

**BARCELONA OF PASADENA CONDOMINIUM ASSOCIATION
RULES AND REGULATIONS (2018)**

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BARCELONA OF PASADENA CONDOMINIUM ASSOCIATION RULES AND REGULATION (2018)

1.0 INTRODUCTION

1.1. Background

The Barcelona of Pasadena Condominium Association (BPCA) is a common interest development operated as a nonprofit mutual benefit corporation for the purpose of maintaining, managing, and promoting enjoyment of the Association's Common Areas and Facilities by the owners and residents. The social success and formation of a compatible and friendly community-living experience and environment and the alleviation of confusion and disorder depend to a large extent on the owners' and residents' understanding of, adherence to, and enforcement of the Association's governing declarations. All owners and residents are subject to the general terms of the BPCA Covenants, Conditions, and Restrictions (CC&Rs), the By-Laws, and the Rules and Regulations (R&Rs).

These documents are available at www.barcelonaofpasadena.com. Click on "Homeowners/Residents" and then "Forms and Governing Documents."

1.2. Purpose & Authority

The R&Rs contained herein are designed to enhance the security, safety, enjoyment, and peace of mind of Barcelona residents and guests. These R&Rs are supplemental procedures authorized by the Governing Documents and promulgated by the Board of Directors. This publication was compiled under the direction of the BPCA Board of Directors for the ready reference of all Barcelona owners and residents. They do not supersede, change, or conflict with the CC&Rs and By-Laws. They have the status of enforceable law in keeping with the authority derived from, and adopted in accordance with, the powers vested in the Board of Directors by the Association's CC&Rs and the California Civil Code.

1.3 Definitions

For the purpose of these Rules and Regulations, the following definitions shall apply.

1.3.1. "Association" shall refer to and mean The Barcelona of Pasadena Condominium Owners' Association, Inc. (BPCA)

1.3.2. Assessments

1.3.2.1. Regular Assessment—the regular monthly assessment established by the Board during the annual budget process in compliance with sections 4.1 – 4.2 of the CC&Rs.

1.3.2.2. Special Assessment—Any assessment levied by the Board in compliance with section 4.3 of the CC&Rs

1.3.2.3. Special Individual Assessment—Any assessment levied against an individual owner in compliance with section 4.4 of the CC&Rs. Such special individual assessments can be levied for damage to the common area or facilities (4.2.i) or for expenses incurred in gaining member compliance (4.2.ii).

1.3.3. “Board” shall refer to and mean the Board of Directors of the Association.

1.3.4. “CC&Rs” shall refer to and mean the “First Restated Declaration of Declaration of Covenants, Conditions and Restrictions for BPC” as recorded on February 25, 2004.

1.3.5. “Governing Documents” includes the Covenants, Conditions and Restrictions (CC&R’s), the Bylaws and the Rules and Regulations.

1.3.6. “Guest” shall refer to and mean a person who is invited to visit or stay in a Unit of a Member or Owner by either the Member or Owner or the Tenant of the Member or Owner.

1.3.7. “Manager” shall refer to and mean a person who, for compensation or in expectation of compensation, exercises control over the assets of the Condominium Project.

1.3.8. “Member” shall refer to and mean every person or entity that holds membership in the Association.

1.3.9. “Owner” shall refer to and mean each person and entity holding a record ownership interest in a Condominium. The term “Owner” shall not include persons or entities that hold an interest in a Condominium merely as security for the performance of an obligation. Only an Owner may hold a membership in the Association.

1.4. Applicability

The use of the term “Owner” in this R&R document applies to both Owner-occupants and non-resident Owners. Owners shall be held responsible for their own and their guests’, tenants’, contractors’ or employees actions, conduct, and adherence to subject rules and regulations. Each Owner shall provide tenants with current copies of the CC&Rs, By-Laws, and R&Rs. All rules and regulations herein apply to all tenants and guests as well as owners.

