

OLD STONE RANCH
HOMEOWNERS ASSOCIATION
ASSOCIATION RULES & REGULATIONS
ARCHITECTURAL DESIGN & CONTROL GUIDELINES

REVISED: July, 2018

Welcome to the Old Stone Ranch Homeowners Association (“OSR” or “Association”). As a property owner in Old Stone Ranch, you are automatically a member of the Association. The Association is a nonprofit corporation formed for the purpose of preserving the values and amenities of Old Stone Ranch. The Association is committed to maintaining a high aesthetic value to ensure a quality of lifestyle and promote property value. The Association governs the common areas and assists the homeowner in making improvements to their properties with the sole purpose to preserve the value of the neighborhood as a whole.

Equally important to the success of Old Stone Ranch as proper management is the compliance of each individual member with the governing documents. The first governing document is the Declaration of Covenants, Conditions and Restrictions, otherwise known as the “CC&Rs”. These are legal rules that are recorded against all of the OSR platted land. The CC&Rs allow for the formation of THE ARCHITECTURAL COMMITTEE AND ISSUANCE OF ASSOCIATION RULES AND DESIGN GUIDELINES, (“Rules”, “Design Guidelines,” “Guidelines”) The Design Guidelines contain information relevant to the use of your property and to any modifications to your property that require prior approval from the Association.

As a Homeowner and a Member of the Association (“Owner” or “Member”), you should become familiar with Article V in the CC&Rs, “Use Restrictions” and this document, the Rules and Design Guidelines. These documents may be amended from time to time and when this occurs, OSR will provide you with access to copies of the changes. OSR has the documents available on the OSR website for your convenience. Please check with your Management Company for details.

Both the CC&Rs and the Design Guidelines are intended to maintain property values and the high standards of development that exist within the Old Stone Ranch Community (“Community”). The Rules assist residents in preparing an application to the Old Stone Ranch Architectural Committee (“Architectural Committee” or “Committee”) for landscaping, structural and hardscape improvements, alterations or other exterior modifications.

Following these rules does not eliminate the need for approval by the Architectural Committee or for any required government approval. You should always determine if a building permit is required. Even if the City of Chandler grants a building permit for your proposed improvements, you **must also get**

specific written approval from the Architectural Committee prior to beginning your home or lot project.

Even if your proposed project is identical to another homeowner's existing improvements and you know they got approved for what they built, your proposal must be submitted to the Committee for approval before the commencement of work. Because each situation may have different conditions such as different locations, physical conditions or design considerations, each application will be reviewed on a case-by-case basis. In the event of any inconsistency between these Rules and the CC&Rs, the CC&Rs will control the decision. All architectural approvals will be conditioned upon compliance with applicable government codes, as well as the OSR requirements.

ARTICLE I

ARCHITECTURAL REVIEW AND PROCEDURE

1.1. ARCHITECTURAL COMMITTEE.

The OSR Board of Directors ("Board") will establish the Architectural Committee consisting of not less than three people, or more than five, to serve as members. The Board has the authority to select, appoint and remove Committee members. To promote continuity in the review process, Committee members shall be appointed to two year terms, except the initial Committee shall have the majority of members appointed for two years and the remaining member(s) appointed for one year. Architectural Committee members must own property and live in OSR to serve on the committee. A person who lives in a rental property in the Community cannot serve as a member of the Committee unless he also owns a property within the Community.

The Architectural Committee shall meet at least once monthly to review applications for approval. The Chairperson of the Committee may call special meetings on three days written notice to the other Committee members. The Committee reserves the right to resolve issues through a resolution by unanimous consent.

The Architectural Committee is charged with the responsibility of reviewing all architectural applications submitted by OSR Members before building is initiated or before any changes that affect the exterior appearance of a property are made. The Committee also adopts guidelines and procedures for the preparation, submission, review and determination of Owners' applications for any approvals required for construction, landscaping or other exterior modifications to their properties.

These Design Guidelines interpret and establish the standards for the development of single family homes within the Community, including, but not limited to, architectural design, placement of buildings, hardscape, landscaping, plant selection, color schemes, exterior finish and material, signage, well design and similar matters. The Design Guidelines shall have the same force and effect as the Association CC&Rs. **When there is a conflict between the Design Guidelines and the CC&Rs, the CC&Rs shall govern.**

1.2. APPLICATION AND APPROVAL REQUIREMENTS.

Pursuant to Section 5.22 of the CC&Rs, any Owner wishing to do any the following to his or her lot must submit a written request for prior approval to the Architectural Committee specifying in detail the nature and extent of the construction, installation, addition, alteration, repair, change, or replacement of any improvement, which the Owner desires to perform.

- (A) Excavate or alter the grading or drainage of the lot.
- (B) Construct improvements visible from neighboring properties.
- (C) Add, alter, repair, change or do other work which in any way alters the exterior appearance, including but without limitation, the exterior color scheme.
- (D) Install a pool, spa, or other water features that would be visible from neighboring properties.
- (E) Construct or install walls, fences or hard, permanent materials, such as paving, brick, masonry, wood trim, concrete, rocks, flagstone, outdoor barbecue, fireplaces, or other inert material (hardscape) visible from neighboring properties.
- (F) Place any object (i.e. lighting and decorations) on the lot visible from neighboring properties.

The approval of the Architectural Committee shall be in addition to, and not in lieu of, any required government approvals, consents, or permits. It is the responsibility of the Owner to obtain all required permits or approvals. Government approval is not a guarantee that there will be approval by the Architectural Committee. Similarly, approval by the Architectural Committee is not a guarantee there will be government approval and does not satisfy the building permit requirements. This includes compliance with all setback requirements under the applicable Chandler City Building Code and any regulations promulgated there under. If a government entity requires modifications to plans after the Architectural Committee has approved the plans, ALL such modifications must be resubmitted to the Committee for review and approval prior to commencement of the project.

1.3 Owner Responsibility.

Even when Approvals are granted by the Architectural Committee, the Owners assume all liability and responsibility for any consequences of the work the Owners seek to perform. Further, Owners shall hold the Committee, OSR, its directors and officers harmless and indemnify them against any damages arising from or related to Owners' project and the work thereon. Owners should be aware and research whether any of their planned improvements impact their homebuilder's warranty. For example, any Owner's changes to the finished grade of the lot may void their warranty, since a grade change can direct water towards the foundation of the home and undermine the structure's integrity. To avoid these unintended consequences, a structural engineer should be engaged by the Owner at the Owner's expense in order to confirm that any desired grade changes will not have a negative effect on the existing structures, including walls, or the grading and drainage of their lots.

1.4. APPLICATION PROCEDURES

A. Submittal Requirements. When submitting for Architectural Committee approval, the Owner must supply the following documentation to the Committee:

1. Application Forms. OSR has adopted forms which Members must use when requesting Committee approval. The forms are available on the OSR website and through the OSR Property Management Company. Owners must use the OSR forms for applications to the Committee.
2. Plot Plan – a site plan showing dimensions, relation to existing dwelling and property lines (setbacks). Measurements must be written on the plan and the pertinent parts should be drawn to scale.
3. Elevation Plan – Plan drawings showing finished appearance of improvement in relation to existing dwelling. An accompanying photograph of the proposed location is required for structural additions to the lot.
4. Specifications – Detailed description of materials to be used and color samples must be submitted.

The Architectural Committee may ask for additional information and/or clarification. A COMPLETED APPLICATION consists of the approved form and all the supporting documentation, plans, specifications, whether initially filed or requested by the Committee. Until all requested information is provided the application is INCOMPLETE and the Owner should not proceed with the project until prior written Committee Approval has been received.

B. Fees. The Board shall have the right in its sole discretion, to assess applicants for Committee approval a processing fee to defer the costs incurred by OSR in considering requests for review or approval. The schedule of fees shall take into account the proposed land use, size and complexity of the project to be reviewed. Review fees are due at the time an application is submitted. The Board may amend the schedule from time to time. Any fee schedule will be available on the OSR website and at the OSR Property Management company office.

C. Time for Filing. Owners must file their applications and all attachments and receive Architectural Committee approval before submission of an application for a building permit to the City of Chandler.

1.4. REVIEW PROCEDURES

A. Filing. All applications for Architectural Committee review shall be filed at the office of the OSR Property Management Company (“Management Company”.) Immediately upon receipt the Management Company shall date stamp the application. Management Company will make an initial review of whether there is a Completed Application. If the application is not complete the Management Company will notify the filing Owner.

B. Disclosure. Upon receipt of an application the Management Company will provide written notification to all adjacent property owners, and other owners the Committee determines are affected, of the substance of the application. Disclosure is for the benefit of the adjacent and affected Owners

and does not constitute approval or denial of the application. Disclosure is required for any structure that exceeds the neighboring walls and for any major change to the exterior appearance. The written notice shall include the type of modification, the date of the next Committee meeting and notice that comments, questions and concerns should be addressed to the Committee, through the Management Company.

