



The Towers

Laguna Woods, California 92637

NOTICE TO MEMBERS
November 1, 2015

ARCHITECTURAL REVIEW PROCEDURES
Summary of Civil Code § 4765

Section a) of Civil Code 4765 requires that this section applies if the association's governing documents require association approval before an owner of a separate interest may make a physical change to the owner's separate interest or the common area, the association shall satisfy {specific} requirements.

Civil Code 4765 applies to Laguna Woods Mutual 50, reference Article VIII – Architectural Control Committee of the Laguna Woods Mutual 50 Covenant, Conditions and Restrictions (CCR's), which states:

1. Architectural Control:

(a) Except for the purposes of proper maintenance and repair, and except as provided in Paragraph (c) hereof, no person, persons, entity or entities shall install, erect, attach, apply, paste, hinge, screw, nail, build or construct any lighting, shades, screens, awnings, patio covers, decorations, fences, aerials, antennas, radio or television broadcasting or receiving devices, or make any changes or otherwise alter, whatsoever, the exterior of any residential dwelling unit, residential carport, or residential garage constructed on or to be constructed on the above described property. For the purpose of this provision, the term "exterior" shall mean any outside walls, outward surfaces, roofs, outside doors, or other outside structures of said residential dwelling units, residential carports and residential garages, including, but not limited to, the roof, outside wall, outward surface, outside doors, and outside structures of all atrium type residential dwelling units.

(b) Except for the purpose of proper maintenance and repair, and except as provided in Paragraph (c) hereof, no person or persons, entity, or entities shall install, construct or build any walkways, slabs, sidewalks, curbs, gutters, patios, porches, driveways, fences, lighting, decorations, aerals, antennas, radio or television broadcasting or receiving devices, or other structures of any kind, on the property developed for residential use, except for such walkways, fences, lighting, decorations, aerals, antennas, radio or television broadcasting or receiving devices, or other structures which are to be constructed concurrently with the construction of the residential dwellings, residential carports or residential garages on the above described property,

(c) Except for proper maintenance and repair, no person, persons, entity or entities shall perform any of the acts specifically set forth in Paragraphs (a) and (b) above until:

(1) The complete plans and specifications, showing the kind, nature, shape, height, material, type of construction, ' scheme and all information specified by the hereinafter named committee for the proposed alteration, modification, addition, deletion or any other proposed form of change t o the exterior of any residential dwelling unit, residential carport or residential garage, as set forth in Paragraph (a), or changes to the property developed for residential use, as set forth in Paragraph (b) , and

(2) The block plan showing the location of such proposed alteration, modification, addition, deletion, or any other proposed form of change, has been approved in writing, as to conformity and harmony of external design with existing structures of the property developed for residential use, by a committee composed of D. W. Blankman, Lloyd G. Fuglie, and W.M. Rush, P.O. Box 5000, Laguna Hills, California 92653, or by a representative designated by a majority of the said committee, providing, however, that from and after five (5) years from the date of recording the initial conveyance to a resident owner of a Condominium Unit in the Mutual, the members of this committee shall be appointed by the Board of Directors of the Golden Rain Foundation of Laguna Hills. In the event any member is unable or unwilling to serve on said committee, the remaining member or members shall have full authority to approve or disapprove such proposed alteration, modification, addition, deletion, or other proposed form of change and location, and/or appoint a suitable replacement or replacements with like authority, and/or designate a representative with like authority. The membership of said committee or any representative appointed thereby, if other than as stated in this declaration, shall be evidenced by a certificate of identity, shall refer to the book and page number designated by the County Recorder of Orange County, California for this declaration, shall be executed by at least one member of said committee and be recorded in the office of said County Recorder which certificate shall then be conclusive evidence thereof in

favor of any person relying thereon in good faith. In the event the committee or the representative appointed by the committee fails to approve or disapprove such proposed alteration, modification, addition, deletion or other proposed form of change and location within thirty (30) days after said complete plans and specifications have been submitted to it, such approval will not be required and this covenant will be deemed to have been fully complied with such complete plans and specifications shall be personally delivered to any member of the committee or mailed to the committee via certified mail, return receipt requested, postage prepaid. The plans and specifications shall be deemed submitted to the committee upon the date of receipt by the committee of such plans and specifications. The committee shall have the right of changing its mailing address by recording an instrument of change of mailing address with the County Recorder of Orange County, California, such instrument to refer to the book and page number designated by said County Recorder for this declaration. Neither the members of such committee nor its designated representative shall be entitled to any compensation for the services performed pursuant to this covenant. The powers and duties of such committee, and of its designated representative, shall cease on and after January 1, 2008. Thereafter, the approval described in this covenant shall not be required unless prior to said date and effective thereon, a written instrument shall be executed by the then record owners of a majority of the property owners of the hereinabove described property developed for residential use and duly recorded appointing a representative, or representatives, who shall thereafter exercise the same powers previously exercised by said committee.

