

# **RULES, REGULATIONS AND INTERPRETATIONS OF THE BEVERLYWOOD HOMES ASSOCIATION**

(Effective as of February 1, 2014)

In order to provide for the protection of the value and environment of the Association and the individual Lots, these Rules, Regulations and Interpretations (collectively “Rules”) of the Beverlywood Homes Association Covenants, Conditions and Restrictions (“CC&R’s”) are promulgated in accordance with Sections 2.36 and 4.6 of the CC&R’s.

These Rules are promulgated as of the date listed above based upon the facts, circumstances and other factors which are available to the Board of Directors of the Association as of the date so promulgated. The Association reserves the right to change these Rules at any time, for any reason whatsoever, in accordance with the CC&R’s and California law.

All capitalized terms have the same meanings as those assigned to them in the CC&R’s, unless otherwise specifically defined in these Rules.

## **1. COMMON AREA USAGE**

### **1.1 Circle Park**

- a) Circle Park is the only Common Area that Members, their families or their guests may use.
- b) Circle Park is reserved for the exclusive use of Members, their families, their household employees and limited number of invited guests. Members must accompany their guests. The term “Guests”, for purposes of park usage, means only the common usage of guest as a person visiting or being entertained by the Member and not the broader legal usage of the term “guest.” Members have no right or authority to authorize others to use the park for any purpose whatsoever. Trespassers will be prosecuted.
- c) Park hours are from sunrise to sunset only. No overnight usage or camping.
- d) The use of Circle Park for parties or other gatherings must be approved in advance by the Association.
- e) Circle Park may only, unless prior written consent is otherwise given by the Association, be used for limited park-like recreational purposes. It may not be used for, by way of example only and not by way of limitation, such things as parties (unless prior permission is granted), filming, camping or organized sporting activities.
- f) The Board, on prior written request, may, in its sole discretion, and subject to such conditions, restrictions or requirements that it may deem

appropriate, allow the park to be used for parties or other gatherings. The proposed date and time of the proposed use relative to typical park use by other Members will be a consideration in such approval. Adequate security deposits and proof of adequate and valid insurance will be required. Approvals will only be given in writing.

- g) Nothing contained herein is intended to restrict the ability of the Board to sponsor Association events in the park.
- h) Golf, including practice driving, putting and similar, is not permitted.
- i) Dogs must be kept on a leash and under control, and dog droppings must be picked up.
- j) Members are responsible for cleaning up any trash caused by their usage or the usage by their families, household employees and invited guests.
- k) No portion of Circle Park may be enclosed, decorated, landscaped, or covered, nor shall any sign be placed on the Common Area, without the written consent of the Association, which consent may be withheld in the Board's sole discretion.
- l) All Members are responsible and liable to the Association for the behavior and actions of themselves, as well as of their family, household employees and invited guests, for violations of these rules.
- m) Any Member (which includes for this purpose a Member, his/her family, household employees and invited guests) found by the Board to have: a) caused a significant disturbance to the usage of the Park by others; b) intentionally or negligently caused damage to the Park; or c) violated these Rules, or to have allowed, by action or inaction, their family, household employees or invited guests to violate these Rules, may be subject to suspension for no more than six (6) months of the right to use the Park and/or be fined up to \$5,000.00 for each violation.

## 1.2 **Other Common Areas**

- a) All other Common Areas, including but not limited to the parkway or buffer strips maintained by the Association on Robertson Boulevard, Bagley Drive, Beverly Drive and Beverwil Drive (collectively "Parkway Strips"), are intended for use as a green buffer only and are not for general park purposes. As such, these areas are not available for Member access for general park or other purposes.
- b) Any Member, other than an immediately adjacent Owner, using the Parkway Strips for any purpose, whatsoever, without the permission of the Association, will be subject to disciplinary action, including, but not

limited to, fines, denial of access to Circle Park or other appropriate penalties as determined by the Board in its reasonable discretion.

- c) Owners immediately adjacent to the Parkway Strips are granted permission to use such strips for ingress and egress only. Any other use must be with the express written permission of the Association which permission may be withheld in the Board's sole and absolute discretion. Adjacent Owners are encouraged to help the Association maintain such strips, but any material changes to the landscaping of such strips must be approved by the Association.
- d) Encroaching walls and fences on Association-owned property, including but not limited to the Parkway Strips, are not permitted except with the express written consent of the Association, which permission may be withheld in the Board's sole discretion.
- e) No portion of the Common Area shall be enclosed, decorated, landscaped, or covered, nor shall any sign be placed on the Common Area, without the written consent of the Association, which consent may be withheld in the Board's sole discretion.

## 2. **DESIGN STANDARDS AND DESIGN REVIEW**

- a. The Design Review Committee and the Board review applications for conformity with the objective standards (such as roof slope, building height) and subjective standards (such as compatibility with the predominant character of the Association) of our CC&Rs. In accordance with our CC&Rs, the Board and Design Review Committee must be reasonably satisfied with the grading plan; location of the improvement or altered improvement on the lot; the color scheme; finish; design; proportions, architecture; shape; height; style and appropriateness of the proposed improvement or altered improvement; the materials used; the kind, pitch and type of roof proposed to be placed thereon, and any other aspect of the plan that the Board, in its reasonable judgment believes would render the proposed improvement inharmonious or out of keeping with the general plan of improvement of the Association or with the improvements erected on other lots in the immediate vicinity. Diversity in the community is encouraged, however, diversity does not mean atypical. Some designs may be considered by the Board and Design Review Committee too extreme, innovative or out of keeping with the surrounding look of the community. The goal of the CC&R's is to promote uniformity.
- b. Remodeling, replacement and construction which employs inferior or inexpensive material or design is discouraged and will likely not be approved, even in cases of hardship.
- c. The Board and Design Review Committee shall exercise their subjective review in a consistent and non-arbitrary fashion. Grandfathered improvements that do not

meet the current CC&R's or the standards of review and approval that have been in effect since 1994, shall not be precedent. Prior approvals shall be a guide, but not binding precedent upon the Board unless the facts and circumstances are identical in all respects.