1.5 Maintenance and Utilities and Safety

1.5.1. The monthly assessments by the Association depend, in a large measure, on the care and consideration exercised by each and every resident and owner and their guests. If the maintenance costs are high and the current budget is not sufficient to meet these costs, each owner’s assessment will have to be increased accordingly.

1.5.2. Water, gas and electricity are master metered and paid with Association monies. Residents are encouraged to conserve water and energy consumption at all times. Residents/owners should notify the Association's Manager of any dripping faucets or water running in toilets and may contact the Manager for help in assessing and repairing water leaks in faucets, showers and toilets.

1.5.3 Drain Lines—Most of the drain lines (bathroom sink/tub/shower/sewer as well as kitchen drain lines) in the Barcelona are nearly 100 years old. Please do not put any kind of paper, sanitary or other materials (except for toilet paper) down the toilet drain. For tubs/showers – please use a small mesh screen over the drain to prevent hair from going down the drain. For kitchen sinks, please do not put any kind of cooking oil, lard, or fat from cooking, such as hamburger grease, down the kitchen drains. Cooking oil/grease should be put in some container and thrown out with the trash since they can stick to the sides of the pipes on the way down, which can narrow diameter of the pipe and contribute to slow drains and clogs. Using a kitchen sink strainer will catch any large food particles from food preparation and washing dishes so they can go into the trash rather than down the drain.

1.5.4. Air Conditioning Units

- 1.5.4.1. No additional window AC units may be installed.
- 1.5.4.2. AC/heating with window ducts may be installed (in accordance with renovation guidelines under Architectural Committee).
- 1.5.4.3. Existing window AC units that produce excessive moisture (water dripping on window sill or down building exterior) must be replaced.
- 1.5.4.4. The Association, with due notice, may require inspection of current units to verify proper installation and functioning of AC units. Installation found to be defective shall be immediately corrected.
- 1.5.4.5. Air conditioning units are a major user of electrical power and a major utility cost in summer. Use of AC units can cause breakers to flip off in some units, especially if used in conjunction with other appliances that use a lot of amperage (e.g., hair dryers, microwave ovens, vacuum cleaners). Residents are encouraged to open windows and use ceiling fans whenever possible and to run the AC units as little as necessary in the interest of energy conservation.

1.5.5. Insurance. In order to protect all of the owners of the Association, each owner is advised to purchase an HO6 insurance policy and provide evidence of insurance to management.

1.6 Unit Inspections

Management may schedule inspections of units as needed to ensure compliance with proper window AC installation and functioning (see 1.5.4); to verify that faucets, showers and toilets are not leaking or running; and to ensure installation of smoke alarms and CO monitors in compliance with fire department requirements.

1.7 Changes to Rules and Regulations

All of the rules and regulations herein may be changed or added to at any time by a quorum of the Board of Directors with due notice and in compliance with the Open Meeting Act. Any consents granted hereunder may be revoked for due cause.

1.8. Governing Documents

1.8.1. Retention of CC&Rs, By-Laws, & R&Rs

Each Barcelona Owner is required to retain a current copy of the BCPA CC&Rs, By-Laws, and R&Rs.

1.8.2 Understanding CC&Rs, By-Laws, & R&Rs

Each Barcelona Owner and Resident is expected to read, understand, and comply with the BPCA CC&Rs, By-Laws, and R&Rs.

2.0 GENERAL RULES

2.1 Prohibition of Noxious Activities

2.1.1. Residents, their guests and employees, shall not disturb, annoy, endanger, or inconvenience other Residents; use the premises for any unlawful purpose; violate any Federal, State, or municipal law or ordinance; or commit waste or nuisance upon or about the premises. Residents and guests shall refrain from loud talking, unnecessary noise, boisterous conduct, and running in Common Areas.

2.1.2. No musical instruments, typewriters, vacuum cleaners, sewing machines, or annoying mechanical devices shall be used before eight (8:00) o'clock in the morning or after ten (10:00) o'clock at night. Radios, televisions and/or stereos, shall, at all times, be kept low enough to avoid annoyance to other tenants. Unit interior repairs and construction/remodeling work is allowed between 8 am and 6 pm Monday – Friday and between 9 am and 5 pm on Saturday. Repairs at other times are allowed only in case of an emergency.