C. Meetings and Decisions.

C.1. Review Schedule. The Architectural Committee will endeavor to review all COMPLETED APPLICATIONS received by the last day of the current month at the next scheduled meeting. COMPLETED APPLICATIONS not scheduled at such meeting shall be reviewed at the next following Committee meeting. The Committee may disapprove any application that does not contain sufficient information to allow the Committee to make a decision in accordance with the CC&Rs and the Guidelines.

Per Section 5.22(D) of the CC&Rs, the Committee has sixty (60) days after receipt of the **COMPLETED APPLICATION** to approve, deny or request additional information for the application. If the Committee does not take action within sixty days after receipt of a COMPLETED APPLICATION the application is deemed approved.

Incomplete applications do not count toward the calculation of time under the CC&Rs or the Guidelines. Any application resubmitted either after previous a denial or requesting modification of a previous approval shall be deemed a new application.

C.2. Professional Services. The Architectural Committee may retain the services of a design professional, architect, landscape designer, engineer or other authority for consulting purposes at the applying Member's expense. The Committee will notify the Member of this before incurring the consultant's fee.

C.3. Written Decisions. All Committee decisions will be in writing. No verbal approvals or disapprovals will be given. The Architectural Committee decisions will be mailed to the Owner.

C.4. Liability. Neither the Architectural Committee, OSR, the Board, or Officers shall have any liability in connection with or related to approved plans, specifications or improvements. The approval of the plans does not mean that judgment is passed on the structural soundness of the improvement nor its effect upon existing or future drainage.

D. Construction. Construction (including other approved alterations) must be started within sixty (60) days of the date of the Architectural Committee's approval of the application or the Architectural Committee's approval shall be deemed withdrawn and the plans must be resubmitted in accordance with the Guidelines. Members may request an extension of time to start the project before the expiration of the sixty (60) days. Approval or denial is within the sole discretion of the Committee.

Once started, construction shall be pursued diligently in order to assure prompt completion. Absent a different deadline for completion of construction (which may be shorter or longer, at the discretion of

the Architectural Committee), landscape installation required in front yards and view fence back and side yards shall be completed within one hundred twenty (120) days after close of escrow; other construction shall be completed within ninety (90) days of the date of the Committee's approval of the application or such additional period of time as may be approved by the Committee at the time of issuance, or afterward on separate application.

1.5 RECONSIDERATION FOR DENIED DECISIONS ("DENIALS")

Any Owner shall have the right to request Architectural Committee reconsideration of a Denial by resubmitting the application, supporting documents and application fee (if applicable). However, requests for reconsideration shall be considered ONLY if the appealing Owner modifies the proposed construction or submits new information, which would warrant reconsideration. New information warranting reconsideration does not include: a subjective opinion by the Owner about the aesthetic qualities of the project; or the Owner's inability to perform. Requests for reconsideration must be filed in writing with OSR within thirty (30) days after the mailing date of the Committee's Denial or the Denial is final. The Owner shall be given an opportunity to appear and make a formal presentation during the Committee review of the Request for Reconsideration.

ARTICLE II

ARCHITECTURAL REQUIREMENTS AND EXTERIOR APPEARANCE GUIDELINES

2.1 ARCHITECTURAL THEME. Attractively designed and maintained architecture, including landscaping, is important to the success of Old Stone Ranch. The Architectural Committee is given broad authority to insure the compatibility of design throughout the Community and will take into consideration the transition from one lot to the other.

Old Stone Ranch is a blend of lush landscaping, anchored by three lakes and a water feature and Xeriscape (Desertscape) landscaping that recognizes our climate and is encouraged by the City of Chandler. Landscaping and exterior appearance should carry forward these themes.

2.2. VISIBLE FROM NEIGHBORING PROPERTY. This phrase is used many times in the DESIGN GUIDELINES. It means "that an object is or would be visible to a person six feet (6') tall standing on a neighboring lot, neighboring Common Area, or street at an elevation not greater than the elevation at the base of the object being viewed." This is a standard for certain improvements and will often either trigger prohibitions or require prior Architectural Committee written approval.

2.3. LANDSCAPING REQUIREMENTS.

A. Approval Required. Landscaping provides one of the most important architectural features at Old Stone Ranch. **PRIOR WRITTEN APPROVAL** from Architectural Committee is **REQUIRED** for all Landscaping plans for **FRONT YARDS, BACKYARDS with VIEW FENCES** and **LANDSCAPING VISIBLE FROM NEIGHBORING PROPERTY**. Applications for landscape approval shall include an application form and plot plan indicating the design, colors and type of material, quantities and locations of all items. Plant

materials must be from the approved plant material list. The Committee will review each application for conditions that are specific for that site.

B. General Principles. Desertscape/Xeriscape principles are encouraged by the City of Chandler and will be permitted, although not required by OSR. The Owner shall install landscaping and irrigation improvements in compliance with the Xeriscape principles and other applicable requirements set forth in any applicable Chandler zoning ordinances in that portion of his lot which is between the street(s) adjacent to his lot and the exterior wall of his residential unit or any wall separating the side or back yard of the lot from the front yard of the lot. Any lot that has view fencing, wrought iron rather than a solid wall, on any boundary of its rear yard shall be completely landscaped and irrigated, front, rear, and side yards, by the Owner of such lot within one hundred twenty (120) days of becoming the owner of the lot. The landscaping and irrigation must be installed in accordance with plans approved in writing by the Architectural Committee. Prior to installation of such landscaping, the Owner shall maintain the portions of such lot required to be landscaped in weed-free condition.

C. Minimum and Maximum Landscape Requirements. All landscaping shall comply with the following **MINIMUM and MAXIMUM** requirements:

C.1. Minimum Front yards landscaping on lots 60 feet wide or less:

1. Two (non-prohibited variety) 15-gallon trees at least three feet in height.
2. Five 5-gallon shrubs.
3. Five 1-gallon shrubs/ground cover plants.
4. Inert materials for ground cover (1/2 inch or greater, unless otherwise approved by the Committee), OR live sod with end-to-end headers as set forth herein.
5. Owners may submit requests for high-quality artificial turf; the Architectural Committee will make case-by-case determination regarding this material after reviewing the submittals which shall include a sample of the proposed artificial turf. In the event artificial turf is approved, the Owner must maintain the appearance of the artificial turf in a clean, first class, "like new" condition.
6. Owners whose lots face Old Stone Ranch Circle have additional criteria as follows: Old Stone Circle is located near the center of the community. Owners who live adjacent to this loop road will have a split rail fence existing within and/or adjacent to the right of way for Old Stone Circle. OSR will maintain the landscaping within the right of way, including the split rail fence.

The front yards of all homes facing Old Stone Circle shall have a portion of turf, either natural grass or artificial turf, beginning 3 feet back (towards the Owner's lot) of the split rail fence area, back of right of way at least 9 feet wide which shall be installed at the Owner's expense. The turf edge along Old Stone Circle closest to the split rail fencing shall form a straight line parallel to the split rail fence. The front yard turf edge closest to the house may be meandering or parallel to the split rail fence. Turf shall not be located closer than 5 feet

from the home's foundation or perimeter block walls. Homeowners whose lots do NOT face Old Stone Ranch Circle do NOT have to follow this criterion.

7. The **Maximum** requirement shall be an inclusion of Two (2) more plants, either 1 or 5 gallon from the Approved Plant List. Any additional trees are subject to prior ARC approval

C.2. Minimum Front yards landscaping on lots greater than 60 feet wide:

1. One (non-prohibited variety) 15-gallon tree at least three feet in height PLUS one (non-prohibited variety) 24 inch box tree at least 6 feet in height.
2. Nine 5-gallon shrubs.
3. Nine 1-gallon shrubs/ground cover plants.
4. Inert materials for ground cover (1/2 inch or greater, unless otherwise approved by the Committee), OR live sod with end-to-end headers as set forth herein.
5. Owners may submit requests for high-quality artificial turf; the Architectural Committee will make case-by-case determination regarding this material after reviewing the submittals which shall include a sample of the proposed artificial turf. In the event artificial turf is approved, the Owner must maintain the appearance of the artificial turf in a clean, first class, "like new" condition.
6. Owners whose lots face Old Stone Ranch Circle have additional criteria as follows: Old Stone Circle is located near the center of the community. Owners who live adjacent to this loop road will have a split rail fence existing within and/or adjacent to the right of way for Old Stone Circle. OSR will maintain the landscaping within the right of way, including the split rail fence.

The front yards of all homes facing Old Stone Circle shall have a portion of turf, either natural grass or artificial turf, beginning three (3) feet back (towards the Owner's lot) of the split rail fence area, back of right of way at least nine (9) feet wide which shall be installed at the Owner's expense. The turf edge along Old Stone Circle closest to the split rail fencing shall form a straight line parallel to the split rail fence. The front yard turf edge closest to the house may be meandering or parallel to the split rail fence. Turf shall not be located closer than 5 feet from the home's foundation or perimeter block walls. Homeowners whose lots do NOT face Old Stone Ranch Circle do NOT have to follow this criterion.