- d. Improvements must conform to City building and safety codes. The Board may deny an application because of its failure to comply with City building and safety codes. If a City permit is required, copies of all plans approved by the City and all building permits obtained must be sent to the Association office prior to commencement of any work, which includes demolition and the installation of temporary fencing. Failure to obtain such permit(s) shall automatically void the Association's approval of the project. Failure to file with the Association a copy of the complete set of construction plans and permits, stamped and approved by the City, including, but not limited to all pages of all architectural, structural, grading, civil and drainage plans, within seven (7) days of receipt from the City, provides a basis for revocation of the approval. Failure to file a copy of all stamped and approved amendments and/or changes submitted to the City with the Association, within seven (7) days of receipt from the City, shall similarly provide a basis for revocation of the approval.
- e. In addition to the general standards of review noted above, specific guidelines have been adopted for certain types of improvements. These specific guidelines are described in these Rules under separate headings, below.

#### 2.1 **Generally, All Improvements Subject to Review**

Except as set forth in Section 2.2 below, approval of the Association must be obtained prior to repairing, replacing, modifying or adding any improvement to a residence or property; this includes demolition and the installation of temporary fencing. The following are examples of situations where Owners must obtain the approval of the Association before commencing any work.

- a) Making any addition to their property, no matter how small.
- b) Repairing or replacing aspects of the exterior of any improvement on the property with materials different than the original.
- c) Adding or removing any architectural or cosmetic element to the exterior of a home or any other improvement on the property.
- d) Adding, removing, replacing or repairing any physical improvement within the front or side setback areas.
- e) Adding or removing a deck or patio, whether in the front, side or rear of a property.
- f) Adding, removing or replacing anything which will be visible to the street or neighbors.

- g) Adding, removing or replacing a pool, satellite dish (except as noted below), ham radio antenna, tool shed (except as noted below) or other equipment.
- h) Adding, removing or replacing an air conditioning unit, solar heating panel or similar equipment (except as noted below).
- i) Adding, removing, replacing, repairing or maintaining anything which does not comply with the exemptions noted below.

## 2.2 **Design Standards and Exemptions to Design Review**

The following specific types of improvements may be installed without prior review or approval of the Association (any ambiguity as to the applicability of these exemptions shall be resolved in favor of requiring approval):

- a) *Interior Construction* – No review or approval of the Association is required to repair, replace or remodel ONLY the interior of a residence, provided however, if windows, exterior doors, skylights, solar tubes or other such improvements are part of the interior remodel and the exterior is thereby affected, Association review and approval is required for such exterior improvements except as noted below. If any dumpster(s) and/or fencing are to be utilized, prior Design Review Committee and Board approval must be obtained.
- b) *Exact Repair or Replacement to Home* – Except for non-compliant elements located on a lot, no review or approval of the Association is required to repair or replace portions of the exterior of a home with EXACTLY the same material, texture, color and design. Changes which are not exact repairs or replacements require Board review and approval (examples of changes which are not exact replacements include removal of siding and replacement with stucco or replacement of wood divided light windows with anodized metal windows).
- c) *Painting Home in Same or Approved Color* – No review or approval of the Association is required to repaint a home in exactly the same color as it exists or to paint the home in one of the Association pre-approved colors (i.e., Dunn Edwards and Sinclair Paints standard exterior color combinations). Painting a home in colors that are substantially similar to homes in the immediate vicinity of the property also does not require review or approval of the Association. However, if you are painting your home in a color that is not one of the pre-approved colors or a color that is not substantially the same color as currently exists on the home or substantially similar to that on homes in the Association in the vicinity of the Member’s home, then the colors must be reviewed by the Board. For information to Members, the Board generally approves “off-white” shades for the main color of a home, but does not approve dark or bright colors.

- d) Roofs – The CC&Rs require a minimum 3:12 roof pitch. The Board has interpreted this requirement to apply to the main residential structure and any detached garage. Flat roof components to a home’s structure are discouraged and are generally only permitted on porches, bay windows, and other similar appurtenant features.

No review or approval of the Association is required to:

- (i) **make repairs** to an existing roof where the materials, color or appearance of the roof will not change;
- (ii) **replace** an existing roof, without changing its slope or appearance, with substantially the same materials and color as the existing roof; or,
- (iii) **replace** an existing roof, without changing its slope or appearance, with either wood shake, Spanish tile (traditional red color), concrete shingle (Spanish tile or wood shake colors), slate or composition shingle (shades of brown, tan or gray).

- e) Walls and Fences – The Association has the following policies with regard to walls and fences:

- (i) Walls, other than retaining walls, and fences of any kind are prohibited in the front setback area. This includes trees and/or hedges, unless prior Board approval is obtained.
- (ii) With respect to retaining walls, the Association considers retaining walls that have a face towards the street of more than 1½ feet above grade to be inconsistent with the look of the community. Nevertheless, the Board may approve such applications if other architectural or landscaping features are incorporated into the plans or other justifiable reasons exist in the sole discretion of the Board. The Board may require a recorded covenant to maintain plant material on such retaining wall as a condition to approval.
- (iii) Walls and fences existing in the front setback area that were in contravention of the CC&R’s at the time of its amendment and restatement were grandfathered, subject to certain restrictions. Design Review Committee and Board approval must be obtained, when the owners of such walls and fences seek permission to repair or replace them. Generally, such requests will not be approved.
- (iv) Chain link fences are considered inappropriate in the Association. Nevertheless, the Board may approve such

applications if not visible to the street or neighbors, other architectural or landscaping features are incorporated into the plans, or other justifiable reasons exist in the sole discretion of the Board. The Board may require a recorded covenant to maintain plant material on such fence as a condition to approval, or may require that the improvement be temporary. Notwithstanding the foregoing, temporary fences must be installed to secure lots which are undergoing construction, demolition and/or major remodeling as may be directed by the Design Review Committee or the Board. Such fences may not be installed however until the Owner receives approval from the Design Review Committee and Board of his or her plans.