2.2 Entrances, Walkways, Fire Escapes, Attic

2.2.1. Entrances, walkways, and fire escapes must be kept free from obstructions at all times. Placing, leaving, or maintaining any personal property or items in the Common Areas by owners or residents is strictly prohibited.

2.2.2. Doors at the ends of the first-floor hallway shall be kept closed at all times.

2.2.3. Bicycles or motorcycles may not be parked on sidewalks, in hallways, on fire escapes, or in any Common Areas.

2.2.4. Neither the fire escape nor the balconies on the west face of the building are to be used in any way except for exiting the building in an emergency.

2.2.5. Entrance to the attic and roof area is restricted to service technicians, contractors and other workers on an as needed basis.

2.2.6. Entrance to hallway closets shall be allowed to owners on an as needed basis in consideration of location of electrical panels.

2.3 Sanitation / Trash

2.3.1. No household fabrics (sheets, blankets, etc.) or other clothing may be hung, dried, or aired within public view on property outside the confines of an individual unit, including the fire escapes.

2.3.2. Shaking of dust cloths, mops, brooms, rugs, etc. from windows or fire escapes is strictly prohibited.

2.3.3. All garbage and trash must be placed in the dumpster at the west end of the building. Cardboard boxes must be broken down to maximize space. Trash is picked up on Mondays and Fridays.

2.3.4. Moving, whether in or out, generally creates a lot of trash. Out of consideration of fellow residents, individuals should not overfill the dumpster when moving in or out. If anyone has a large amount of trash, please check the dumpster on Thursday evening and/or Sunday evening to see if there is space left.

2.3.5. No construction trash from remodeling, repairs or renovations is to be placed in the dumpster.

2.3.6. Placing of unwanted objects, such as furniture, mattresses or appliances, beside or near the dumpster is strictly prohibited. Arrangements for pick-up of special items must be made by owner/resident with notification to management of date and time of pick-up. Such objects may be placed by the dumpster for pick-up in the morning on the day pick-up is scheduled.

2.3.7. Trash cannot be added to the trash bin unless trash lids can be completely down, the metal arm in place, and locked and the lock spun to disguise the lock combination.

2.3.8. No trash left outside or around the bin. The owner of the unit will be contacted even if it is a rental.

2.4 Security and Building Keys

2.4.1. The security of the Barcelona is the shared responsibility of each resident. Incidents of vandalism in progress should be reported to the local police by calling 911.

2.4.2. Exterior doors may not be propped open and left unattended.

2.4.3. Entry to the Barcelona is restricted to residents, owners, employees, authorized visitors and guests, city, county, and state law enforcement officials and authorized regular vendors of the Association.

2.4.4. Building keys

Building keys are available only to Association members. The cost for replacement and additional keys is set in the schedule of BPCA fees.

2.4.5. Entrance Intercom System:

2.4.5.1. The entrance intercom system allows residents to open the front door remotely via telephone. The unit's resident(s) must provide a telephone number to allow for intercom access.

2.4.5.2. Non-owner residents must fill out the Residential Unit Information form and submit it to BCPA's Manager in order to initialize intercom system access,

2.4.5.3. Non-resident Association members must provide a telephone number to the management company to allow for intercom access.

2.4.5.4. Resident/Member surnames and a unit code are listed on the intercom directory. After the name is selected and the "call" button is pushed or after the unit code is entered, the system calls the phone number of that individual. The person receiving the call answers and can speak with the person calling in order to verify who is requesting access, and can then grant access by pressing '9' on the phone keypad. The intercom accepts cell phone numbers and multiple area codes.

2.4.5.5. The entrance intercom system reduces the need for extra keys. Residents are responsible for informing guests and service personnel of how to gain access by calling them through the intercom.

2.4.5.6. To help ensure building security, no one should let any unknown individuals in through the intercom system unless they identify themselves and are expected (e.g., package delivery personnel).