Further to the requirements provided by Civil Code 4765, the Mutual makes available to all its Members the Laguna Woods Mutual 50 Alterations Standards. The Standards are available upon request at the Community Center. These Standards identify established alterations that have been previously approved by the Mutual's Board of Directors. The Alterations Standards are reviewed and updated as needed by the Mutual's Ad Hoc Alterations Standards Subcommittee, the Board of Directors serves as the Architectural Control Committee, and the Board has the authority to approve or disapprove. Typically, a proposed alteration that meets the Alterations Standards requirements can be permitted without Board review.

In order that a Member may propose an alteration that is not an established Alteration Standard, the Mutual provides the Member the opportunity to submit a Request for Variance. Guidelines for submittals for Variance Requests, and submittals for Standard Alteration Permits follow:

**GUIDELINES FOR SUBMITTALS
FOR VARIANCE REQUESTS**

1. Variance Requests are submitted to obtain approval for a variance to construct a non-standard alteration, that which is different from the Mutual's Alteration Standards and/or Standard Plans. Variance Requests are submitted to the Mutual Fifty Maintenance Department and then to the Permits and Inspections office for consideration by the Board.
2. The submitted proposal for a Variance Request must be legible, clear and concise and should not require assumptions on the part of the reviewing agent.
3. The Variance Request must include a letter signed by the Mutual member that describes the proposed alteration(s). The submittal must also include conceptual drawings, or plans, of the proposed alteration.
4. The plans must represent a true replication of both the existing floor plan and proposed floor plan modifications, inclusive of specific dimensional details of each.
5. The plans must identify the precise location of the proposed alteration *and* any related alterations/installations. For example, if the proposal is for a room expansion, the re-location of doors, if necessary, should be identified.
6. The plans must provide specific details of how the proposed alteration would be constructed. For example, if a window is being replaced, information detailing its size and whether it would be constructed of white-vinyl, dual-pane glass, etc. should be included.
7. Where a Variance Request is for an alteration that is visible from the outside of a manor (room expansion, window installation, door re-location, etc), an exterior elevation must be submitted, inclusive of the alteration's proposed roofline.
8. All plans must be site specific and original. Plans submitted for another manor for a similar requested alteration would not be considered.
9. Do not change or alter standard plans; if an alteration will differ slightly from a standard plan, provide written documentation with a new manor plan indicating how the proposed alteration would vary from the standard plan.

10. The Mutual Maintenance Department and Permits and Inspections office must be informed in writing of any deviations from an approved alteration that is being performed, prior to making any field changes. Any deviations from an approved plan must be approved by the Mutual Maintenance Department and Permits and Inspections office before it is made on the manor. Deviations from approved plans may require Board approval of an additional variance, thus a waiting period may result.

GUIDELINES FOR SUBMITTALS

FOR STANDARD ALTERATION PERMITS

1. An Application For Alteration Permit must be submitted to the Mutual Fifty Maintenance Department and Permits and Inspections office to perform previously-approved Standard Plan alterations or alterations conforming in all aspects to Board-approved Mutual Alteration Standards.
2. A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or the Member's contractor. Member and/or the Member's contractor must supply the Mutual Maintenance Department and Permits and Inspections office with City permit numbers prior to beginning work.
3. The Member applying for a permit shall provide to the Mutual Maintenance Department and Permits and Inspections office a detailed plan(s), for approval, indicating all work to be done, i.e., size, location, description, and specifications.
4. Prior to the issuance of a permit, the Member's signature is required to indicate that the Member has received, read, understands and agrees to follow and adhere to all current Mutual Standards regarding the alteration.
5. A signed Alteration Consent Form may be required in order to obtain a permit.