No review or approval of the Association is required to:

- (i) **make repairs** to an existing wall or fence that is not located in the front set back, with substantially the same materials and color as the existing wall or fence, except as stated above;
  - (ii) **replace** an existing wall or fence that is not located in the front set back with a new fence that will be (a) not greater than six (6) feet in height, and (b) composed of wood or concrete block (no chain link fence or replacement of chain link permitted), except as stated above;
  - (iii) **build or extend** a property line wall or fence provided it will (a) not be greater than six (6) feet in height, (b) be composed of wood or concrete block (no chain link fence or replacement of chain link permitted), (c) does not protrude past the front of the residence; (d) be located on the owner's side of the property line.
- f) *Landscape and Hardscape* – Changes and/or replacements to hardscape and/or landscape are subject to review and approval by the Design Review Committee and the Board except for flowers and traditional grass (i.e., Bentgrass, Bermuda, Bluegrass, Buffalo, Fescue, Rye, and/or Zoysia). Artificial grass (or turf) is prohibited in the front yard and anywhere else visible from the street or sidewalk.
- g) *Satellite Dishes* – Satellite dishes of greater than one (1) meter in diameter are prohibited anywhere in the community. Owners may, without seeking prior approval of the Association, install satellite dishes which are one (1) meter or less in diameter if the installation complies with the following requirements:

1. Dishes are located entirely within the confines of an Owner's Lot;
  2. They are installed no higher than is necessary for reception of an acceptable quality signal;
  3. Dishes must be secured so they do not jeopardize the safety of any structure or person, including damage from high winds;
  4. Owners (and tenants) may not permit satellite dishes and related components to fall into disrepair or to become a safety hazard. Owners and tenants shall be solely responsible for all maintenance and repairs associated with their satellite dishes.
- h) Gazebo, Tool Shed, etc. – No review or approval of the Association is required to add, remove, replace, repair or maintain a tool shed, gazebo or other uninhabitable structure that is less than six (6) feet in height, not located in the front or side setback areas, and not visible to the street or a neighbor.
- i) Children's Play Equipment – No review or approval of the Association is required to add, remove, replace repair or maintain children's play equipment, provided it is not located in the front or side setback areas.
- j) Antennas – No review or approval of the Association is required to add, remove, replace, repair or maintain a television or radio antenna which has no component part in excess of one and one half inches (1.5") in diameter, stands less than six feet (6') in height and is installed on the back facing roof of the residence.
- k) **Miscellaneous Standards**
- 1) Solar Panels – The Association has the following policies with regard to solar panels: Solar panels (i) should be placed on the portion of the roof least obtrusive to the views from the street and neighbors and (ii) should match the color of the existing roof. The Association encourages the installation of solar panels.
  - 2) Ventilation and Air-Conditioning Systems – The Association has the following policy with regard to ventilation and air-conditioning systems: Air conditioning compressors and other such equipment are required to be placed in the backyard of the property or otherwise located where not visible to either neighbors or the street. Installation of equipment on roofs is strongly discouraged and only under exceptional circumstances will such placement be approved by the Board. When and if permitted to be placed upon a roof, air-conditioning compressors or other equipment must be screened from public view with architecturally integrated designs and materials, as approved by the Board. Written approval of the neighbors to both sides and the three neighbors to the rear

must also be obtained. Although strongly discouraged, air conditioning compressors may be permitted to be placed in the side yard, including the side setback, provided they are appropriately screened from view from both the neighbor and the public and the written approval of the adjacent neighbor is obtained. The Board may, nevertheless, approve placement in the side yard or roof, over the objections of the neighbors, if the Board deems such necessary or otherwise appropriate, or believes the neighbor's concerns are being met or are not justified, but generally, the Board will defer to the neighbor's concerns. The sound to be generated by the air conditioning compressor based on its planned location shall be considered in the review and approval process.

3) Roof Top Protrusions – All roof top protrusions, such as ventilation pipes, exhaust fans, ducts, shall be black or painted a color to match the roof material and shall not extrude unnecessarily. Such appurtenances shall be placed in the rear facing portion of the roof to the maximum extent possible.

4) Skylights, Solar Tubes (and similar) – Skylights, Solar Tubes and/or similar items on front facing roofs or otherwise visible to the street are disfavored and only under exceptional circumstances will such placement be approved by the Board. Low profile skylights are required.

5) Hot Water Heater Cabinets and Similar – Hot water heater cabinets or other equipment cabinets are disfavored. To the extent they are approved they should be placed in the rear yard area and architecturally integrated into the main residence. Homeowners are reminded that hot water heater cabinets in the side set back violate current City building and safety laws, and, for that reason, in addition to aesthetics, will be denied.

6) Garages and Carports – The CC&R's require that a two-car garage be maintained on all lots. As such, conversion of a garage to non-garage use, such as for use as a residence or warehouse, is inconsistent with our CC&R's and will not be approved. Carports may, if otherwise approved by the Board, be constructed in addition to the required two car garage. Erection of a carport should be in the side or rear of the property, not in the front yard, and shall be behind a gate. The Association has determined that the largest number of crimes in the Association is theft of or from cars. As such, keeping cars in garages or behind fences on the side of a home will dissuade such thefts.