7. The **Maximum** requirement shall be an inclusion of Three more plants, either 1 or 5 gallon from the Approved Plant List. Any additional trees are subject to prior ARC approval

C.3. Back Yard View Fenced Yards landscaping:

1. Two (non-prohibited variety) 15-gallon trees at least three feet in height.
2. Five 5-gallon shrubs.
3. Five 1-gallon shrubs/ground cover plants.
4. Inert materials for ground cover (1/2 inch or greater, unless otherwise approved by the Committee), OR live sod with end-to-end headers as set forth herein.

5. Owners may submit requests for high-quality artificial turf; the Architectural Committee will make case-by-case determination regarding this material after reviewing the submittals which shall include a sample of the proposed artificial turf. In the event artificial turf is approved, homeowner must maintain the appearance of the artificial turf in a clean, first class, "like new" condition.
6. The **Maximum** requirement shall be an inclusion of 2 more plants, either 1 or 5 gallon from the Approved Plant List. Any additional trees are subject to prior ARC approval

C.4. UTILITY LINE LOCATION. You must call Arizona 811 (Formerly Arizona Blue Stake) to locate all utilities, including water line prior to any digging.

D. Fine Grading and Mounding. Fine grading is a critical aspect of landscaping. Each lot has been graded so that all storm water will drain away from the home, walls or any other structure. It is important that this drainage pattern is maintained when preparing the landscape design, especially if mounding or berming is proposed. In all cases grading or mounding must comply with the City of Chandler approved grading and drainage plan. Owner shall take every effort to make mounding appear natural.

E. Ground Cover. The Owner must cover all areas of the lot with landscape materials-either plants, turf or inert materials. Bare areas are prohibited. Ground cover, inert material and any other landscaping softscape or hardscape shall not be used to spell out or form names, nicknames, initials, words, names of states or cities, or any other word.

F. Turf. Turf is permitted in front and rear yard landscaping provided that no turf or spray irrigation shall abut walls or fences. Planting areas of at least five (5) feet are recommended between walls, fences, structures, turf and spray irrigation. Great care should be taken to avoid spraying of walls, fences and other structures that may cause damage and void any warranty. Drainage should flow away from all walls and any structures.

Owners may submit approval requests for high quality artificial turf. The Architectural Committee will make case-by-case determinations regarding this material after reviewing the submittals which shall include a sample of proposed artificial turf. In the event artificial turf is approved, the Owner must maintain the appearance of the artificial turf in a clean, first class, "like new" condition.

TURF AND OTHER PLANT MATERIALS, AND SPRINKLER SYSTEM WATER MUST NOT BE PLANTED OR INSTALLED DIRECTLY AGAINST ANY OF YOUR HOME WALLS OR FENCING. DOING SO MAY VOID YOUR HOME'S STRUCTURAL WARRANTY. A BORDER OF NON-ORGANIC AND NON-WATERED MATERIAL AT LEAST FIVE (5) FEET WIDE BETWEEN TURF AND PROPERTY WALLS MUST BE USED INSTEAD OF LIVE TURF OR WATERED PLANTS.

G. Inert Ground Cover. All decomposed granite shall be ½ inch or larger in size, unless otherwise approved by the Committee, and of up to two earth tone colors. Earth tone colors consist of browns, golds and reds. Gray river rock is not permitted as ground cover, but may be allowed for riverbed designs upon approval by the Architectural Committee.

Granite shall be applied as a 2" thick layer minimum. White rock and any rock with coating (artificially colored rock) of any kind are prohibited. Rip rap used for river beds should coordinate, in color, with your selection of decomposed granite.

All granite areas should be treated with a pre-emergent weed control in regular intervals to retard weed growth.

H. Headers. Headers are continuous materials that separate turf from other planter or inert ground cover areas. Headers must be used to separate inert ground cover areas from turf areas and shall be concrete, masonry, bricks, Saltillo or Mexican tile materials and may not exceed 12" in width. Headers shall be flush where they abut other paved areas. Rock, railroad ties, plastic, steel, aluminum and redwood header boards are prohibited.

I. Plant Support Rules. Trellis or lattice must be painted to match the color of the home or trim, unless otherwise approved by the Architectural Committee and maintained in a "like new" condition. Trellis or lattice must be replaced and/or repainted when weathering occurs. The use of chain link and chicken wire is prohibited, except with prior approval from the Architectural Committee an Owner may place chicken wire over the inside of the water drainage holes in walls and along view fences. An application for such approval must state the specific reasons for the request along with the plot plan and samples of materials to be used. Any approved use will require the wire to be of a fine grade. For drain hole coverage the wire must be painted to match the wall color. For use in view fence lots, the wire must be painted the color of the view fence, not be attached to the view fence, be located no closer than two feet to the view fence, not exceed more than two feet in height from the surface of the ground, be mounted in a neat and professional manner and be screened from view through the view fence by landscape plants or other Committee approved method.

J. Irrigation. All landscape irrigation must be a fully automatic underground watering system, either with or without a timer component. All landscape plantings in front yards, or rear yards and side yards with view fencing shall use drip emitters, except for turf and flowerbed areas. When sprinklers are utilized, care should be taken to avoid overspray on hardscape, structures, walls, fences and windows. No "hose powered" water sprinkler systems shall be allowed in front yards or back yards with view fencing. Installation of sprinkler systems at least 5 feet away from walls, fences and structures is required to avoid water and root damage to these walls, fences and structures. Drainage must flow away from all structures. **DO NOT ALTER THE GRADING AND DRAINAGE OF YOUR LOT FROM THE ORIGINAL LOT PLANS WITHOUT CONSULTING AN ENGINEER.** Doing so could void your warranty and cause damage to your home and walls.

K. Care and Maintenance. All landscape shall be maintained in a neat and attractive condition. Minimum maintenance requirements include proper watering, mowing, edging, pruning, removal and replacement of dead and dying plants, removal of weeds and noxious grasses, and removal of trash.

L. Tree Restrictions. Owners should make every effort to choose and install trees that are slow growing and do not exceed thirty (30) feet in height. Trees must be maintained at an acceptable height and

trimmed at regular intervals. OSR reserves the right to require a tree be topped or trimmed as deemed necessary.

Trees with shallow and/or invasive roots planted within five feet of concrete walks shall include root barriers.

2.4 FENCES/WALLS/GATES.

A. Design and materials. OSR has approved standard wall designs that shall be used on all exterior walls where a theme wall or view wall is required. Gates may not be constructed in any wall or fence without prior Architectural Committee written approval of the size, location, color, and materials to be used.

B. New retaining walls. Applications for non-original retaining walls must include a structural engineer's approved and stamped plan and Owners must sign an indemnification and hold harmless for OSR, its directors, officers and Architectural Committee members In the event such a retention wall is approved by the Committee.

C. Pony Walls. Pony walls constructed in the front yard to form a courtyard or hardscape seating area must be of a color to match or blend with the exterior body color of the home. Applications for all pony walls Visible from Neighboring Properties shall be submitted to the Architectural Committee with a drawing showing the existing structures on the lot and the proposed location and size of the Pony Wall(s) prior to commencement of construction. Pony walls that constitute a retaining wall in the back and rear yards are not allowed against an OSR maintained wall without written and stamped plans that contain confirmation by a structural engineer paid for by the Owner that the pressure from the weight of the soil within the proposed retained areas will not cause damage to the OSR maintained wall. Additionally the Owner must provide OSR with an indemnification against all future damage that the pony wall/retaining wall causes.

D.. Existing Walls. Fences and/or walls installed by Shea Homes Limited Partnership ("Declarant") shall be not be removed, altered, or painted without the Committee's prior written approval. Owners, including those with view lot fencing may not apply paint or stucco or make any repairs that alter the appearance of the back yard or side yard walls without the prior written approval of the Architectural Committee.

D.1. Painting. All wall painting must be done with quality exterior paint, designed for painting masonry surfaces and match the body color of the Owner's house. At least two coats of paint must be applied.

D.1. Stucco. Application of stucco to walls will only be approved if a water sealant is applied to the wall, quality materials are used in accordance with the manufactures' instructions and the work is done by a licensed contractor. The stucco must be painted in accordance with Section C.1.

Owners are responsible for all damages which may arise from or are related to applying paint, applying stucco or making repairs to walls and fences and shall indemnify and hold harmless OSR, its directors,

officers and Architectural Committee members and the adjoining property owners from any and all claims arising from or related to such action.

E. Access through Perimeter Walls. NOTWITHSTANDING THE ABOVE, PERIMETER WALLS MAY NOT BE TORN DOWN TO ALLOW ACCESS TO REAR YARDS. AN ASSESSMENT OF \$5000.00 WILL BE APPLIED TO A LOT OWNER IN WHICH A COMMON WALL HAS BEEN REMOVED WITHOUT ARCHITECTURAL COMMITTEE APPROVAL. ACCESS MUST BE GAINED THROUGH THE FRONT WALL ON THE SIDE OF THE HOME. REPAIRS TO THIS WALL MUST BE COMPLETED IN A TIMELY FASHION AND INCLUDE REPAIRING THE WALL TO MATCH THE TEXTURE AND COLOR OF THE REMAINING WALL.

