 17, 2017.

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Section 1. Introduction

The beauty, tranquility and harmony of design of our community were principle elements in the decision we each made to invest here and make Nepenthe our home. This inspiration also was the focus in creating and revising our Community Rules. It is hoped that these proven standards will preclude problems and enhance our community spirit.

While not all activities and situations are identified herein, these rules provide a simple, reasonable, and effective guideline from which everyone can benefit. Common courtesy, sensible behavior and respect for others remain the best practices in any social environment.

The Nepenthe Association is organized as a common interest development under the laws of the State of California. Owning a home within a common interest development is different from owning a standalone dwelling. The Nepenthe Association owns common property, such as our two private streets, the Clubhouse and various amenities.

Years of experience in common interest developments have shown that it is necessary for the owners of common property to come to an agreement, in writing, on how the jointly owned property should be managed and used. These Community Rules are that agreement. The goals of this document are:

- To enhance each member's enjoyment of their personal residence and the Common Areas and Facilities of the Association.
- To highlight or clarify certain portions of our *Covenants, Conditions, and Restrictions* (CC&Rs).
- To help protect, maintain and enhance the value of our shared assets.
- To maintain reasonable order and peace within our organization and community.

The *Declaration of Covenants, Conditions, and Restrictions for Nepenthe Association* (CC&Rs), and the *Bylaws of the Nepenthe Association* (Bylaws), are the two legal documents that provide the basis for the creation of "Community Rules". This document is intended to implement applicable provisions from the CC&Rs and the Bylaws as well as additional rules and regulations created by the Nepenthe Association Board of Directors using the authority granted to the Board in CC&R, Sec. 6.6. (a)(ii)(E), and in the Bylaws. If any disagreement is discovered among these Community Rules and Regulations, the CC&Rs, and the Bylaws, the language of the CC&Rs and/or the Bylaws prevails.

References given throughout this document in brackets, e.g. {Sec. 6.6. (a)(ii)(E)}, refer to an Article or Section of the Covenants, Conditions, and Restrictions, or CC&Rs. Often, the CC&Rs provide more extensive information on a given subject and should be consulted for complete understanding of a topic.

Section 2. Occupancy & Use of Property

2.1. Occupancy {CC&Rs Sections 2.1.(a)}

No more than two (2) persons per bedroom, plus one (1) additional person per residence, not including temporary guests, may reside in any Lot. In no event shall a Lot be occupied by more individuals than permitted by applicable zoning laws.

2.2. Residence Rental and Leasing {CC&Rs Sections 2.4 & 2.5}

Residences within Nepenthe may be rented or leased. The following conditions apply to all rentals and leases:

2.2.1. Lease or Rental Agreement

A lease or rental agreement must be in writing, must be for a term of not less than 180 days, and is subject to the Community's governing documents. An Owner is responsible for providing a copy of the CC&Rs, By-laws and these Community Rules to his/her tenants at the Owner's sole cost. Additionally, an Owner is required to notify management of the names of their tenants.

2.2.2. No Short-Term Leases/Rentals/Time Sharing and No Hotel Services

Any agreement, plan or arrangement under which the right to use/occupy the Lot that rotates among various persons which includes providing the occupants with customary hotel services, such as room service, maid service or laundry and linen service is prohibited. No subleasing of any Lot shall be permitted except with the written approval of the Board. {Sec. 3.2.(b)}

2.2.3. Voting and Use Rights

An Owner who leases his/her home retains his/her voting right in the Community Association and is also permitted usage rights of all Common Areas and Facilities while owner of the home. The lessee assumes the privileges and responsibilities of Community Association membership, but does not gain a voting right. The vote remains with the Residence's owner. Owners that do not reside in Nepenthe are still permitted to use the Common Area Facilities as are their tenants living in the Development. {Sec. 2.4.(a)(iii)}

2.3. Restrictions on Businesses {CC&R Section 3.1(b)}

No business of any kind shall be established, maintained, operated, permitted or conducted in Nepenthe without written approval from the Board, except home offices and/or such professional or administrative businesses as may be permitted by applicable statutes and/or ordinances provided, however, that:

- No external evidence of such business/home office.
- No employees coming and going
- No published advertising of the unit address
- Business will not increase Nepenthe's insurance obligations and/or premiums

2.4. Resident Registration

To insure good communication between the Association and the Residents, all owners and tenants are asked to provide their telephone numbers, email addresses and emergency contacts to Management.