## 2.3 The Application

- a) The Board has adopted a form, “Design Review Application,” which form, and applicable filing fees, may be amended by the Board from time to time in its sole discretion. All design reviews must be on the Association form and include the required photos, fee, plans and drawings. Applications that do not have the required materials, are incomplete or fail to include the required number of copies will be considered incomplete. Incomplete applications or applications missing the necessary photos, plans, drawings and samples may be reviewed or continued to the following month, in the discretion of the Board, the Association officers or Design Review Committee, but if reviewed, the results of such review will not be made available until the application is complete.
- b) Preliminary reviews are encouraged with the Design Review Committee. Preliminary reviews are filed on the same form as a normal Design Review Application, but indicate that the review is preliminary. A preliminary review enables the Member to get feedback from the Design Review Committee and/or Board as to the proposed improvement. Complete applications are not required for a preliminary review, but an incomplete application may not be sufficient for the Design Review Committee or the Board to reach a recommendation. Preliminary reviews are not binding and are only an indication of how the Design Review Committee and/or Board are likely to rule on the application. Only complete and final applications may receive an official, binding approval.
- c) Color rendering(s) of the proposed project (front elevation from street level view), no smaller than eleven by seventeen inches (11” x 17”) are mandatory and must be submitted with the application for any additions or new construction.
- d) A digital file (“.pdf”) containing all proposed plans, drawings and photographs must be submitted with the Design Review package.
- e) As a condition of the approval of every application, the homeowner agrees that the Board, or a representative thereof, shall be permitted full and reasonable access to the entire construction site so that the Board can verify that the project is being built as per BHA approved plans.
- f) Expect that this process will take at least two months, if not longer, from submission to final resolution. Please plan accordingly.

#### 2.4 **The Fee**

Filing fees shall be adopted by the Board from time to time based on the type of improvement being considered.

#### 2.5 **Deadlines, Review Timetable and Amendments**

- a) Pursuant to the CC&R's, the Design Review Committee has been established. The Design Review Committee shall be composed of such members, who shall serve for such terms as the Board determines from time to time. The Board may remove and/or replace a Design Review Committee member at any time. The Board has delegated Design Review functions to the Design Review Committee, however the Board has retained the final right to approve or disapprove any Design Review Application and to hear any appeal of a Design Review Committee determination.

As for any additions or new construction, no final approval will be given until a complete package, including all final plans, elevations, drawings, material samples, windows, doors, and hardscape has been delivered to the BHA Office, approved by the Design Review Committee and the Board and the required fee is paid in full. Within sixty (60) days of obtaining City approval of the final plans, Owner must submit his/her landscape plans to the Design Review Committee.

No work, including demolition, the installation of temporary fencing, landscape, hardscape and/or any other construction may be commenced before: (1) Owner has obtained final Board approval; (2) Owner has obtained all required permits; and (3) A copy of the full set of the final stamped City approved plans has been delivered to the management office within seven (7) days of receipt by the Owner.

- b) Design Review Applications, including any amendment(s) to a previously filed application, are due on or before the 15th of each month by 12:00 PM (or, if on a weekend, the first Monday thereafter by 12:00 PM). Applications received after the above deadline will not be reviewed except under extraordinary circumstances.
- c) The Board will not review for approval any application previously denied by the Design Review Committee unless and until the owner has in good faith worked with the designated representative of the Design Review Committee and submitted an alternative complete package for review and consideration, which has also been denied by the Design Review Committee.
- d) The Design Review Committee generally meets on the first Monday of each month, subject to such change as to accommodate holidays and member absences. All members of the Design Review Committee shall be given advance notice of the time and place for any meetings of the Committee. There is no requirement for a quorum of members to be present for the Committee to meet and reach its findings. Design Review Committee meetings are not public meetings. Only Members and those invited by the Committee or requested to be present by the Board may attend. The Design Review Committee, by majority decision, shall make recommendations to

the Board concerning approval, conditional approval, denial or other ramifications of the application.

- e) The Board shall review all recommended approvals of the Design Review Committee at its monthly board meeting (usually the 3rd Monday of each month) and any appeals of denials consistent with section 2.5(c) above and 2.5(i) below.
- f) The Board shall apply, on a consistent and non-arbitrary manner, the standards for approval set forth in the CC&R's and these Rules, and make a decision, approving or denying the application, by majority vote. The Board, subject to any limitations set forth in the CC&R's, these rules and state law, may attach such conditions to any approval, as it deems appropriate. Based on the facts and circumstances of any application, the Board in its discretion, but on a consistent and non-arbitrary basis, may waive any condition or review standard set forth in these Rules.
- g) Applications which are approved, or approved with conditions, will receive a written notice to such effect.
- h) Applications which are denied or for which more information is requested, will receive written notice to such effect. Revised applications must be submitted within thirty (30) days of the date of the notice of denial or request for more information or such applications will be deemed abandoned. Abandoned applications must resubmit the filing fee and application as if no application had ever been previously submitted. Extensions for more time to resubmit the application will be granted for up to an additional thirty (30) days, provided written notice of intent to amend or supplement the application is received within thirty (30) days of the denial or request for more information and the written request asks for such extension.
- i) Applications which have been twice denied by the Design Review Committee (consistent with section 2.5(c) above) may be appealed to the Board by filing with the Association, within 15 days of the date of the rejection, an Application for Public Hearing - Appeal. If the application cannot be filed by such date, a written statement that an appeal will be sought must nevertheless be filed within the 15 days, but the homeowner may have an additional 30 days in which to file the formal appeal. A failure to timely file such appeal, or request an extension, shall be a waiver of the right to appeal the denial.
- j) Any change in an approved application must be submitted to the Design Review Committee and the Board for approval as an amendment to an existing approved Design Review Application. Failure to submit such amendment may be grounds for the Association to revoke its prior

approval, in addition to any other ramifications of such unauthorized change.