Further to the requirements provided by Civil Code 4765, Variance Requests are processed as follows:

1. Variance Requests, and all required documentation, shall be submitted to the Mutual Maintenance Department and Permits and Inspections office 30 (thirty) days prior to the next regularly scheduled Laguna Woods Mutual 50 Regular Board Meeting in order to be considered.
2. Management Analyst staff prepares a Variance Request report on each proposed alterations, and the report includes a Summary/Recommendation, Background information, Analysis, and any recommended contingencies.
3. The report is written, and the Board of Directors considers the Variance Request based on the following criteria:
 - Aesthetic Impact (Building, Common Area, Neighbors)
 - Cost Impact (Original installation, Repair and Maintenance)
 - Conformity to Local and State Building Codes
 - Conformity to the Mutual requirements with respect to Davis-Sterling
 - Conformity to the Mutual governing documents
 - Value Impact (Resales, Other)
 - Comparison of the proposed alteration to the Alteration Standard
4. By a counted vote of Board Members present at the Meeting, MUTUAL 50 makes a recommendation for approval or denial of the request.
5. The recommendation of the Variance Request report is considered at the next regularly scheduled Board Meeting, and by a counted vote of Board Members present at the Meeting, the MUTUAL 50 Board either approves or denies the request, and passes a resolution of the Board's decision.
6. The Member is notified in writing explaining the Board's decision, which may include, in the case of approval, required contingencies.

With respect to a Member's disregard for the rules on alterations, such as the installation of an alteration that is not in compliance with the Board's determination, the Member may ultimately be brought forth for a member disciplinary hearing.

Unauthorized Alterations

Upon the discovery of an unauthorized alteration, the Mutual Maintenance Department or Permits and Inspections office provides the Member with a Notice of Unauthorized Alteration, which includes the requirements under which an alteration may be permitted.

Upon receipt of a Notice of Unauthorized Alteration, all work must cease immediately and the Member must obtain all required City and Mutual permits before performing additional work.

A re-inspection of the unauthorized alteration is performed no sooner than thirty days after the Notice of Unauthorized Alteration was issued.

Should the inspection reveal that the Member's alteration continues to be in violation, the Member is notified, in writing, of the violation and of the Board's requirement that the unauthorized alteration must be corrected within a specified time period. The Member is advised that failure to comply may result in member disciplinary action in the form of a hearing before the Board of Directors.

A second inspection is performed thirty days after the date of notification, and should the inspection reveal that the Member's alteration continues to be in violation after the previous requests to comply have gone unheeded, then the Member is notified via Certified and First Class Mail of a Member Disciplinary Hearing. This notification includes background information regarding the subject violation, the reasons for a hearing, the time and place of the hearing, and possibility of any and/or all of the following: suspension, discipline, and fines. The Member is provided a copy of the Mutual's Bylaws with respect to Discipline:

MUTUAL FIFTY - ARTICLE VII

SECTION 3. DISCIPLINE.

(a) The Board may take disciplinary action against any member of the corporation for breach of the Restrictions, these Bylaws and the Bylaws of the Foundation or of any Rules or regulations of the corporation and of the Foundation on the part of the member, any Co-occupant of the member's Condominium, any tenant of the member's Condominium or any guest of the member who may use the facilities of the corporation or the Foundation, as provided herein. Any disciplinary action authorized hereunder shall not act as a bar to the exercise of any other right or remedy available against a member for any such breach.

(b) Disciplinary action authorized hereunder may consist of any or all of the following: (1) a fine not to exceed \$200.00 for each such breach, (2) suspension of the right to use any Community Facilities of the corporation for a period not to exceed thirty (30) days for each breach and (3) suspension of the right to vote, whether by voice, ballot or written consent, on any or all matters brought before the members for a period not to exceed one year. The corporation may also make an application to a court of competent jurisdiction for legal and equitable relief.

(c) Before any disciplinary action is taken, the following procedure shall be implemented:

(i) A notice shall be sent by prepaid, first class or registered mail to the most recent address of the member as shown on the corporation's records setting forth the nature of the discipline, the reasons therefor and the date, time, and place of the hearing. Such notice shall be sent at least fifteen (15) days before the proposed effective date of the discipline.

(ii) The member being disciplined shall be given an opportunity to be heard and present witnesses and evidence in his behalf, either in person, by counsel, or by both, or in writing, at a hearing before the Board of Directors to be held not fewer than five days before the effective date of the proposed discipline.

(iii) Following the hearing, the Board shall decide in good faith and in a fair and reasonable manner whether the member should be suspended or sanctioned in some other way. The decision of the Board shall be final.

(d) In addition to the remedies specified herein, a member shall be liable to the corporation for costs of suit and a reasonable sum for attorneys' fees incurred in enforcing the Restrictions, these Bylaws or the Bylaws of the Foundation or any Rule or regulation of the corporation or the Foundation.

(e) The Board is hereby authorized to adopt necessary Rules and regulations to carry out the purposes of this Section 3.

(f) Any action challenging any disciplinary action taken against a member or with respect to such member's membership, including any claim alleging defective notice thereof, must be commenced within one year after date such disciplinary action is taken.