All lots with perimeter fencing and all theme walls must be painted in the color pallet then in force. The pallet may be changed by the Board of Directors.

F. Gates. Gates with wood slats shall be stained in a natural wood color. Gates with composite wood slats shall be a natural wood color. The metal frame of a gate shall be painted or coated black or dark brown. Routine maintenance of gates does not require prior Committee approval.

2.5. EXTERIOR COLORS. Exterior paint colors must be selected from the color palette approved by the Board of Directors. The current color pallet is available at the Dunn Edwards website, click Homeowners, then click Color-Ark and follow the instructions. Owners must submit an application for prior approval to the Architectural Committee before painting. Plans and specifications submitted to the Committee must include paint samples, details of the exterior color scheme, including all exterior surfaces.

2.7 DRIVEWAY/BACKYARD ACCESS and SIDEWALK EXTENSIONS

A. Driveway/Backyard extensions. Driveway/Backyard (“Driveway”) extensions are prohibited without prior review and written approval by the Architectural Committee. PARKING IS ONLY ALLOWED on the DRIVEWAY Extension with the approval of the Committee and in accordance with the restrictions stated herein. The primary purpose of such extensions is to allow ingress and egress into the backyards.

B. Driveway/Backyard extension criteria.

B.1. Width. The total width of the concrete area of a Driveway extension may not exceed thirty (30) feet of contiguous area or fifty percent (50%) of the lot width, whichever is **less**.

Example: 2 car driveways seventeen feet (17’) may request a Backyard Access Extension of a maximum width of thirteen feet (13’). 3 car driveways twenty-five feet (25’) may request a Backyard Access Extension of a maximum width of five feet (5’).

These are maximum widths not automatically applicable to all properties in OSR. The width that the Committee may approve for an individual application is based on the specific dimensions and topography of that lot.

B.2. Connection. The base of the Driveway Extension shall meet the base of the existing driveway at a 45-degree angle.

B.3. Materials. Driveway Extensions shall be either a concrete that matches the existing driveway or a paver stone that the Committee determines is appropriate for the architectural scheme of the neighborhood. Driveway extensions shall not consist of granite or other inert materials.

B.4. Setback. The Driveway Extension shall have a minimum of two feet setback from the side property line, unless based on the particular attributes of the specific property the Committee determines a different distance is required and approves the distance variance.

B.5. Screening. A minimum of two landscape plants, at least three feet in height are required in the unpaved angle portion that remains where Driveway Extension meets the existing driveway. The Committee may require additional screening landscaping depending on the specific features of the individual application lot and the architectural scheme of the neighborhood.

B.6. Parking Restrictions.

B.6.1. Only private passenger vehicles may be parked on a Driveway Extension. No commercial vehicle or vehicle bearing commercial identification shall be parked on a Driveway Extension.

B.6.2. Only one vehicle may be parked on a Driveway Extension at a time. Tandem parking is prohibited on a Driveway Extension.

B.6.3. No inoperable vehicle may be parked or placed on a Driveway Extension.

B.6.5. No vehicle leaking any fluid shall be parked on a Driveway Extension.

B.6.6. Boats, trailers, sport vehicle haulers, and similar items shall not be parked on a Driveway Extension.

B.6.7. Owners may park recreational vehicles on a Driveway Extension for up to twenty-four (24) hours before leaving on and after returning from a trip up to twelve (12) times in a calendar year. Owners shall notify the OSR Management Company in advance of the days there will be recreational vehicle parking.

B.6.8. No vehicle may be parked on Driveway Extension for more than seventy-two continuous hours without being moved at least one hundred (100) feet for at least twenty four (24) hours.

VIOLATION OF THESE PARKING RESTRICTIONS MAY RESULT IN REVOCATION OF THE RIGHT TO PARK ON DRIVEWAY EXTENSIONS AS WELL AS FINES AND OTHER PENALTIES.

C. Sidewalk Addition Criteria. Sidewalk additions will be reviewed on a case-by-case basis with strong consideration of any impact on the architectural features of the neighborhood.

C.1. Maximum width. Sidewalks on individual lots shall not exceed four (4) feet in width.

C.2. Landscaping. Sidewalk additions must have landscaping on each side.

C.3. No Parking. Vehicle parking is NOT ALLOWED ON Sidewalks or Sidewalk Additions

D. Maintenance. All extensions, driveways and sidewalks must be kept clean and clear of debris, oil rust, and other stains.

2.8 ANTENNAS AND SATELLITE DISHES.

A. General Provisions. Article V Section 5.19 of the CC&Rs contains specific regulations. OSR recommends that you contact the OSR Management Company representative to discuss any questions about this section.

This section applies to antennas, satellite television dishes, and other devices (“Receivers”), including any poles or masts (“Masts”) for such Receivers, for the transmission or reception of television or radio signals or any other form of electromagnetic radiation.

Receivers one meter or less in diameter are subject to Federal Regulations. The Federal Regulations govern Regulated Receivers. “Regulated” Receivers” and “Unregulated” Receivers are defined in CC&R Article V Section 5.19 (B).

B. Unregulated Receivers. **Unless approval in writing by the Architectural Committee, no Unregulated Receivers shall be permitted outdoors on any lot,** whether attached to a building or structure or on any lot, and then only with such screening and fencing as the Committee may require. Unregulated receivers must be ground mounted and not Visible from Neighboring Property.

C. Regulated Receivers. Regulated Receivers shall be subject to the following requirements:

1. If permitted by applicable Federal Regulations or Other Laws, no Regulated Receiver shall be permitted outdoors on any lot, unless approved in writing by the Architectural committee, with such screening and fencing as the Committee may require. If such restriction is not permitted by law, the provisions of subsections (2) and (3) below shall apply.
2. A Regulated Receiver and any required Mast shall be placed so as not to be Visible from Neighboring Property if such placement will not (a) unreasonably delay or prevent installation, maintenance, or use of the Regulated Receiver, (b) unreasonably increase the cost of installation, maintenance or use of the Regulated Receiver, or (c) preclude the reception of an acceptable quality signal.
3. Regulated Receivers and any required Masts shall be placed on Lots only in accordance with the following descending order of locations, with Owners required to use the first available location that does not violate the requirements of parts (a) through (c) in subsection (2) above:
 - (i) A location in the back yard of the Lot where the Receiver will be screened from view by landscaping or other improvements.
 - (ii) An unscreened location in the backyard of the lot.

- (iii) On the roof, but completely below the highest point on the roof line.
- (iv) A location in the side yard of the lot where the Receiver and any pole or mast will be screened from view by landscaping or other improvements.
- (v) On the roof above the roofline.
- (vi) An unscreened location in the side yard.
- (vii) A location in the front yard of the Lot where the Receiver will be screened from view by landscaping or other improvements.

Notwithstanding the foregoing order of locations, if a location stated in the above list allows a Receiver to be placed so as not to be Visible from Neighboring Property, such location shall be used for the Receiver rather than any higher-listed location at which a Receiver will be Visible from Neighboring Property, provided that placement in such non-visible location will not violate the requirements of parts (a) through (c) of subsection (2) above.

4. Owners shall install and maintain landscaping or other improvements (“Screening”) around receivers and masts to screen items that would otherwise be Visible from Neighboring Property unless such requirement would violate the requirements of parts (a) through (c) in subsection 2 above. If an Owner is not required to install and maintain Screening due to an unreasonable delay in installation of the Receiver that such Screening would cause, the Owner shall install such screening within thirty (30) days following installation of the Receiver and shall thereafter maintain such screening unless such screening installation or maintenance will violate the provisions of parts (a) through (c) in subsection 2 above. If an Owner is not required to install screening due to an unreasonable increase in the cost of installing the Receiver caused by the cost of such screening, the Association shall have the right, at the option of the Association, to enter onto the lot and install such screening and, in the event the Owner shall maintain the screening following installation, unless such screening installation and maintenance will violate the provisions of parts (a) through (c) in subsection 2 above.

2.9.AWNINGS AND CANOPIES. All awnings and canopies must be submitted for Committee approval prior to installation. Applications must include a drawing with the location of the proposed installation, the design and samples of the material and color.

A. Location and Materials. All awnings and canopies windows shall be synthetic canvas or similar material, of solid color which matches or complements the color of the body, the exterior trim of the house or roof color. Awnings and canopies shall only be installed on the side and/or rear of the home. Frames for awnings and canopies shall be metal or wood and must be painted as outlined above. Awnings made of rigid metal or plastic are prohibited.

B. Maintenance. Owner is responsible for the maintenance and repair of awnings and canopies and they must be maintained in “like new” condition. OSR retains the right to determine when awnings and

canopies must be cleaned, repaired, or replaced due to weathering, fading, tearing, ripping, vandalism or general wear and tear.