2.5 Parking

2.5.1. The Barcelona of Pasadena Condominium Association has no parking areas. Street parking in the area is limited and regulated; Pasadena does not allow any long-term overnight street parking for our building. Therefore, owners/residents must secure parking from nearby vendors.

2.5.2. Short-term parking in the area behind the building between the sidewalk and the trash dumpster is allowed when moving, for loading and unloading items and for contractors dropping off materials, tools and supplies. First-come, first served. There are no reservations; however, vendors working for the Association have priority and may use the space all day.

2.5.3. Short-term parking is available in front of the building in the yellow loading zone. Limited overnight parking is available from the police station.

2.6 Unit Lease/Rental Agreements

2.6.1. Unit lease/rental agreements shall be for a term of not less than ninety (90) days.

2.6.2 Owners are responsible for the actions of and compliance by Owner's tenants/lessees and guests.

2.6.3. Within five (5) business days after consummation of a lease or rental agreement, an Owner shall provide a copy of the Lease/Rental Agreement Compliance Form to the Association's Management Company.

2.6.4. Owners must include information on the non-smoking policy in the rental/lease agreement per Pasadena Municipal Code 8.78.085B.3

2.6.5. An Owner who fails to provide the lease/rental agreement and resident information may be subject to disciplinary action.

2.7 Smoking

2.7.1. Pursuant to the Pasadena Municipal Code (PMC), section 8.78.085, smoking is prohibited anywhere within Barcelona, including balconies and fire escapes, outdoor common areas such as the terrace, and inside individual units.

2.7.2. There is no smoking within 20 feet from any doorway, window, opening or vent into an enclosed area in which smoking is prohibited.

2.7.3 Smoking means the combustion of any cigar, cigarette, pipe or similar article, including vaping, or using any form of tobacco, cannabis or other combustible substance in any form.

2.7.4. Owners must include reference to section 8.78.085 of the Pasadena Municipal Code in lease and/or other rental agreements as well as purchase agreements for sale.

2.7.5. Violation of section Pasadena Code of Ordinances 8.78.085 shall be considered a violation of these rules and regulations.

2.8 Occupancy

Section 1.27 of the CC&Rs limits occupancy to 1 person in singles and 2 people in 1-bedroom units in consideration of the distribution of utility costs. Units with additional occupants are subject to a fee to offset the increased utility costs. (See Schedule of BPCA Fees, section 7.0.)

2.9 Common Areas and Facilities

2.9.1 Common Areas

The Common Areas comprise the entire project except individual units as defined in the CC&Rs. The term “Common Areas” is understood to include “Common Facilities.”

2.9.2 Laundry Room

2.9.2.1 The Laundry Room is for the use of residents and their guests only.

2.9.2.2. Place empty containers and other refuse in the trash containers provided.

2.9.2.3. Clean dryer lint trays after each use and dispose of lint in the trash containers provided.

2.9.2.4. Please do not overload washers, and please remove clothes from washer and dryer promptly so they are ready for use by another resident. Clothes left in washer or dryer are subject to removal by the next user.

2.9.2.5. Report non-working washers and dryers to the service numbers listed in the laundry room as well as to the BPCA Manager. Notify the Manager immediately of water/plumbing problems.

2.9.3 Storage

2.9.3.1. A storage area is provided in the basement for each unit. As elements of the Common Areas, storage lockers are assigned at the discretion of the Board of Directors. There is no right of ownership, implied or expressed, by an individual owner appertaining to any individual storage unit.

2.9.3.2. The Association bears no liability for the safety or security of items stored in a storage locker.

2.9.3.3. Placing or storing items of personal property outside of the storage locker is strictly prohibited. Items left outside of storage lockers will be removed and discarded.

2.9.3.4. No hazardous materials such as gasoline or toxic waste may be stored on the premises, either in the storage area or individual units.

2.9.4 Antennas, Satellite Dishes, and Cable Network Service

Placement of masts, towers, poles, television and radio antennas, or television satellite reception dishes on or about the exterior of the Properties by anyone other than the Association is prohibited.