Section 3. Common Area Rules

3.1. General

All real property that is owned, controlled, or maintained by Nepenthe Association is for the common use and enjoyment of the Owners and Residents.

Common Areas include the Common Facilities located thereon. Examples of Common Areas and Common Facilities are:

- Green spaces
- Landscaping outside of the residential units except for fenced patios.
- Clubhouse and Dunbarton Cabana and attendant facilities, parking lots, and landscaping.
- Sports Courts
- Swimming Pools and Spas
- Driveways and Alleys

3.1.1. Use of Common Areas

The Common Area and Common Facilities are to be used only for purposes originally planned and intended by the builder, except for events approved by Nepenthe. The Clubhouse and other Common Areas cannot be used for any commercial purpose.

3.1.2. Obstruction of Common Areas

There can be no obstruction of the Common Area nor shall anything be stored by Residents in or upon the Common Area without the written consent of the Community Association.

3.1.3. Alterations to Common Areas

No person(s) other than the authorized agents of the Community Association can introduce, remove, or alter any Common Area without written consent of management. This includes planting in the shrub beds around the Residences. Portable toilets are not allowed on the Common Areas, except as approved by the management.

3.1.4. Damage to Common Areas

Residents are responsible for payment of the cost of repairs for all damage to the Community Association's property caused by themselves, members of their families or their Guests.

3.1.5. Risk and Liability

Residents and Guests use the Common Areas at their own risk.

3.2. Parking, Streets and Driveways

3.2.1. Overnight Parking

All residents are to park their vehicles in their garage overnight. If special circumstances exist which prevent the resident from parking in their garage, they may apply in writing to the Board of Directors for a variance from the requirement. Variances will be granted on a case-by-case basis. Permits for overnight parking by guests may be obtained from the office during business hours or call the courtesy patrol service after business hours.

3.2.2. Vehicle Codes and Regulations

All City of Sacramento and State of California vehicle codes apply within Nepenthe.

3.2.3. Speed Limit

The maximum speed limit within the confines of Nepenthe is 25 miles per hour and 10 miles per hour on the two private streets: Dunbarton and Elmhurst Circles.

3.2.4. Clubhouse Parking Lot and Fire Lanes

Handicapped spaces are to be used only by those who possess a handicap placard. Cars and other motor vehicles must park in designated spaces only.

3.2.5. Fire Lanes

Alleys are considered fire lanes. There is no parking permitted in fire lanes (alleys).

3.3. Swimming Pools and Spas

There are three swim centers. The main Clubhouse pool area contains a heated junior Olympic lap pool, a square, shallow pool and a spa. The Dunbarton pool area has a heated pool and spa. A third stand-alone pool is located on Elmhurst Circle. The pools can be accessed with the electronic key card that is available to all residents for a \$10 check deposit. If the key card is lost, the replacement is \$25.

3.3.1. Hours

Pools are open from 7:00 am to 10:00 pm.

Pools are heated after seven consecutive days of daytime high temperatures over 70 degrees and the heat is turned off after seven consecutive days of nighttime low temperatures below 45 degrees or no later than October 31.

3.3.2. Rules

- Pools, spas and pool areas are restricted to Nepenthe residents and their guests.
- Nepenthe residents must accompany their guests in and around the pool areas. Residents are limited to four (4) guests per residence in a pool area at one time.
- Children under 6 are not permitted in the spa. While in the spa, children aged 6-12 should be closely supervised.
- Pregnant women, people with health problems and people using alcohol, narcotics and other drugs that cause drowsiness should not use the spa without first consulting a doctor. Long exposure to hot temperatures can cause dehydration, dizziness and nausea.
- Quiet hours are from 7:00 pm to 10:00 pm to minimize disturbing residents who live near the pools.
- Lap pool is for swimming laps only.
- For guests who require swim pants or swim diapers, please use best practices which include checking the pants/diapers every 30-60 minutes and changing pants/diapers in the restrooms to allow for hand-washing afterwards.
- Food is permitted in plastic containers only and waste is to be disposed of in the provided trash receptacles. Food is only permitted on the pool deck and not in the pool.
- Beverages are allowed in plastic containers only.
- Masks, goggles, swim fins, safety rings and small plastic inner tubes for infants are allowed. All other items, including lap boards, snorkels, bikes, toys, balls, and pool games are prohibited.
- Pets are not allowed in the pools or pool area.
- Running, rough housing and obnoxious behavior are prohibited.
- Acceptable swimming attire only – cutoffs, non-swimming shorts, etc. are not permitted.
- Smoking and “vaping” are not permitted.