2.10. SUNSCREENS/SECURITY DOORS/SCREEN DOORS.

A. Window Sunscreens. Brown, tan, charcoal, or black sunscreen material may be installed without Architectural Committee approval. All other sunscreen colors must be submitted for prior approval. Sunscreens must be maintained in their original condition, free from dirt, tears and bent frames.

B. Screen and Security Doors. Screen and security doors may be installed provided their frame and screen material color matches an exterior color of the home and with prior Architectural Committee approval. Silver colored aluminum screen/security doors and/or wire screen mesh doors are prohibited. All doors must be maintained in their original condition, free from dirt, torn screen material and bent frames. Such doors shall NOT include any designs such as trees, cactus, scenery, figures, or figurines or other similar artwork.

2.11. WINDOWS and WINDOW COVERINGS. Metal frame windows and/or skylights must have a factory applied color finish similar to the house color. Wood frames shall be painted to match the color pallet of the house. Reflective glass with a visible light reflection of twenty (20%) percent or greater is not allowed for any window or skylight. Shade or sunscreens must comply with the requirements of Section 2.10 A.

A. Window Coverings. Permanent draperies or suitable window treatments shall be installed on all front-facing windows within ninety (90) days of occupancy. Window film with a visible light reflection of twenty (20%) percent or greater is not allowed for any window or skylight. Non-reflective glass of bronze or similar color may be used. In no event shall the interior or exterior of any window be covered with reflective material such as foil, paper, or bed sheets. No exposed metal including wrought iron is permitted on doors or windows with the exception of security doors approved by Committee under Section 2.10 B.

2.12. GUTTERS & DOWNSPOUTS. Gutters and downspouts will be considered for approval if the finish matches the exterior body, trim or roof tile color of the house. Use of high quality materials is required and the gutters must be maintained in good and attractive condition.

2.13. SOLAR PANELS AND EQUIPMENT. OSR recognizes the benefits to be gained by the use of solar energy as an alternative source of electrical power for residential use. At the same time, OSR has the obligation to promote and preserve the appearance of the Community and the improvements thereon, thereby protecting the property value of the all Owners' property investments.

OSR recognizes the Owner's right to install and use solar energy devices, as set forth in A.R.S. 44-1761, subject to OSR's right to reasonably regulate placement and aesthetics under A.R.S. 33-1816 (B).

The placement of all energy devices must be approved in advance by the Architectural Committee. Such solar energy device must comply with the following regulations, to the extent that they do not impair the functioning of the device, or adversely affect the cost or efficiency of the device:

1. A sample or illustrated brochure of the proposed solar unit must be submitted with the application, which clearly depicts the unit and defines the materials to be used in the installation.
2. No solar energy device may encroach upon the Common Area or the property of another Owner.
3. A solar energy device shall be placed in accordance with the following descending order of locations, with Owners required to use the first available location that does not impair the functioning of the device or adversely affect the cost or efficiency of the device.
 - a. A location in the back yard of the Lot so as to not be Visible from Neighboring Property.
 - b. On the roof facing the back yard of the Lot, limiting Visibility from Neighboring Property and subject to additional restrictions included below.
 - c. On tile roof facing the Side yard of the Lot, limiting Visibility from Neighboring Property and subject to additional restrictions included below.
4. The solar energy device shall be installed to limit Visibility from Neighboring Property. The landscaping or structure used to shield the solar energy device must be approved in advance by the Committee.
5. The solar energy device must comply with all applicable government requirements.
6. Placement and installation must be pursuant to the manufacturer's instructions.
7. Solar panels must be an integrated part of the roof design and mounted flush directly to the roof plane. Panels shall not break the roof ridgeline.
8. Solar panels should be dark in color.
9. Aluminum trim, if used and visible shall be anodized or otherwise color treated, to all exterior plumbing lines shall be painted in a color scheme which matches as closely as possible to the color of the structure and materials adjacent to the plumbing lines (i.e. plumbing lines on walls shall be painted the color of the walls while roof plumbing shall match the color of the roof).
10. Any visible cabling must be securely attached and painted to match the surface to which they are attached.
11. Solar units not mounted on the roof (ground mounted) shall be installed according to the City of Chandler setback requirements. Any such structures should be concealed from View of Neighboring Property, when reasonably possible, and be free of all future likelihood of shading from fences, trees, shrubbery and other vegetation.
12. The Owner is liable for all damages arising from the installation, operation and/or repair of the solar energy system.

2.14. WATER FEATURES AND FOUNTAINS.

A. General Requirements. Water features and fountains are permissible with written approval of the Architectural Committee. No fountain shall be allowed to drain directly into a common area tract. Owners shall keep water features and fountains in a clean and sanitary condition to reduce mosquitoes and other insects. OSR recommends that water features and fountains be chlorinated for health reasons.

B. Front Yards and View Fence Back Yards. The following additional rules apply to water features and fountains placed in front yards and back yards with view fencing:

1. Water fountains cannot be taller than five feet in height and must be natural or neutral in color.
2. All items must be earth tones without painted finishes.
3. Painted or brightly colored fountains are prohibited.
4. All functional and/or decorative items to be used in connection with a water feature or fountain must receive specific Committee approval prior to placement.
5. All fountains must be maintained in new condition.
6. The Committee reserves the right to limit the size and quantity of water features and fountains on any property.

2.15. FLAGS AND HOLIDAY DECORATIVE ITEMS.

A. Governmental Flags. Displaying the flags in this section does not require Architectural Committee approval, but must be done so in accordance with the following requirements:

1. No permanent flagpole may be installed without prior Architectural Committee approval.
2. Flagpoles not more than ten feet long and not extending more than ten feet from the house may be attached to a house with brackets that are painted to match the house.
3. Freestanding flagpoles may not exceed the height of the rooftop of the house.
4. No more than a combination of two United States flags, flags of the United States army, navy, air force, marine corps and coast guard, the POW/MIA flag, Arizona State flags, flags of an American Indian Nation or Gadsden flags may be displayed at one time and where applicable shall be flown in accordance with the federal flag code, 4 United States Code sections 4 through 10.
5. In lieu of one of the above the flag of another nation may be flown on national holidays of such nation, provided the requirements for flying a United States flag are met.
6. Flags shall not exceed twenty-four square feet in size and must be kept in good condition.

B. Holiday Decorative Items: Decorative seasonal lighting displays and holiday flags do not require approval. Holiday decorations may be displayed between November 1 and January 31 of the next year and from one week prior to one week after any other nationally recognized holiday. Owners should practice common sense and decorate in a manner that does not cause a traffic nuisance on their street,

interfere in their neighbor's ability to enter and exit their streets and driveways, or create excessive light or sound.

C. Seasonal and Decorative flags. Seasonal and decorative flags, pennants, and banners ("flags") shall follow rules in Sections 2.15 (A) and (B). Team spirit flags shall be allowed for no longer than 72 hours. Flags must be maintained in a good condition at all times. Flags that are torn, rippled, faded, etc are not allowed. Flags may not be offensive to neighbors or the Association. The Board of Directors, at its sole discretion, shall make this determination on a case-by-case basis.

D. Appropriateness. The Board of Directors of OSR reserves the right to require the removal of decorative items in front yards and view fence back yards based on size, quality, color, location, offensiveness and any other criteria. The Board of Directors, in its sole discretion, shall make this determination on a case-by-case basis.

2.16. BASKETBALL GOALS AND BACKBOARDS.

Prior Architectural Committee approval is required for all basketball goals or backboards.

A. Front yards. Backboards shall not be attached to the house, garage or roof. Permanent ground mounted basketball poles are not allowed in front yards. Portable goal units must be placed on the side of the driveway with the most distance from a Neighboring property. Portable units used in front yards must be stored in side or back yards when not in use.

B. Back yards. Portable goal units are acceptable in the backyard (including view lots). Units placed any closer than five feet to the Neighboring property must include a ball containment method.

C. Equipment Criteria.

1. Poles and brackets. Poles and support brackets must be black, white or painted to match the house or trim color.

2. Backboards. Backboards must be of predominantly neutral color (black, gray, white, or beige) or match the house or trim color and must be free of brightly colored decals or graphics. Clear Plexiglas or other clear simulated glass backboards are acceptable.

3. Netting. Netting is limited to nylon or similar cord netting. Metal or other chain nets are prohibited.

4. Lighting. Spotlights or other lighting for the purpose of illuminating the area of play for use after sunset are prohibited.

5. Painting. Painting of the driveway for a basketball court layout or any other similar purpose is prohibited.

6. Maintenance. All equipment including poles, support brackets and netting shall be maintained in good condition. Broken equipment, including backboards, bent poles, supports, rims and netting and peeled or chipped paint are prohibited

D. Responsibility. The Owner of a house with a basketball goal is responsible for ball containment on their property. Any damage to a Neighboring property or landscaping from basketballs shall be the responsibility of the Owner with the basketball goal to repair or replace.