2.9.5 Move-In/Out Procedures

2.9.5.1. Use of elevator to move household objects or contractor equipment is limited to small items that fit easily through the doors. Make sure that weight limit is not exceeded (1000 pounds).

Elevator interior MUST be protected with blankets when used for moving. The elevator blankets are stored in the large black bag under the table behind the lobby counter. Place the magnetic studs at the corners of the elevator panels, under the open grill, and use the loops on the blankets to hang them. When finished, put everything back in the bag and store it under the table behind the lobby counter.

Note: to avoid scratching the paint, place the magnets as close as possible to the corners and rock them carefully against the edge of the trim to remove them.

2.9.5.2 The front (main staircase) is not to be used for the moving of household furnishings, personal belongings or construction/contractor materials or equipment.

2.9.5.3. No household furnishings or personal belongings may be left in any the doorways, hallways, basement, or other Common Areas.

2.9.5.4. Owners must give at least 48 hours' notice to Manager of move (in or out) by any resident (owner or tenant or roommate or lessee).

TIPS-- Refrigerators and other large, heavy objects are best moved using moving straps (also known as a shoulder dolly) rather than metal dollies as the corners of the stairwells are difficult to navigate. Refrigerators moved with a dolly should have the doors removed. Many websites offer tips for moving heavy furniture and also how to navigate stairs.

2.9.6 Pets

2.9.6.1. No more than one household pet may be kept within each unit or exclusive use common area. Any dog shall not exceed 35 pounds in weight, except for accommodation of documented disabilities.

2.9.6.2. Dogs shall only be allowed in the Common Areas when they are leashed. All pets in common areas must be under the supervision and restraint of their Owners.

2.9.6.3. Pets are not permitted to create any unreasonable annoyance or nuisance to the other Owners or Residents.

2.9.6.4. Pet owners shall be responsible for the prompt removal and disposal of pet wastes deposited by their pets within their units or on the property grounds. Cat litter is to be tightly sealed in plastic bags for disposal.

2.9.6.5. The area between the north façade of the Barcelona and the fence/wall is not a dog run. This area is not to be used for walking pets.

2.9.6.6. Owners and tenants must take appropriate measures to ensure that noise from their pets does not unduly disturb other residents and guests.

2.9.7 Solicitation & Advertising and Business

2.9.7.1. Door-to-door solicitation such as personal, business, professional, charitable, political, entertainment, or other forms of solicitation by a resident or non-resident is prohibited.

2.9.7.2. The prohibition against solicitation includes, for example, the unrequested distribution of handbills, notices, or newspapers in or near the entrance to individual Units or in any Common Areas.

2.9.7.3. No advertising signs, posters, or billboards shall be displayed or remain on any Unit or Common Areas. Unit and Common Areas shall not be used in such a way or for any purpose which may endanger the health of or unreasonably disturb residents.

2.9.7.4. Business usage of any unit is limited to home office use and excludes business-related traffic in the building and/or business related storage and deliveries, except for Unit 1 (555 E. Union Street). Unit 1 may engage in any business usage allowed by zoning.

2.9.8 Landscaping and Grounds

2.9.8.1. Owners or Residents shall not alter the landscaping or grounds in any way without written approval of the Board of Directors.

2.9.8.2. No lockboxes may be placed in the front/terrace area. Lockboxes may be placed on the railing of the west entrance at the bottom of the back stairwell or other such areas that are out of sight.

2.9.8.3. For sale and for rent signs may not be placed on the lawn area of the Barcelona. They may be placed between the street and the sidewalk along Madison Avenue or on the west side of the building, near the corner of the building.

2.9.9 Lobby

Owners and residents may reserve the lobby for social events by contacting the management company. Lobby must be left in the condition it was in before the event. The Association has the right to require a cleaning deposit at its discretion.