The Nepenthe Clubhouse Staff and/or the Nepenthe courtesy patrol service have the responsibility and the final authority to interpret and enforce pool, spa and pool area rules.

Staff and/or patrol are authorized to deny use of the facilities based on these criteria.

3.4. Sport Courts

Nepenthe has three tennis and pickleball centers and a regulation ping pong table on the Clubhouse pool deck; the following procedures and rules pertain to their use. All sports courts are to be used only for their intended purpose. Any other use is prohibited. The Clubhouse courts can be accessed with the electronic key card available at the management office for a small deposit. The sports courts near Commons & Vanderbilt and Elmhurst/University use a brass key, also available to residents at the management office.

3.4.1. Permitted Use

The sports courts are for the exclusive use of Nepenthe Residents and their Guests. Guests using a sports court must be accompanied by a Resident at all times. Pets are not permitted on any of the courts.

3.4.2. Hours of Use

Courts are open from dawn until dusk.

3.4.3. Sports Equipment

Check in at the Clubhouse Front Desk to obtain sports equipment. The sports equipment is limited to a few pickleball paddles, ping pong paddles and ping pong balls.

3.4.4. Apparel

Appropriate apparel is required and shirts must be worn at all times.

3.4.5. Beverages

Only non-alcoholic beverages in unbreakable containers can be consumed on the courts.

3.4.6. Special Events

On occasion, courts will be reserved for club activities or special events. Please consult Management staff to determine court availability.

3.5. Clubhouse and Cabana

3.5.1. Locations and Hours

The main Nepenthe Clubhouse is located at 1131 Commons Drive and the Dunbarton Cabana is located at 150 Dunbarton Circle. Operating hours of the Main Clubhouse and the names and positions of staff members can be obtained in the community newsletter and on the website at www.NepentheHOA.com. The Clubhouse phone number is (916) 929-8380. Currently, the Clubhouse is open Monday through Friday from 9:00 am to 1:00 pm and 2:00 pm to 6:00 pm. Saturday and Sunday, the hours are 9:00 am to 1:00 pm October through May and 12:00 pm to 4:00 pm June through September.

3.5.2. Description of Facilities

The Clubhouse is equipped with a full service kitchen, including an electric range, warming drawer, microwave, two refrigerators and an ice maker. There is large projection screen and blu-ray disc player available. The main lounge is also equipped with a microphone system with 7 standard microphones and 1 headset/belt clip microphone

The main lounge can accommodate up to 88 people standing and up to 50 seated at tables. The small, adjacent library is equipped with four square tables and 16 chairs. The clubhouse can be rented for private events. See section 3.5.4 below.

There is a gym at the Clubhouse available to all residents. It is accessible from 7:00 am to 10:00 pm daily by use of the electronic access key, which can be obtained by a \$10 check deposit. The gym has a universal weight machine, two treadmills, two recumbent cycling machines, one upright cycling machine, an elliptical and one stair stepper. A television with remote is also available, as are sanitary wipes for the machines. Further rules are posted in the gym.

The Dunbarton Cabana is not staffed. It has a main room that can accommodate 25 people, a full kitchen and restrooms. It is used for committee meetings and can be rented for private events. See section 4.5.4 below.

3.5.3. Facility Use Procedures, adopted by the Board of Directors on October 7, 2015

The hierarchy of use for Clubhouse or Cabana is as follows:

1. Board of Directors' Monthly Open Session or other Board business
2. Association sponsored events, including the weekly coffee on Saturday mornings
3. Residents with an executed Rental Agreement
4. Resident groups and committees
5. Approved classes or presentations
6. "Drop in" residents and guests

The website calendar is used for all events at both facilities. Management administers this website. Any resident can access it at www.NepentheHOA.com/event-calendar. Resident groups and committees who meet regularly are required to complete a Facility Use Proposal Form. This form provides management with the information they need to populate the calendar.

From time to time, a special interest group or vendor may approach Management to hold a function or class that may be of interest to the residents of Nepenthe. The requestor will be provided with a Facility Use Proposal Form. Should the manager find that the requested event does not conflict with previously scheduled events and will appeal to a broad range of residents, the event will be placed on the calendar with the understanding that insurance requirements must met.