2.17. BARBECUES, OUTDOOR FIREPLACES and CHIMINEAS.

Wood burning and/or gas built-in barbecue units, outdoor fireplaces and chimineas must be contained in the rear yard. Chimney elements should be set to avoid obstructing views from inside the house or from adjacent properties and must be setback a minimum of three (3) feet from any fencing, including walls. The chimney height may not exceed the height of the surrounding fencing, including walls, or if attached to the home (as in a built in fireplace/barbecue unit), the chimney height shall not exceed the ridgeline of the adjacent wall to which the fireplace/barbecue unit is attached. Owners shall comply with all government regulations regarding outdoor barbecues, fireplaces and chimineas.

2.18. CHIMNEYS. Chimneys serving existing or added indoor fireplaces shall be constructed of the same materials and textures as utilized elsewhere on the exterior of the home and must comply with all local, state and federal laws regarding fireplaces. The chimney height may not exceed the minimum required height to obtain proper fireplace draft under applicable government regulations.

2.19. LAWN ART. Front yard lawn art is prohibited. Lawn art includes, but is not limited to: iron, ceramic, plastic, clay, or wood figures, carts, wagons, bridges or other unnatural or man-made items. Lawn art that is not Visible from a Neighboring Property is permitted. Potted plants are not considered lawn art; however, pots that are larger than four feet tall or four feet wide or that are in non-natural or non-neutral colors should be submitted for approval if Visible from Neighboring Property. In view lot backyards lawn art items should be few and blend well with the architecture theme of the yard (earth tones).

2.20. PARK BENCHES AND OUTDOOR FURNITURE. Park benches and other outdoor furniture are allowed in courtyard area of front yard and in the rear yards with view fencing so long as they are natural, earth-tone (neutral) colors and are kept in a "like new" condition. These items must be neutral and blend with the architecture of the Lot. White or brightly colored resin benches, tables, chairs, or chaises are prohibited if Visible from Neighboring Property.

2.21. OIL BOARDS. Oil pans, boards, carpet or any other object used to collect oil spills from the driveway are prohibited.

2.22. SIGNS.

A. General Rule. No exterior signs or advertisements of any kind including posters, circulars, and billboards may be placed, allowed, or maintained on any lot without the prior written approval of the Architectural Committee.

B. Exceptions. The following types of signs may be erected without the Committee's prior written approval:

1. Residential identification signs with a face area of 75 square inches or less for identification of the occupant and/or its address.
2. One commercially produced sign no larger than 18 inches by 24 inches, for the purpose of advertising the property for sale, rent or lease.
3. Industry standard temporary sign indicating an open house on a property for sale.
4. One temporary sign identifying the person installing landscaping or a pool on the property, but only during the period that such installation is in progress.
5. Political signs that conform to the requirements of A.R.S. 33-1808 (C) and any requirements under the City of Chandler Municipal Code. The total square footage of political signs on a property shall not exceed nine (9) square feet.
6. No more than two commercially produced security signs that do not exceed 12 inches by 12 inches and that are located not more than two (2) feet from the front of the house.
7. Garage Sale Signs. Signs indicating a garage sale is being conducted at the property during the days of an OSR Community Garage Sale.
8. Professionally manufactured temporary cautionary signs for children at play signs that do not exceed three (3) feet, are displayed when children are within fifty (50) feet of the sign, and are removed within one (1) hour of children ceasing to play.

C. Compliance and Maintenance. All signs must conform to applicable governmental requirements and be well maintained, without fading, ripping, tearing, dirt or discoloration.

D. Removal of Signage by OSR. Any signage not in compliance with these provisions may be removed by OSR without notice to the Owner.

2.23. LIGHTING.

A. Approval not required. Seasonal decorative lighting no higher than five (5) feet above the house's highest ridgeline or low voltage, or low level solar, landscape light fixtures that do not exceed eighteen (18) inches in height may be placed, allowed, or maintained on lot without the Architectural Committee's prior written approval. Seasonal decorative lighting shall be installed and removed within the time period set forth for other seasonal or holiday decorations in Section 2.15 (B) of these Guidelines.

B. House Mounted.

1. House Fronts. No lighting, such as sconces, carriage lights or garage lights or additional lighting for porches shall be added to the front of the house without prior written Architectural Committee

approval. New lighting shall not be placed higher than ten (10) feet high on the exterior of a house, including the garage.

2. Visible from Neighboring Property. Lighting devices Visible from Neighboring Property require prior written Architectural approval.

3. Illumination Level. Exterior lighting shall not exceed an illumination intensity of more than one foot candlepower as measured from the closest lot line. (This information can be obtained from the lighting manufacturer, factoring in the height of the light and the distance to the lot line.)

4. Indirect and Shielded. All exterior lighting shall be indirect and shielded such that the light shines primarily on the lot on which it is installed. Lights that create glare visible from other lots are PROHIBITED. Homeowners need to be considerate of other neighbors as a primary concern.

5. Spotlights. OSR encourages Owners to change spotlights that can be visible from other properties to carriage and/or low voltage lighting.

6. Security lighting. Security lighting including motion-activated floodlights, shall be located beneath the eave overhangs where eaves exist. In the absence of eaves, security lighting shall be shielded in accordance with paragraph 2.23 (B) (4).

7. Screening. Outside lights shall be screened, wherever possible, with walls, plant materials or internal shielding.

8. Prohibited. Colored light bulbs, lenses or reflectors are not permitted. Low-pressure sodium bulbs are not permitted.

9. Sport Courts. Lighting for tennis courts, sport courts and other similar lighting shall be reviewed and approved on an individual basis. Approval is subject to light type, orientation, site plan, use brightness, and other factors that the Architectural Committee determines are in the best interest of the Owners and residents of the Community.

2.24. MACHINERY & EQUIPMENT. No machinery, fixtures or equipment of any type, including but not limited to heating, cooling, air conditioning, refrigeration equipment, or clothes drying facilities, may be placed on any lot without the prior approval of the Architectural Committee. Approval shall be conditioned upon proper screening or concealment from View of Neighboring Property and viewing from the public property. The screening or concealment should be solid and architecturally integrated with the design of the house or other structure. It should not have the appearance of a separate piece of machinery, fixture or equipment. It should be structurally stable in accordance with sound engineering principles and any applicable government regulations.

Ground mounted air conditioning units must be concealed by a solid enclosure on all sides Visible to Neighboring Property. Wind turbines are not allowed.

2.25. CLOTHES DRYING FACILITIES. Outside clotheslines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any lot or parcel unless they are erected, placed, and maintained exclusively within a fenced rear yard or otherwise concealed and not Visible from Neighboring Property.

2.26. POOLS AND SPAS.

A. General Requirements. No pool or spa construction can be commenced without written approval from the Architectural Committee. Pools and spas must conform to all applicable government regulations. Slides, diving boards, rock waterfalls, rock climbing walls or other like accessories (“Accessories”) that are Visible from Neighboring Property are prohibited. Accessories that are not Visible from Neighboring Property may have platform heights no greater than five (5) feet in height from the ground or decking.

B. Perimeter Walls. Perimeter walls shall not be demolished or removed to allow access to rear yards for the purpose of pool, spa or other construction. Any homeowner who violates this provision will be assessed a wall assessment of up to Five Thousand Dollars (\$5,000.00) in order to restore the wall to its previous condition, plus attorney’s fees incurred to enforce this provision.

C. Front Side Return Walls. Access must be gained through the front ‘Return’ wall(s) on the side(s) of the home after written approval from the Committee. If the Architectural Committee approves wall removal of the FRONT RETURN SIDE wall(s) of a home, the Committee may require a deposit to secure the replacement of removed wall(s). Repairs to front return side wall(s) must be completed in a timely fashion and include repairing the wall to match the texture and color of the existing wall. Any damage to the common areas, including sidewalks, landscaping, irrigation or other OSR materials, plus any attorney’s fees incurred by OSR in pursuit of damage reimbursement for any wall damage by Owner or Owner’s Contractor shall be the Owner’s sole cost. Owner is responsible for repairing any such damages within ten (10) days of notice from OSR, or such other time period approved by the OSR Board of Directors. The rebuilt access way and the common area shall be inspected by the OSR prior to the refund of the removal deposit.

D. Equipment Screening. All pool and spa equipment must be thoroughly screened from View of Neighboring Property, including equipment situated in the back of yards with view fencing. For homes with view fencing, the pool and spa equipment must match the exterior color of the home or be hidden from view by screening material such as a wall or fence. Trellis or lattice type screening will not be approved. Screening shall be designed to mitigate pump and equipment noise.

E. Backwashing and draining. Owners shall not backwash a pool or drain a pool or spa into any common area tracts, drainage ways, streets or other individual’s property. All backwash and drain water shall be retained on the Owner’s lot, unless otherwise approved by the City of Chandler.

F. Government Compliance. It is the Owner's responsibility to confirm with the governing authority whether the existing walls or fencing comply with the then-current pool fencing regulations. OSR does not represent or guarantee that the height or design of the exterior fencing provided around a lot will be sufficient to comply with current or future pool fencing requirements. Exterior walls are constructed only as a means by which to visually separate lots. Owners should not presume the exterior walls or fences are sufficient as a safety barrier between lots and anything dangerous contained within the lot. Owners shall comply with all applicable government regulations in the construction and operation of pools and spas.