3.0 Architectural Control

3.1. Architectural control of the properties shall be overseen by an Architectural Committee appointed by the Board of Directors. The Architectural Committee is the final arbiter for all requests. In the absence of a committee having been formed, the Board of Directors acts as the Architectural Committee.

3.2. The duties of the Architectural Committee shall be to consider and to act upon proposals and plans submitted by an owner for modification or improvement of his/her unit.

3.3. An Owner planning any installation, change or improvement must submit to the Association's Architectural Committee a written request for approval. The Owner's request shall include structural plans, specifications and plot plans, if any, satisfying the requirements of the CC&Rs. No work on the Improvement shall be undertaken before the Architectural Committee approves the proposal.

3.4. Permits must be taken out with the City of Pasadena for any work that customarily requires permits. Work shall be done by licensed, bonded contractors except for handyman work.

3.5. The Architectural Committee shall respond to requests for approval within 30 days of submission. If request is denied, the Committee will detail the objections and owner may address objections and resubmit request.

3.6. Approval shall not be withheld except for good cause.

4.0 COMPLIANCE

4.1 All owners, residents, and guests of same shall comply with and abide by all rules and regulations, Bylaws and CC&Rs of the BPCA for the purpose of protecting the interests of all Owners and protecting the Common Areas and/or Common Facilities.

4.2 Residents and owners should address questions about rules and regulations and report violations to the Association Manager. Complaints should not be taken to Board Members.

4.3 No Board Member may make a unilateral decision regarding compliance and enforcement that has not been decided by a quorum of Board Members

4.4 Anyone wishing to report an alleged violation of the rules and regulations, CC&Rs or Bylaws may do so by contacting the Association's Manager. Violations shall be reported in writing. The identity of the person reporting the violation will not be disclosed to the owner/person involved.

5.0 ENFORCEMENT

5.1. Since only owners are members of the Association, owners are responsible for the actions of any guests, tenants, and guests of tenants.

5.2. Through the Board of Directors, the Association has adopted a policy of imposing discipline, including charges and monetary penalties, on owners for a violation of the governing documents (CC&Rs, Bylaws, Rules and Regulations). This policy applies to violations by an owner, members of his/her family, lessees, tenants or guests of owners, lessees and tenants.

5.3. The monetary penalty for a violation of the governing documents shall not exceed the monetary penalty stated in the Schedule of Discipline, Charges and Monetary Penalties that is in effect at the time of the violation.

5.4. The Association shall provide a copy of the most recently distributed Schedule of Discipline, Charges, and Monetary Penalties and Schedule of Fees to any owner upon request.

5.5. When the Board is to meet to consider or impose discipline or monetary penalties or to impose a monetary charge as a means of reimbursing the Association for costs incurred by the Association in

the repair of damage to the common area and/or facilities caused by an owner or owner's guest, lessee or tenant, the following shall apply:

5.5.1. The Board shall notify the owner in writing, by either personal delivery or individual delivery pursuant to California Civil Code §4040, at least 10 days prior to the meeting and

5.5.2 The notification shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which an owner may be disciplined or the nature of the damage to the common area and facilities for which a monetary charge may be imposed, and a statement that the owner has a right to attend and may address the Board at the meeting. The Board shall meet with the owner in executive session if requested by the owner.

5.6. If the Board imposes discipline or a monetary penalty on an owner or imposes a monetary charge for damage to the common area and facilities, the Board shall provide the owner with a written notification of the decision, by either personal delivery or individual delivery pursuant to California Civil Code §4040, within 15 days following the action.

5.7. If an owner fails to pay fees or monetary penalties, the primary means of collection is through small claims court. However, The Association may use any means at its disposal to collect, such as turning accounts over to a collection agency or hiring an attorney.

5.8. Unpaid **charges**—which are to reimburse the Association to for funds spent to repair damage to the common area and/or facilities caused by an owner or tenant, lessee or guest of an owner or for repairs made to a unit by the Association that are the owner's responsibility—can become a special individual assessment and as such are subject to the Assessment Delinquency Collection Policy and could lead to foreclosure.