3.5.4. Private Rentals

Renting the Clubhouse or Dunbarton Cabana is a privilege reserved only for Nepenthe residents. **If a resident chooses to rent one of the facilities on behalf of a friend, the resident is assuming responsibility and must remain at the event the entire time of the rental.**

The Clubhouse can be rented for \$40 per hour. Excluded from the rental are the lobby, management offices, gym and pool deck. The rental includes the use of six 3'x6' banquet tables and 40 stacking chairs. To reserve the date, a \$100 holding/cleaning deposit is required. This cleaning deposit will be refunded after the event provided no portion of it is required to restore the facility to its "pre-event" standard. Payment for the rental is due at least seven days prior to your event. A One-Day Special Event Certificate of Insurance is required for all rentals. The Rental Agreement can be found at www.NepentheHOA.com... or obtained from the office.

3.6. Grounds and Landscaping

Nepenthe is responsible for all landscaping in the Common Area. The landscape contractor's employees are required to wear uniforms, but they have been instructed to only take direction from Management. Homeowners may not plant anything in the Common Area without Board approval. Nor may homeowners mow, prune, water (except as necessitated by drought with instruction from the Association), fertilize or otherwise cultivate in the Common Area, even if the homeowner planted there with Association approval.

There are a number of Standards & Practices for the Grounds collected under the title of the Grounds Vision

Document. This Document was adopted by the Board of Directors on December 3, 2014. The Grounds Vision Document is available for your review at www.NepentheHOA.com or in the Clubhouse Library.

If you would like to discuss landscape improvements at your address, please fill out a work request form, available at the front desk or on the website, using the “contact us” form. Your request will be forwarded to the Grounds Committee. You will be contacted by your zone steward or Management. A decision will be agreed upon and the work order placed with the landscape contractor.

It’s important to remember that all landscaping outside of your patio is Common Area and comes under the purview of the association, but we can work together to beautify the Common Area in a way that pleases all parties. This is much better than taking it upon yourself to plant in the Common Area and then having it removed because it did not adhere to the Association’s plant palette or standards or worse, to damage the irrigation system by your actions.

If you note malfunctioning sprinklers or non-functioning light posts in the Common Area, please report them to the Management Office.

Section 4. Owner and Resident Obligations

4.1. Maintenance of Lots and Residences

The shared maintenance agreement between the Association and the homeowners is very clear. To see what the CC&Rs specifically say, read Article V, Section 5.2. The list below is intended to be a handy reference. Please note that while it is the homeowner's obligation to maintain these items, there are architectural criteria for many of them that need to be adhered to. See Section 5 of this document to read what the Association maintains for each unit.

The Homeowner maintains:

Building or Framing Components	Brick Chimney, Fireplace, Chimney Cap and all components
Doors, Jambs and Hardware	Exterior Paint Touch Ups
Interior Patio	Gate Hardware
Windows, Sliders, Frames, Skylights, Screens, etc.	Mail box or mail slot
Patio Covers, Trellises	Homeowner added Rain Gutters
Homeowner Improvements	Plumbing servicing the Unit, including exterior spigots
Pest & Insect Related Problems	Electrical Lines & Fixtures specific to the residence
Gas Lines, Valves, Meters	Cable TV, Telephone, Antennae, Dish Installations

4.2. Home Improvements – Architectural Review Process

The following improvements do not require approval, but do have criteria governing their appearance:

- Window coverings
- Front porch light fixture
- Door hardware
- Front door paint color

These items also have specific criteria, but can be approved by the office staff:

- Front door per criteria
- Screen door from approved styles
- Garage person door per criteria
- Garage vehicle door per criteria
- Cable/satellite dish installations (See also Section 4.4.7 of this Document below)
- Mail Box from approved styles
- Mail Slot, if replacing or approved by Postmaster
- Chimney Cap

These items also have specific criteria and must be reviewed by the Architectural Review Committee who will make a recommendation to the Board of Directors for approval or denial. Please allow up to two months for the approval process:

- Air Conditioner / Heat Pump Replacement (requires a secondary application, available from staff)
- Window or Patio Slider Replacement
- Window – new construction
- Window – Security Features/Bars
- Window – Sun Screens
- Skylights or Solar Tubes
- Solar Roof Panels (Thermal or Electric) (requires a secondary application, available from staff)
- Gas Line and Meter
- Shade Structure – Trellis, Awnings, Sails, Etc.