- k) Amendments to applications for additional improvements or for changes in approved plans may be submitted under the original application and fee up to twelve (12) months from the original approval. For amendments which increase the scope of the project (such as a fence application being amended to a second story addition) a separate application and fee must be submitted.
- l) Construction and demolition may only be undertaken during the following time periods: (1) Monday – Friday: 7:00 a.m. to 6:00 p.m.; (2) Saturday: 9:00 a.m. to 5:00 p.m. No work shall take place on Sundays and National Holidays. Please note that these work hours are more restrictive than those allowed by the City of Los Angeles. Violation of these work hours may subject the Owner to penalties including withdrawal of approval(s), the imposition of monetary fines, suspension of membership voting privileges and/or an order of injunctive relief by the Los Angeles Superior Court.
- m) Construction of improvements must be completed in a diligent manner, but in no event longer than twelve (12) months, unless approved by the Board. The Board shall specify the applicable completion date in its written approval based upon the scope of the proposed project. An owner of property at which work has stopped for more than thirty (30) days must provide the Board with a prompt notice and explanation as to the work stoppage, timetable for recommencement of the work and a reasonable estimated date for completion. A failure to diligently and continuously construct improvements that have been commenced is a violation of these Rules and the CC&R's.

### 3. MAINTENANCE

#### 3.1 Landscape

All owners must maintain the landscaping in the front yard of their homes in a neat and orderly manner.

- a) Lawns should be sufficiently watered to avoid turning brown.
- b) Lawns must be trimmed to no more than 4" in height.
- c) Ivy, dirt, cement and other such features are not favored and will only be allowed in rare instances and only with Board approval.
- d) Planters should be planted with appropriate flowers or foliage.

- e) Untended lawns or planters and/or incomplete or unplanted landscaping in the front yard are not considered to be in compliance with the maintenance requirements of the CC&R's.

### 3.2 **Home Structure and Appearance**

Under the CC&R's, all owners have a duty to maintain their home and other Improvements in a clean and orderly manner.

- a) Severe cracking, peeling or other deterioration of the paint of a home or other Improvement requires immediate repair or painting.
- b) Gutters should not be allowed to deteriorate.
- c) Wood siding, shutters and similar features must be maintained so as not to rot. Significant deterioration of such features will require timely repair or replacement.
- d) All owners have a duty to maintain their homes so they are not a blight on the neighborhood.
- e) Each Owner shall keep any ventilator or air-conditioning device that is visible to any neighbor or the street in good appearance and mechanical repair. Further, the Owner shall not permit a ventilator or air-conditioning device to leak condensation or to make any noise that unreasonably disturbs or interferes with the rights, comforts or conveniences of any other Owner. Excessive noise created by an ill-maintained device shall constitute a nuisance. If the device becomes rusty or discolored, the Owner shall have it painted in a good and workmanlike manner in a color that otherwise complies with the painting guidelines described in the Rules.

## 4. **SIGNS**

Except for statements otherwise considered constitutionally protected free speech, no sign, notice, advertisement, or illumination shall be displayed to the public view on or from any window, terrace, or other part of a Lot without the prior written consent of the Board of Directors. For the purposes of these Rules and the CC&Rs, the Board has interpreted "sign" to mean and include any form of expression, however manifest, and in whatever medium, including but not limited to written words (on any medium including paper, wood, cement or other material), images, rock formations, statues, effigies, images, flags, lights. The Association specifically permits the following signage, if it is erected and maintained as described below.

4.1 **First Amendment Rights** – The Association recognizes that Owners and their families have a right to expression under the first amendment. This first amendment right includes the basic right to say things that the majority disagrees with. Nevertheless, as we live in a community, Owners are encouraged to recognize the affect that some political, religious or other expressions may have on others. Sometimes what may seem innocuous to one person is

offensive to another. Signs may only be posted in accordance with the law. Temporary political or other ideological signs, if they relate to an election or other event, shall be removed within 15 days following the election or event to which they relate.

4.2 **For Sale and For Rent** – Signs advertising the home for sale or rent are limited to one sign measuring no more than eighteen (18) by twenty-four (24) inches. The sign shall be promptly removed following the sale or rental of the property. As the renting of less than the whole house is not permitted, signs advertising rental of less than the whole house are prohibited.

Promotional flags, directional signs and other real estate promotional tools may be placed on public property, subject to any laws. No such signs are permitted on Common Area. No such sign or flag may exceed eighteen (18) by twenty-four (24) inches. No more than three (3) such signs or three (3) such flags (or any combination of three (3) in total thereof), are permitted within the boundaries of the Association. Owners are responsible for making sure their real estate brokers comply with these restrictions.

4.3 **Construction** – One (1) temporary construction sign, not larger than eighteen (18) by twenty-four (24) inches, may be located on a Lot where a building or structure is being erected or remodeled, which single sign may identify the Owner, architects, engineers, financing agent and/or contractors involved in the project. Multiple signs advertising each such person involved in the project are not permitted at the same time. Such sign shall be removed within 15 days following substantial completion of the construction or remodeling.

4.4 **Security Patrols** – Multiple signs which identify security protection systems are permitted, provided such signs shall not exceed forty nine (49) square inches in area.

4.5 **Common Area** – No homeowner may erect any sign in or on the Common Area without the express written permission of the Association. The Association may erect such signs in or on the Common Area as it deems necessary or appropriate.

4.6 **General Rules for Permitted Signs** – If a sign is permitted pursuant to the foregoing Rules:

- a) Signs shall not be illuminated.
- b) Signs may not be placed on the roof.
- c) Signs shall not exceed a height to the top of the sign of six feet above the elevation of the sidewalk or edge of the roadway nearest the sign.
- d) Signs shall be located not less than ten feet from the property line.
- e) Signs may not be larger than eighteen (18) by twenty-four (24) inches, unless otherwise expressly permitted or limited by these Rules.
- f) Unless otherwise permitted by these Rules or by law, no more than one such sign is allowed to be maintained.