G. Backyard Pool Fencing. Backyard pool fencing installed on a Lot with view fencing shall be of a color to match or blend with the exterior body or trim color of the home.

H. Maintenance. Owners shall keep their pools and spas in clean and sanitary condition to reduce the breeding grounds for mosquitoes and other insects.

I. Liability. OWNERS OF POOLS ASSUME ALL OF THE RISKS OF POOL OWNERSHIP. Owners shall indemnify and hold harmless OSR, its directors, officers, and Architectural Committee members from and all claims arising from or related to the Owner's construction, operation and use of a pool and/or spa.

2.27. PLAY GROUND EQUIPMENT.

A. Approval Required. All playground equipment, including, but not limited to play houses, forts, swing sets, climbing apparatus, or trampolines that are Visible from Neighboring Property, including view fenced back and side yards, requires approval by the Architectural Committee prior to installation. Applications must include an elevation plan, construction plan, brochure, or picture of the proposed equipment or structure.

B. Height and Set Back Requirements. All such equipment will require a minimum of five (5) feet set back from all neighboring walls and may not exceed eleven (11) feet in height from ground level and shall not exceed a platform height of five (5) feet from ground level. For every foot taller than eight (8) feet to the top of such equipment, the set back figure of five (5) feet shall increase by two (2) feet.

For example: A play structure that is 10 feet tall shall have a setback of nine (9) feet, calculated as 5 feet of minimum setback for 8 feet plus 4 feet for the additional two feet in height over 8 feet equals 10 feet in setback.

C. Materials and Color. All such equipment shall be installed in accordance with the manufacturer's specification or if original construction in accordance with the Committee approved plans and applicable government regulations. Equipment that is Visible from Neighboring Property shall be painted in neutral colors or have natural wood finish to blend with the environment. Any canvas covers should be solid, not patterned, in colors matching the house color, "earth-tone natural colors, or green/blue. Screening of such structures with appropriate landscaping is required.

D. Prohibited. Playground equipment in front yards is prohibited. Tree houses that are Visible from Neighboring Property are prohibited.

2.28. PATIO COVERS/DECKS/PERGOLAS/SUN SAILS.

A. Approval Required. All patio covers, trellises, decks, porches, armadas, arbors, gazebos, pergolas, sun sails, and the like (“Patio Covers and Decks”) not installed by the original builder must be approved in writing by Architectural Committee prior to construction.

B. Patio Covers and Decks. Patio Covers and Decks must be constructed of materials that match and complement the house. Patio columns must be of sufficient mass and scale relative to the roof they support and must be painted to match the colors of the house. Columns should be eight (8) feet in height or less, unless a different height is specifically approved by the Committee. Unless constructed as an open grid top trellis, a patio roof Visible from Neighboring Property shall be of tile or other approved roofing material that is consistent with the architectural design of the house and the architectural scheme of the neighborhood. Applications submittals must include a plot plan with the proposed Patio Cover or Deck in relation to the existing home and other structures and where the proposed additions are situated in relationship to the lot’s property lines.

C. Sun Sails. Sun sails must be freestanding and not attached to any party walls.

2.29. STORAGE SHEDS.

A. Approval not Required. Storage sheds on non-view fence lots whose maximum height does not exceed the height of the immediately surrounding perimeter or side yard walls or fences do not require prior approval from the Architectural Committee.

B. Approval Required. Storage sheds whose maximum height exceeds the height of the immediately surrounding perimeter or side yard walls or fences require prior written Architectural Committee approval. Proper setbacks should be followed. Such sheds should be painted to match the color scheme of the house and the roofing material shall match the roof of the dwelling or be approved by the Committee. On view fence lots, sheds of acceptable height will only be permitted if they are out of sight through the view fencing. Applications for sheds shall include a picture or drawing of the shed and a plot plan showing where on the property in relation to the house and property line the Owner proposes to place the shed.

C. Prohibited. Sheds are not allowed in front yards. Sheds over 6 feet tall are not allowed.

2.30. TENNIS COURTS/SPORT COURTS. Tennis or sport courts are allowed with prior written approval of the Architectural Committee. Each application for installation of a court will be judged on a case-by-case basis. Among the criteria that the Committee considers are whether the court’s setting, visual appearance, lighting, noise generation, construction, water drainage, and landscaping detract from the enjoyment of neighboring properties and the Community in general. The Committee may, in its sole discretion, allow or prohibit fencing and screening that is Visible from Neighboring Property. Any lighting

for night play must be shielded and attached to the home no higher than ten (10) feet high. Construction must be done by a licensed contractor in compliance with industry standards. The Owner must comply with all applicable government regulations.

2.31. GARBAGE.

A. General Responsibility. Owners are responsible for removal of rubbish, debris, and garbage not only from their lots but also from all public right of ways either fronting or siding their lots, excluding public road improvements and those areas specified on a subdivision plat to be maintained by OSR. When in doubt, Owners are urged to be good neighbors and pick up blowing rubbish, whether they generated it or not.

B. Trash and Recycle Containers. Garbage, refuse, and/or recycle containers shall be stored in a location that is not Visible from Neighboring Property except during the twenty four (24) hours prior to and after collection by the City of Chandler. Rubbish, debris and garbage shall not be allowed to accumulate.

2.32. PARKING. Parking in the front yard of any Lot, except for driveways and driveway extensions, or on unpaved surfaces is prohibited. Parking in rear or rear/side yards requires that the parked/stored vehicle, boat, camper, trailer, etc not be Visible from Neighboring Property. Any of these items visible through a rear view fence require a screening method. The method of screening requires submittal to the Committee for review and approval. As stated in the CC&R's, overnight street parking is not allowed.

2.33. VIEW FENCE LOT MAINTENANCE.

Along with the benefits of open views, Owners with view fence lots have additional responsibilities. Back yards that have view fencing must be kept neat and free of weeds and debris. Yard tools, equipment, and general storage items must be stored out of sight when not in use. Parking of vehicles of any sort must be screened from view at all times. Any decorative changes made to the back yard walls visible on a view fence lot must be approved in advance by the Architectural Committee. Any hardscape additions to the back yard, such as concrete work, built-in-barbecues, fire pits, fireplaces, must be approved in advance in writing by the Committee. Plants, must be kept in a healthy and manicured condition. Plants may only be potted in attractive pots, well-kept pots.

ARTICLE III

APPROVED PLANT LIST

3.1 Approved Plant Materials. The trees, shrubs, bushes, and vegetation listed in the "Old Stone Ranch Approved Plant List ("Approved Plant List")," attached hereto are approved for Member use in landscaping in OSR, subject to prior ARC approval on placement and location. The Approved Plant List may be updated and amended on approval of the ARC and the Board without amending these Rules and Guidelines.

3.2. Unapproved Plant Materials. Trees, shrubs, bushes and vegetation not listed in Approved Plant List shall not be used by Members for landscaping in OSR.

3.3. Application to Common Areas. Notwithstanding the above, the Community common areas may contain plants that are prohibited upon individual lots, as required by the landscape plans, government entity, the Declarant or the Architectural Committee.

ARTICLE IV

COMPLIANCE and ENFORCEMENT POLICY

Old Stone Ranch Homeowners Association (“OSR” or “Association”) has a contractual obligation to the Association Members (“Members” or “Owners”) to fairly uphold and enforce the Articles, Bylaws, CC&Rs, Rules, Regulations and Architectural Guidelines (“Governing Documents”). Maintaining a high standard of community aesthetic appearance in accordance with the Governing Documents is essential to upholding property values for Members and the Association, and is vital to the Members’ quality of life at Old Stone Ranch. Further, OSR recognizes that Members have a contractual obligation to the Association and other Members to comply with the Governing Documents.

The interests of the Association and the Members are best served through timely, consistent and even-handed enforcement of the Governing Documents. OSR recognizes that compliance with the Governing Documents is best accomplished through a cooperative effort with Members. The most effective compliance procedures encourage cooperation, promote compliance and enforce timely consequences. While the majority of Members will voluntarily comply with the Governing Documents, consequences for non-compliance are a necessary element of Governing Document enforcement.

To achieve these goals, in accordance with Arizona Revised Statutes (“ARS”) Sections 33-1801 through 33-1808, and the Governing Documents, OSR established the following Compliance and Enforcement Policy.

COMPLIANCE POLICY

Administration

Compliance Inspection. The primary inspection responsibility shall be with the OSR Management Company.

Policies and Procedures

4.1. Member Responsibility, Reporting and Initial Determination.

- A. **Individual Responsibility.** Members are responsible for knowing and complying with the Governing Documents. Members are responsible for assuring compliance by their family

members, tenants, guests, invitees (collectively "Resident"), licensees, employees, agents and contractors.