- Trellis – Floral Support / Garden Feature
- Patio Hardscape / Planter Boxes
- Patio Pool / Spa and Equipment
- Attic Fans
- Vents – Installations and/or Relocations
- Security Camera and/or Lighting
- Hand Rail
- Fence Relocation
- Outbuilding / Shed

The criteria, titled Architectural Guidelines, can be obtained from the office staff or viewed online at <http://nepenthehoa.com/wp-content/uploads/2016/04/NEP-Approved-ARC-Criteria.pdf>. The Architectural Review Committee meets monthly to review the applications. {CC&R Article IV: Architectural Review and Approval}

4.3. Insurance

Homeowners are responsible to insure the improvements and contents of their individual units. When you speak to your agent about your homeowner’s policy, also known as an HO-6 Policy, these are the Association’s coverage recommendations:

- Personal Property: \$200,000
- Loss of Use: \$80,000
- Personal Liability: \$500,000
- Guest Medical: \$2,000
- Building Property: \$147,000 (based on 1,840 square feet)
- Loss Assessment: \$25,000

Of course, your needs may be different, so you are encouraged to work with a professional agent.

The Association insures the outside of your unit and also purchases a Flood Policy on your behalf. See Section 5 of this document for more specific information about the Association’s insurance policies.

4.4. Use Restrictions

These use restrictions have developed over the years as a means of setting clear expectations to help all residents enjoy a pleasant lifestyle in Nepenthe. Some can be found in Article III: Restrictions & Use of Property in the CC&Rs and others have developed by way of Board adopted rules.

4.4.1. Signs

Reasonably sized signs as required by legal proceedings or “For Sale”, “For Rent” or a security service identification sign may be placed in a window.

4.4.2. Pets

Dogs are not allowed in the Common Area except while on a leash which is held by a person capable of controlling it. Owners are responsible for the immediate cleanup of their pet’s waste. No pets may be kept within the Development that result in annoyance or nuisance to other owners.

4.4.3. Trash

Trash and recyclables are to be kept only in covered City of Sacramento containers. Containers shall be stored in an out-of-sight location on the owner’s lot

Green waste (yard clippings) is to be put out in a trash bag or wrapped in a tarp, at the intersection of the alley and street no earlier than Sunday afternoon for Monday morning pickup by the Association’s landscape contractor.

4.4.4. Telecommunication Devices and Wiring

The CC&Rs, Section 3.11 require that you seek approval for the installation of cable TV or satellite dishes from the Association's management office. A letter will be provided to you as your authorization to schedule the installation.

INSTALLATION CRITERIA

1. All old, obsolete cables, wires, dishes, and antennae must be removed at the time of new installation.
2. Cables or wires may not be strung over a roof or gutter, but must run along the edges of a home's trim boards as inconspicuously as possible.
3. Installer may drill a small hole in the siding to create an access for the wiring, while properly caulking/sealing area.
4. Dish/antenna can be no more than one meter (39.37 inches) in diameter.
5. Dish/antenna mast must not be more than 12 feet above the roofline.
6. Dish/antenna hardware may not be attached to roof or siding, unless it is the only place a stud can be located. Attaching to the roof fascia or trim board **is** permitted as long as there is framing beneath to support the mounting hardware.
7. Dish/antenna/mast may not be placed in or above any Common Area, which includes, but is not restricted to, walkways, sidewalk, alleys or other fence lines.
8. Dish/antenna should be located at the highest point on the roofline to minimize visibility.
9. Homeowner is responsible to paint the cables/wire to match the color of the home.

4.4.5. Resident Sales

Garage sales are not permitted, but one-day estate sales are. In the case of estate sales, all contents must remain in the confines of the garage, residence and patio. Doors are to remain closed during the estate sale. Signage for estate sales must be printed, not handwritten and must be removed at the end of the day.

Individuals must not directly solicit other residents regarding any business with which they are associated. There is a bulletin board in the Clubhouse to advertise business services.

4.4.6. Window Coverings

The portion of the window coverings facing the exterior must be white or cream or natural wood and must be kept in good condition. Makeshift coverings of any type are not permitted.

4.4.7. Holiday Décor (Adopted by the Board of Directors September 25, 2012)

Members may place seasonal holiday decorations (from the weekend before Thanksgiving until January 7) on the immediate front entrance, garage door surrounds, gutters, alley ways, including shrubs, bushes, and trees immediately adjoining a Member's property to a maximum height of fifteen feet.