## 5. OTHER REGULATIONS

5.1 Window Coverings – No shades, venetian blinds, awnings or other materials shall be visible to the street or a neighbor if they are inconsistent with the colors, designs and/or materials utilized for such appurtenances in or on residences within the Association in the immediate vicinity, or which are otherwise inharmonious or out of keeping with the general plan of improvement of the Association, as determined by the Board.

5.2 Electric and Electronic Equipment – All radio, television or other electronic equipment of any kind or nature installed or used on a Lot shall fully comply with all the rules, regulations, requirements, and recommendations of the local fire authorities, FCC, appropriate local or state authority and/or insurance underwriters, and shall not cause reception or other interference with any other Owners electronic equipment.

5.3 Noise – No Owner shall make or permit any disturbing noises, or do or permit anything to be done that will materially (as determined by the Board) interfere with the rights, comforts or convenience of other Owners. In accordance therewith, no Owner shall play, or permit the loud playing of, any musical instrument, or operate or permit to be operated a phonograph, stereo, radio, television set, mechanical equipment or similar device, between the hours of 10:00 p.m. and 7:00 a.m. week days, and 11.00 pm and 8:00 am on weekends, in a manner that would materially disturb or annoy other Owners.

5.4 Unsightly Displays – No garbage cans, boxes, yard trimmings or other rubbish shall be placed on a Lot visible to a street, except on the day before and the day of trash pickup. Except for statements otherwise considered constitutionally protected free speech, nothing shall be hung from the windows terraces or balconies, or placed upon the window sills, which is offensive to other Owners or which is or would be inconsistent with similar displays in or on residences within the Association in the immediate vicinity, or which are otherwise inharmonious or out of keeping with the general plan of improvement of the Association as determined by the Board.

5.5 Cars Boats and RVs – No cars, boats, motorcycle, RVs or other equipment shall be stored in the front yard (which includes the front set back and any other portion visible to the street) or otherwise visible to the street for more than five (5) days in any 30-day period. No car, boat, motorcycle, RV or other equipment shall be parked on the grass or other unimproved area of the front yard of a property at any time. Repair of a car, boat, motorcycle, RV or other equipment is not allowed on a regular basis and for more than five (5) days in any 30-day period.

5.6 Tents – Tents are prohibited other than in the rear yard, and then, only on a temporary basis, for less than one week, unless otherwise approved in writing by the Board.

5.7 Trash and Storage Containers – The maintenance of storage, trash, construction or other containers on or about a property of a homeowner or on the street in front of one's home, other than in conjunction with construction that has been approved by the Board, is prohibited.

5.8 Pets/Feeding of Strays – Feeding of stray cats is deemed to be a nuisance. The Association has had significant problems in the past where homeowners have left out food for

stray cats or other animals. This creates an untenable situation for the surrounding neighbors in terms of allergies, feces on their property, late night dog or cat fights and other problems. The regular feeding of wild birds is also prohibited, especially if it results in significant quantities of birds inhabiting a neighborhood and creating problems (noise, feces) in or around a particular area as a result of such feeding.

## 6. **BUSINESSES AND NON-RESIDENTIAL USE OF PROPERTY**

The CC&R's prohibit business use and non-residential use of property with the Association. The Board of Directors strictly enforces this provision. While the City of Los Angeles may allow certain types of "home businesses," our CC&R's may not permit such businesses. The CC&R's contain a presumption that if a homeowner is using the property for a non-residential purpose and that the use becomes apparent to any neighbor or from the street, that use is a violation of the CC&R's, which means it is considered an automatic violation and it is up to the offending homeowner to prove to the Board that the use is not offending to the neighbors and is consistent with residential use.

The Rules and Regulations promulgated by the Board contain substantial fines for violation of these business and non-residential use restrictions. Fines are up to two times the gross receipts the homeowner receives from the prohibited activity, or up to \$10,000 per day, whichever is greater. The reason for such a substantial fine is that a homeowner should not profit from an unlawful activity which is likely disturbing to the neighbors. The fine also has to be substantial enough so that it is not an incentive to simply violate the CC&R's and then pay a small fine and continue to violate the CC&R's. As the Association has gone to court to collect these fines from homeowners, the Association has found that the courts have stood behind the Association in setting and collecting these fines.

The fact that a business has been continuing at a residence for a number of years is not a prohibition against the Association enforcing the business use restrictions. Changes in the nature of the business or surrounding neighbors may have made the business more apparent to the Board. Unless the Board learns of the business use through complaints or the neighbors or through its own observations, the Board is not actively hunting down business uses.

The following are descriptions of situations which have been found by the Board, or expressly provided in the CC&R's, to be non-residential uses prohibited in Beverlywood and violations of the business use restriction. The following is not considered to be an inclusive or exhaustive list of potential violations of non-residential use restrictions, but come from the enforcement history of the Association:

- 6.1 **Film Shoots** – Our CC&R's specifically prohibit use of the home or any portion of a Member's property for film shoots, television commercial, television shows, magazine shoots or anything similar to the foregoing.
- 6.2 **Garage Sales, Yard Sales and Similar** – Specifically prohibited by our CC&R's.
- 6.3 **Warehousing** – Inventory, supplies, and similar are prohibited to be stored in the garage, within the residence or on the property. This is also a violation of Los Angeles city law.

