

COMPLIANCE DEPOSIT POLICY

of the
Rocky Bluffs Property
Owners' Association

If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

Rocky Bluffs Property Owners' ASSOCIATION

COMPLIANCE DEPOSIT POLICY

Pursuant to the authority granted to the Rocky Bluffs Property Owners' Association (the "Association") in Section 9.13 of the Second Restated Declaration of Covenants, Conditions and Restrictions for Rocky Bluffs (the "Declaration"), the Board of Directors hereby adopts, this Compliance Deposit Policy. This Policy becomes effective on March 1, 2016, and will remain in effect until such time it is modified in writing by the Board.

DEPOSITS

Owners are required to complete their landscaping on their Lots before they may occupy the residence or any other permitted structures on the Lot, regardless of whether a Certificate of Occupancy has been granted by the County, except in cases of hardship or Acts of God. The Architectural Control Committee has the authority to require a compliance deposit to ensure faithful and timely completion of the landscape Improvements on a Lot in an amount fixed by the Board. The compliance deposit requirements for the Association are as set forth below:

Compliance Deposit. To ensure faithful and timely completion of the landscape Improvements on a Lot, the Owner shall deliver to the Association a Compliance Deposit in the amount of \$5,000.00. The required deposit must accompany the architectural application for work to be performed. The deposit shall be deposited in a non-interest bearing account.

If the Owner or builder fails to faithfully and timely complete the landscaping on the Lot, then the funds held as the Compliance Deposit may be used to pay any and all costs of correcting such failure and/or damages, including attorneys' fees incurred in an effort to gain compliance. Any funds remaining from the Compliance Deposit after the final inspection and approval has been issued will be returned to the Owner.

Refund. An Owner may request refund of the Compliance Deposit by notifying the Association that the landscaping, including site clean-up, is complete or the application is denied and subsequently withdrawn. On notification of project completion, a designated representative from the Association will inspect the property within 30 days of the notification. If upon completion of the inspection, the Association representative observes unapproved landscape Improvement(s) on the Lot, whether constructed in conjunction with the presently approved architectural project or previously constructed without submission or approval of an architectural application, or occupancy of the Lot without completion of the landscaping, the Association may, in the sole discretion of the Board of Directors, continue to hold the deposit unless and until the unapproved improvement(s) are either approved by the Association or removed with the property restored to its original condition, and until the landscaping is completed.

In all other instances, the deposit will be refunded to the Owner after the completed landscaping is verified by the Association's inspector(s) to have been completed according to the approved plans and the Association(s) have been made whole for any damage to the Common Area or other areas maintained by the Association. The Board of Directors may, in its sole discretion, determine that failure to adhere to the approved plans or failure to complete the landscaping prior to occupancy will result in a forfeiture of the Compliance Deposit.