Decorations may not interfere with health or safety of the public or create a risk of injury or damage to persons or property by encroaching upon alleys or walkways or present a trip hazard in areas normally

traveled by pedestrians. Decorations may not obscure address plaques or Common Area lighting. No electrical seasonal decorations shall be placed on or in any Common Area or Common Facility light fixture.

Members are unrestricted in placing holiday decorations in the interior of their property visible to the exterior.

Decorations may not be placed upon roofs, and no person shall access the roof for installation.

Decorations may be installed on exterior walls and fences by plastic or metal clips so long as they do not cause damage to the Common Area or Common Facilities. Clips may be left in place for use seasonally. Any such clips that are not made of clear plastic will be painted the same color as the siding. The Association is not responsible for maintenance or removal of said clips, except that the Association may remove the clips to perform maintenance on any fence or building and will not be responsible for damage to or loss of clips, nor for replacing or reinstalling the clips.

Sound effects and flashing lights, twinkling lights and inflatable decorations in the Common Area are prohibited. Decorations or electrical connections which pose a safety hazard or which expose the Association to increased insurance costs are prohibited. Electrical decorations shall be installed pursuant to manufacturer's recommendations.

Compliance is determined exclusively reserved by the Association. Association reserves the right to disconnect, relocate or remove Holiday Decorations not in compliance with this policy. Association will make reasonable efforts to notify a member and request compliance. Association will not be responsible for damage to any Holiday Decoration it disconnects, relocates or removes.

4.4.8. Nuisance

Residents shall not allow any condition to exist upon their lot or within their household which will negatively impact their neighbors' quiet enjoyment of their property or impede the Association in discharging its maintenance obligations.

4.5. Guests

Guests must adhere to all rules applicable to Owners and Residents plus the following rules that pertain specifically to them.

- Guests must be accompanied by resident when using the amenities.
- Long term guests, such as house sitters, may use the amenities independently if the resident provides a note to management in advance.
- No more than four (4) guests per household in any of the pool areas at once.

4.6 Monthly Assessments

The monthly assessment is what makes everything run at Nepenthe. You will receive a monthly statement towards the end of the month, but even if you don't receive it, it's important to know that Assessments are due the first of each month and are late after the 15th.

There are several ways to pay your assessments.

1. Set up Auto Bill Pay. This is an ACH agreement that permits Nepenthe to pull the assessment from your checking account each month. The enrollment form for this service is available from the Clubhouse.
2. Make a payment online: <https://www.fsr-california.com/homeowners/login.aspx>

3. Mail a check to “Nepenthe Association, PO Box 512989, Los Angeles, CA 90051-0989”. Please make sure your Nepenthe address is written in the memo line of the check, or you can write your account number. If you don’t know the account number, call the Nepenthe office at (916) 929-8380 or FirstService Residential at (800) 428-5588.

What does the monthly assessment pay for?

Each Nepenthe homeowner pays assessments for the maintenance of the common areas of the association and services or costs associated with your particular home.

All homeowners pay for:

- Common area landscaping
- Security patrol
- Siding maintenance and repair
- Roof maintenance and repair
- Amenities – pools, tennis courts, and clubhouse
- Insurance

Section 5. Association Obligations

5.1. Maintenance

Your monthly assessment to the Association pays for much of the maintenance of your home's exterior surfaces. To see what the CC&Rs specifically say, read Article V, Section 5.1. The list below is intended to be a handy reference.

When a resident allows a condition to exist which negatively effects the condition of one of the below components, the owner will be held financially responsible for the repair or restoration. {Section 5.3}

See Section 4.1 of this document to read what the Homeowner maintains for each unit.

The Association maintains:

Roof Shingles and Flashing	Exterior Siding and Trim
Overhead Garage Door Siding on original tilt up garage doors	Exterior Paint on Siding, Trim and Fences
Patio Fences	Rain gutters and downspouts
Roof and gutter clearing	Mail box posts
Cement Driveway	Cement walkways
Landscaping around the unit, front and back	

5.2. Insurance

The complete insurance requirements can be found in the CC&Rs, Article X. The Association maintains policies that are compliant with the CC&Rs. A summary of the policies is mailed to all homeowners every fall as part of the annual budget disclosure packet.