- 6.4 **Delivery/Shipping** – The receipt and shipping of merchandise, inventory, supplies or other goods not intended for the personal use of the Member or his/her family is prohibited.
- 6.5 **Day Camps** – Use of the residence, pool or surrounding property in conjunction with a camp, summer camp, school or similar purpose is prohibited.
- 6.6 **Employees** – Other than household employees, such as a housekeeper, nanny or gardener, employees coming and going or working at a residence or on a property in Beverlywood or gathering at the property for the transportation to another business location is prohibited.
- 6.7 **Equipment** – The storing and using of equipment, other than for personal purposes, is prohibited. In particular, the use of washing and sewing machines for the rejuvenation of clothing for resale, the use of table saws, band saws, drill presses and other carpenter equipment for the building of cabinets, fences or other merchandise, or other equipment used in the production or maintenance of goods to be resold is prohibited.
- 6.8 **Patient or Clinic Meetings** – The regular meeting with patients, clients or customers at a residence is prohibited. Clearly, all residents will from time-to-time, as a minor adjunct to business or employment, meet with clients, customers or patients at a home. However, the regular and frequent coming and going of such customers is not permitted and is indicative of a violation.
- 6.9 **Home Office** – The CC&R's and city law permit a home office. Home office, as interpreted by the Board, means an office maintained by a Member with his/her home from which they conduct business without the use of any employees (secretaries, clerks or otherwise), without the coming and going of deliveries or shipments (other than normal Federal Express, UPS or USPS deliveries and shipments that are of a level not significantly different from a resident who does not have a home office) and does not include the regular and frequent meeting at the home with customers, clients or similar. The home office use should not be apparent to any neighbor or from the street at any time.
- 6.10 **Hobby** – Hobbies, such as art work, cooking and the like, are permitted activities and the storage of materials related to such activities is not a violation. If, however, the activity becomes apparent to a neighbor or from the street, it may have become a business rather than a hobby, in which event it would be prohibited.
- 6.11 **Recording Studios** – Recording studios are presumed to be a violation of the business use restriction and may also violate the restrictions on noise and nuisance.
- 6.12 **Assembly Hall/Parties/Dance** – The use of the home as an assembly hall, for whatever purpose, is prohibited. An assembly hall is a place of gathering for groups of people **in** exchange for consideration. Whether a home is being used as an assembly hall tends to be dependent on the frequency, regularity, and size of the use. Instances where a fee or other consideration is required for admission clearly violate our CC&R's. While the frequency

and regularity of such gatherings is indicative of a violation, a single gathering may violate our CC&R's depending upon all the facts and circumstances.

- 6.13 **Daycare Centers/Rehabilitation Facilities** – Except where the law permits such activity notwithstanding the prohibitions in our CC&R's, daycare centers, childcare centers, rehabilitation facilities or anything similar are prohibited.
- 6.14 **Hotel/Apartment** – Homes in Beverlywood are intended to be used as single-family dwellings. This means that the homeowner, together with his/her family, household employee and invited guests are all that are permitted. The renting of rooms in a residence to others is specifically prohibited by our CC&R's. While roommates are permitted, our CC&R's only permit two such roommates in order to prevent a home from becoming a rooming or boarding house with 3, 4 or more unrelated persons living together and affectively turning the home into a fraternity house, apartment building or rooming house.
- 6.15 **Teaching** – The use of a home for the regular teaching of swimming, piano or other lessons is a violation of the business use restrictions. Coming and going of students is no different than the coming and going of medical patients, psychiatric patients or other clients or customers.
- 6.16 **Breeding** – The breeding of animals from a residence or property in Beverlywood is prohibited.
- 6.17 **Car Maintenance** – The use of the home, garage or other portions of a property or residence for the maintenance of automobiles not owned and used by the Member or his/her family for personal purposes is prohibited by our CC&R's. Car washing businesses, repair businesses and the like are not permitted. Storing of vehicles from one's business is also prohibited. The fact that an automobile, truck or other vehicle is not insured on the Member's personal automobile insurance policy or is listed on a business insurance policy, is presumptive, albeit rebuttable, that a violation has occurred.

## 7. **HEARINGS BEFORE THE BOARD**

### 7.1 **Types of Hearings**

- a) **Hearings for Variances from Provisions of CC&R's** – Homeowners who seek to construct improvements in violation of the specific requirements set forth in the CC&Rs, or otherwise seek to be exempt from certain provisions of the CC&Rs, shall file with the Association an Application for Hearing - Variance on the Board approved form. Applications must include the appropriate fee, drawings, tract maps, labels and other materials required by the application. Incomplete applications will be rejected. Although Section 8.8(b) of the CC&Rs provide for a two step notice process to allow elimination of public hearings if no objections are received, the Board has determined that it would be appropriate to allow the applicant to seek to bypass the first proscribed notice in order to expedite the process. Also, if prior to the mailing of the first notice, an

objection is received from one or more other homeowners or a board member has filed an objection to the variance, in the interest of expediting the process, the first notice prescribed by Section 8.8 (b) of the CC&Rs shall be bypassed, a hearing scheduled for the next available Board meeting or other date acceptable to the Board and a Notice of Hearing issued at least fifteen (15) days before the hearing.

- b) *Fine Hearings* – An owner will be provided at least ten (10) days prior written notice if the Board is considering the imposition of a monetary fine or fifteen (15) days notice if the Board is considering suspension of a Member’s rights.

With respect to continuing violations which result in additional fines being levied for the same violation, no right of hearing on such subsequent fines exists.

Unless a homeowner specifically requests an open hearing, notice of a hearing on disciplinary matters shall be without notice to other Members. If the homeowner requests an open hearing on the matter, then the procedure set forth in the CC&Rs with respect to open or public hearings shall apply.

- c) *Hearings on Denial of Design Review Applications* – See Section 2.5: The Board has delegated its authority to review Design Review Applications to the Design Review Committee, subject to final approval by the Board.