- B. **Violation Reporting.** Any Member, Resident, or Management Company employee or agent, who observes or has information concerning a possible violation of the Governing Documents should notify the Management Company of the violation either by telephone or by using a written Violation Complaint form. Pursuant to ARS 33-1803 (D)(3) any person filing a complaint must provide his or her first and last name.
- C. **Initial Determination.** Upon receipt of a violation report, within three (3) business days, the assigned representative of the Management Company shall inspect and make an initial determination of whether a potential violation has occurred. (1.) If it appears the Governing Documents have not been violated, the Owner of the Lot in question and the person filing the violation complaint, whether verbal or written, shall be informed of that determination. (2.) If it appears there is a minor violation of the Governing Documents and OSR has an email address for the person the inspecting person will provide an email Maintenance Reminder of the violation. (3.) If there is not an email address on record, or it appears there is something more serious than a minor violation of the Governing Documents the inspecting person shall serve a First Notice in accordance with Section III of this Policy.

4.2. Email Maintenance Reminder Notice.

- A. **Purpose.** The purpose of the Email Maintenance Reminder is to provide Owners a friendly reminder and a gentle nudge to correct minor violations and to streamline the compliance process for Owners and OSR. OSR may use this informal procedure for minor, easily corrected violations, usually those resulting from negligence as opposed to intentional action by the Owner. Common examples are tree or shrub trimming, trash containers left curbside, weeds in the lawn or granite areas, visible trailers, and maintenance issues.
- B. **Content.** The Reminder shall contain:
 - 1. A brief description of the violation;
 - 2. The action needed to return to compliance;
 - 3. Five calendar days to complete the action; and
 - 4. Where appropriate maintenance assistance information for correcting the problem and a contact number at the OSR Management Company office for additional information.
- C. **Accountability.** The Management Company will maintain a log of each Email Reminder Notice and assure a follow up inspection is conducted within three (3) business days after the final date in the Notice. Completion of the correction will close the matter, but a record will be kept for future reference. If the correction is not made, a First Notice shall be served in accordance with Article III.
- D. **Multiple violations.** If an Owner receives two (2) previous Email Reminders for the same violation in a six month period or three (3) Email Reminders for any violation during that period

OSR may proceed directly with the Notice procedures in accordance with Section 3 of these Policies and Procedures.

4.3. Compliance Procedure.

- A. Compliance Procedure.** OSR shall use the compliance process detailed herein.
- B. First Notice.** A letter will be sent to the Owner of the property outlining the violation. If the Owner of the property is identified as an absentee Owner, a copy of the violation letter will also be sent to the tenant at the property address. The Owner will be given fourteen (14) calendar days to either: (1) bring the violation into compliance, or (2) request additional time to comply, or (3) request a hearing. This notice will state that OSR will impose a monetary sanction if the Owner does not comply.
- C. Second Notice.** If the Owner has not either: (1) corrected the violation; or, (2) requested more time to comply; or, (3) requested a hearing; or, (4) if the violation has been repeated or has returned within the fourteen (14) days period, then OSR will issue a Second Notice. The Second Notice will inform the Owner that a monetary penalty, not exceeding the Maximum Monetary Penalty in the then existing Schedule of Penalties, will be imposed for the violation if the violation is repeated or is not corrected within five(5) calendar days from the date of the notice. This will also contain notice of OSR's right to take corrective action.
- D. Recurring Violations.** If an Owner cures a violation after service of a Violation Notice, but has the same violation within six (6) months of the first violation date, OSR may impose the Maximum Monetary Penalty with the First Violation Notice.
- E. Corrective Action.** OSR may also elect, but is not required, to correct the violation and assess the Owner the cost of correction, plus a ten percent (10%) administrative fee. Entry on a Lot to correct a violation is not trespass. OSR may exercise this option on service of ten (10) business days notice.
- F. Sanction Determination.** In determining the appropriate sanction, OSR may consider, among other factors, the seriousness of the violation, whether the Owner has previously violated the Governing Documents, whether the Owner corrected, or agreed to correct the violation in an agreed upon time frame, and any extenuating circumstances presented by the Owner. For first time violators, the Board may waive the monetary sanction if the violation is corrected, the Owner is current in assessment payments, and there are no other pending violations against the Owner. With respect to continuing violations, the Board may impose a monetary sanction up to the Maximum Additional Monetary Penalty amount for each day the Owner fails to take corrective action, effective on the Violation Notice date.

- G. Exception to Notice Procedure.** OSR reserves the right and authority to vary from this Policy and the enforcement process when in the sole judgment of the OSR Board a violation poses such a threat to the health, safety, and welfare of the community as a whole or to one or more other Owners, or to comply with Arizona State, Maricopa County or City of Chandler codes and regulations, that immediate action is required. Examples of health, safety and welfare violations include, but are not limited to: accumulation of trash and/or other materials that may attract vermin or other pests; the threat of flood or fire damage to OSR, or neighboring properties; an escaped animal; or a collapsed structure or tree blocking the roadway or drivers' lines of vision. The Board shall authorize any waiver or variance by a resolution detailing the violation and need for immediate action. In case of an emergency the waiver or variance may be authorized by the President of the Association or such other Director authorized by the Board to do so. Any such emergency waiver or variance shall be valid until the next scheduled Board meeting and can either be affirmed or removed at that time.
- H. Form of Violation Notice.** If not contained in the First Violation Notice, then the Second Violation Notice shall contain:
1. The provision of the Governing Documents that is alleged to have been violated;
 2. The date of the violation or the date the violation was observed;
 3. The first and last name of the person or persons who observed the violation;
 4. An explanation of the Owner's options, including how the Owner may correct the violation and/or request a hearing before the OSR Board of Directors.
 5. Notice that if the Association does not receive by certified mail a written request, for a hearing from the Owner within ten (14) business days of the Violation Notice date the Owner waives the right to contest the violation.
- I. Service of Notice and Notice Date.** All notices from OSR shall be served personally at the Lot, or to the Owner at the address contained in the records of OSR by United States Postal Service mail, postage prepaid. A Notice shall be deemed to have been received by the Owner two (2) days after the Notice is deposited in the United States mail. If a Lot is owned by more than one person or entity, a Notice to one of the co-owners shall constitute notice to all of the co-owners. OSR may, at its discretion, serve courtesy copies of notices to the email addresses of Owners shown in its records.

4.4. Response and Hearings.

- A. Responses.** Although OSR is only required to give an Owner ten (10) business days to respond under A.R.S. 33-1803 (C), Owners shall have fourteen (14) business days from the Notice Date to respond to the notice. A.R.S. 33-1803 (C) requires mailed notices by Owners to be sent to OSR by certified mail. Failure to timely request a hearing is a waiver of the right to a hearing.

- B. Extension of Time.** If an Owner responds with a request for more time to comply the Community Manager may grant an extension of up to ten (10) calendar days. Longer extensions require approval by the OSR Board of Directors.
- C. Hearings.** Within ten (10) business days after receipt of a request for hearing, OSR shall serve an Owner, with a copy to any person who filed the complaint, with notice of the date, place and time when the Board will conduct the hearing on the violation. Hearings will be conducted at the next regularly scheduled meeting of the Board, unless prevented by notice period provisions or the Board determines a later date is required. The Owner may present any relevant evidence. The Board may have OSR management company staff present relevant evidence, or allow the person who filed the complaint to address the issue before the Board. All evidence shall be presented in a timely and calm manner. At the conclusion of the hearing the Board of Directors shall determine whether a violation of the Governing Documents occurred, and if so what will be the appropriate sanction for the violation. The decision by a majority of the Board of Directors is final and binding. If the Owner fails to appear for the hearing, the Owner waives the right to a hearing on the violation and the Board may proceed by imposing the appropriate sanction.

4.5. Enforcement.

A. Monetary Penalties. Any monetary penalty imposed by OSR shall be enforceable with A.R.S. 33-1807. Unless a later date is set by the Board, the due date for any monetary sanction is fifteen (15) business days after notice of the monetary sanction is served on the Owner in accordance with Section III I. If a monetary sanction is not paid when due, it will be deemed delinquent and a late charge not to exceed the greater of fifteen dollars (\$15.00) or ten percent (10%) of the unpaid monetary sanction will be assessed.

B. Other Enforcement Action and Non-Waiver. In addition to, or in lieu of, the imposition of any monetary sanction or utilization of community resources to correct a violation of the Governing Documents, OSR may proceed at any time with any other enforcement action available under the CC&Rs, at law or in equity. Enforcement actions may be exercised separately or concurrently and the exercise of one enforcement action shall not constitute an election of remedies or be a waiver of the right of OSR to take any other enforcement action. Any failure by OSR to take any enforcement action in relation to past violations is not a waiver of the right to enforce the Governing Documents for future violations.

ARTICLE V

AMENDMENT

OLD STONE RANCH, THROUGH A MAJORITY VOTE OF ITS BOARD OF DIRECTORS, MAY FROM TIME TO TIME ADOPT, AMEND AND REPEAL THE ARCHITECTURAL AND LANDSCAPE DESIGN GUIDELINES.