Here is a quick reference list of the policies owned by the Association:

- Property Insurance, Policy Limits: \$88M, Deductible: \$10,0000
- General Liability Insurance, Policy Limits: \$1M per occurrence, \$2M aggregate
- Directors & Officers Liability, Policy Limits: \$2M
- Fidelity Bond, Policy Limits: \$1M
- Commercial Auto Liability: Policy Limits: \$1M
- Umbrella Liability, Policy Limits: \$10M
- Workers Compensation, Policy Limits: \$1M
- Flood Insurance for each unit, Policy Limits: Building \$250K, Contents \$100K, Deductible: Building \$1,250, Contents \$1,250
- Flood Insurance for each of the clubhouses similar to above.

5.3. Governance

Nepenthe is governed by a homeowner volunteer Board of Directors comprised of a President, Vice President, Treasurer, Secretary and Member at Large. The Board is assisted by the following committees: Architectural Review; Elections; Finance; Insurance, Legal & Safety; Grounds; Nominating and Outreach. The Board hires a management company to oversee the day to day operations of the Association.

Section 6. Rights & Remedies

6.1. How are these obligations enforced?

In the matter of enforcement of the provisions of this and the other Governing Documents, the Association and individual Residents have rights and obligations that are prescribed in law and in equity and are encapsulated in our Governing Documents. The Board has the duty to enforce the provisions of our Governing Documents; Residents are obligated to adhere to their provisions. In its enforcement activities, the Board must adopt policies that provide for due process.

The Board has a range of enforcement tools designed to encourage compliance. Suspension of Association voting rights, exclusion from Common Area Facilities, legal remedies, and the imposition of monetary fines are some of the actions that the Board can take. Generally, no sanction will be imposed without the due process procedures of Section 16.6. of the CC&Rs. Notification of an infraction, referral to hearings, and alternate dispute resolution procedures may be employed, singly or in some combination, before a punitive action is taken by the Board. The Board has adopted a Fines Policy for use when the non-punitive measures mentioned above fail to elicit cooperation.

6.2. Fine Schedule (Adopted by the Board of Directors March 2, 2016)

1. Violations related to Architectural Rules as set forth in CC&Rs, Article IV [Requirement for Member's Prior Application and Approval Before making certain improvements].
 - a. An owner making an improvement to their property requiring prior application to the Architectural Review Committee (herein "ARC") and approval of the Board of Directors who fails to apply for and acquire such approval prior to construction may be assessed a fine up to \$100.00 per occurrence.
 - b. An owner making an improvement to their property requiring prior application to the ARC and approval of the Board who fails to apply for and obtain approval of the Board of Directors and who fails to obtain subsequent approval of the Board for such improvement may be required to remove or remedy the noncomplying improvement, pay legal costs of any proceeding brought and fined a sum reasonably related to the cost of obtaining member's compliance.
2. Nuisance violations, including those involving excessive noise, vehicles, pets, trash and yard waste may be assessed a fine of \$50/day up to a maximum of \$1,000 for the first offense and \$50 per day of violation up to a maximum for \$1,000 for repeated, similar offenses.

CC&R References:

- Section 3.3 states rules regarding parking, Section 3.4 for household pets and animals, Section 3.6 for garbage and trash, and Section 3.12 for offensive conduct, nuisance, obstructions, hazards and drilling.
- Section 3.20 addresses the enforcement of property use restrictions.
- Article IV, ARCHITECTURAL REVIEW AND APPROVAL gives examples of owner improvements that require the approval of the Architectural Review Committee (ARC), what the owner must furnish with their application, how the ARC operates, rules governing proceeding with the work, inspecting the completed work, emergency improvements and the appeals process available to owners if they do not receive ARC approval.

- Section 4.12 describes remedies the Association has in cases in which an owner undertakes improvements not authorized or approved by the ARC and Board.
- Section 5.3 allows the Association to recover the costs of certain repairs and maintenance.
- Section 8.4 describes actions the Association can take to enforce the CC&Rs via fines and otherwise.
- Section 16.6(b) gives the Board the authority to implement a schedule of fines.
- Section 16.6(f) provides for a hearing when an owner receives a penalty or suspension of his or her rights under the CC&Rs.

6.3. Your Rights

Anytime you have a concern or issue that needs to be resolved, your first point of contact should be with the General Manager. Call or email to arrange a meeting to discuss your concerns.

If you are still unsatisfied, you may reach out to a Board member. Their contact numbers are published each month on the back of the monthly newsletter. If this does not take care of the matter, please request ADR, which stands for Alternative Dispute Resolution. The Board will assign one or two Directors to meet with you and review your concerns.