## 7.2 **The Hearing**

- d) Hearings are limited to Members only. Members may, however, bring their consultants (i.e., architects, engineers, landscape designers, etc.) necessary to the presentation of the case (i.e., witnesses), but representation by counsel is not permitted, unless required by law, and the Association has been given adequate notice to have its attorney present.
- e) Hearings shall be led by the President or if not available the vice president.
- f) Hearings are conducted on an informal basis. Members are given approximately fifteen (15) minutes to present their case, followed by questions from the Board only.

Hearings that require additional time may, at the Board’s discretion, be continued to the following month.

- g) With respect to fines or other disciplinary matters, deliberations of the Board shall occur during executive session.
- h) Within ten (10) days of the hearing the Board will render a written decision. The decision shall include such findings of fact as the Board may

consider relevant. The Board shall have the authority to either continue a fine hearing or to extend the period within which a written decision shall be rendered, if the facts and circumstances so merit.

7.3 **Appeals from Hearings** – The only source of appeal is a civil court action to overturn the decision of the Board as arbitrary or capricious or not in conformity with the state law, the CC&Rs or these Rules. Nevertheless, on request, the Board, in its absolute discretion, may hold a rehearing on the matter.

## 8. **FINES**

The following fines (in addition to any fines specified elsewhere in these Rules or the CC&R's) will be levied in accordance with Section 8.7(b) of the CC&R's. The Board has adopted the following fine schedule based on the relative cost to the Association and its members for such violation, the administrative cost to enforce the CC&R's with respect to the violation, the effect of continued or further violations, to act as a deterrent to violation of the CC&R's and to impose a penalty of sufficient severity to avoid such violations in the future. The following schedule lists the maximum, and in some cases minimum fine which may be imposed. The Board of Directors, in its discretion, may impose fines up to the maximum listed. This schedule will be in effect until further notice.

8.1 **Violation of CC&R Article 6, Section 4 (Offensive Activity/Nuisance); Article 6, Section 6 (Rubbish); Article 6, Section 10 (Signs); Article 6, Section 11 (Maintenance); Maintaining an unsafe or hazardous condition on a property; Failure to properly secure a construction site; and Starting, but not completing, construction within timeframe set forth in the Approval:** Not to exceed \$2,500.00 for the first seven (7) days per violation and \$1,000.00 per week (or portion thereof) that each violation continues;

8.2 **Use of Property Other Than as Residence, Including Garage Sale, Film Shoots, and Unauthorized Day Care Facilities:** Not to exceed two times the gross receipts the homeowner receives from the prohibited activity or up to \$10,000 per day, whichever is greater;

8.3 **Unauthorized Improvements Including, Unauthorized Demolition, Construction, Modification of Landscape, Modification of Hardscape, Unauthorized Improvements Based Upon Character and Size, Illegal Fences and Walls, Setback Violations:** The initial fine shall not exceed ten-thousand dollars (\$10,000) for each such violation, upon notice to the homeowner of the violation and hearing thereon. If such violation is not abated within thirty (30) days of such notice, fines of up to \$2,500.00 per week (or portion thereof) may be imposed for so long as each violation continues.

If a Homeowner (or other individual who is working on Homeowner's behalf) has previously been fined with respect to any project within the Beverlywood community within the prior thirty-six (36) months, including unrelated projects, the initial fine to an Homeowner shall not exceed twenty-five thousand dollars (\$25,000) for each such violation, upon notice to the homeowner (or other individual) of the violation and hearing

thereon. If such violation is not abated within thirty (30) days of such notice, fines of up to \$2,500.00 per week (or portion thereof) that each violation continues.

8.4 **Late Payment of Assessments:** Ten percent (10%) of the assessment amount.

8.5 **Subdivision of Property:** Up to twenty-five thousand dollars (\$25,000.00) for each month, or portion thereof, in which the violation continues.

8.6 **Excessive False Alarms:** Homeowners will be allowed two (2) false alarm calls logged by the Beverlywood Patrol Service per calendar year. Each additional false alarm will be assessed a fine of \$150.00.

8.7 **Any Other Violation Where Penalties Are Not Otherwise Specified Above:** Not to exceed twenty-five hundred dollars (\$2,500.00) for each such violation, per week, or portion thereof.

The Board of Directors will determine the precise penalty amount(s) to be imposed based upon:

- a) The willful and/or negligent character of the violation(s);
- b) The prior violations of the governing documents by the particular homeowner and/or their representatives;
- c) Such other facts as the Board, in its sole discretion, deems relevant.

The prior violations of the governing documents by the particular owner and/or their representatives; and

The Board may waive or reduce any fine, including any minimum fine, in its sole discretion.

All unpaid penalties will, if in accordance with the governing documents and State law, become a lien upon the property in question.

To the extent the foregoing increases the prior fine structure, the new fine schedule will relate to violations occurring on or after January 1, 2014. Violations occurring prior to January 1, 2014, are subject to the prior fine structure, except that continuing violations will be subject to this revised fine schedule from the effective date thereof.

## 9. **Amendments, Waivers and Severability**

Any consent or approval given under these Rules, as well as these Rules themselves, may be amended at any time by resolution of the Board. Any amendment to these Rules shall not be effective until 30 days after notice of the revised Rules are mailed to Members. Except where otherwise prohibited, the Board may waive, modify or reduce the extent or affect a Rule has on any Member, where the Board determines, in the interest of fairness and the particular circumstance, such modification or waiver is justified. No failure of, nor any delay on the part of the Board in exercising any right, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder, preclude any

other or further exercise thereof or the exercise of any other right, power or privilege. All rights and remedies provided herein are cumulative and not exclusive of any other rights or remedies otherwise provided by the CC&R's, law or at equity. In the event any one or more of the provisions hereof is found to be invalid, illegal or unenforceable in any respect, such provision shall be curtailed and limited only to the extent necessary to bring it within legal requirements, and the validity, legality and enforceability of the remaining provisions of these Rules shall not in any way be affected or impaired thereby.