5.9. These enforcement provisions may be employed to enforce Association compliance with the Davis-Stirling Act and the California Corporations Code. Disputes between an owner and the Association as regards matters covered in this discipline policy are covered under Internal Dispute Resolution (CCC § 5900 to 5920) and Alternative Dispute Resolution (CCC § 1369.510 - 1369.590)

5.10 In the interest of providing a fair, reasonable and expeditious procedure for resolving disputes, either party may invoke Section 6.1, Internal Dispute Resolution, by submitting a written request to the other party to meet and confer in an effort to resolve disputes.

5.11 Enforcement Action

5.11.1. Before either the association or a member may file an enforcement action in the superior court, the parties must endeavor to submit their dispute to alternative dispute resolution (see Section 6.2).

5.11.2 This section, section 5.11.2, applies only to an enforcement action that is solely for declaratory, injunctive, or writ relief, or for that relief in conjunction with a claim for monetary damages not in excess of the jurisdictional limits stated in Sections 116.220 and 116.221 of the Code of Civil Procedure.

(c) This section does not apply to a small claims action.

(d) Except as otherwise provided by law, this section does not apply to an assessment dispute.

5.12. Any Association action to collect for failure to pay any assessment, whether regular, special or special individual assessment, must follow the provisions of the Assessment Delinquency Collection Policy.

6.0 DISPUTE RESOLUTION

6.1 Internal Dispute Resolution (IDR)

- A. It is the intent of the Board that the Association comply with the requirements of California Civil Code §§ 5900 to 5920 (“internal dispute resolution”).
- B. This Section, section 6.1, applies to a dispute between the Association and an Owner (individually, “Party” or, collectively “Parties”) involving their respective rights, duties, or liabilities under the Davis-Sterling Act and the governing documents of the Association. Nothing in these provisions should be construed as assigning to an individual owner the authority to enforce the Rules or CC&Rs in any way other than by advising the Board of any issue(s) of concern.
- C. Either party to a dispute, within the scope of this section 6.1, may invoke the following procedure.

- a. The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.
 - b. An Owner may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.
- D. The Board shall designate a director to meet and confer.
- E. The Parties shall meet promptly at a mutually convenient time and place, explain their respective positions to each other, and confer in good faith in an effort to resolve the dispute.
- F. A resolution of the dispute agreed to by the Parties shall be memorialized in writing and signed by the Parties, including the Board designee on behalf of the Association.
- G. An agreement reached under this section (section 6.1) binds the Parties and is judicially enforceable if both of the following conditions are satisfied:
 - a. The agreement is not in conflict with law or the governing documents of the Association; and
 - b. The agreement is either consistent with the authority granted by the Board to its designee or the agreement is ratified by the Board.
- H. An Owner may not be charged a fee to participate in the process.

6.2. Alternative Dispute Resolution (ADR)

6.2.1 In the annual policy statement prepared by the Association, the Association shall provide Owners with a summary of the provisions of California Civil Code §§ 5925 – 5965 Alternative Dispute Resolution Prerequisite to Civil Action. The Annual Policy Statement and this section (section 6.2), provide a summary of the statute. Refer to Civil Code Section §§ 5925 – 5965 to review all of the provisions of the statute or seek independent legal counsel.

6.2.2 As required by §5965, the summary shall include the following language:

Failure of an Owner of the Association to comply with the alternative dispute resolution requirements of Section 5930 of the California Civil Code may result in the loss of the Owner's right to sue the Association or another Owner of the Association regarding enforcement of the governing documents or the applicable law.

6.2.3. As used in this section,

6.2.3.1. “Alternative dispute resolution” means mediation, arbitration, conciliation, or other nonjudicial procedure that involves a neutral party in the decision-making process. The form of alternative dispute resolution may be binding or nonbinding, with the voluntary consent of the parties.

6.2.3.2 “Enforcement action” means a civil action or proceeding, other than a cross-complaint, for Enforcement of this act, of the Nonprofit Mutual Benefit Corporation Law (Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code) and of the governing documents.

6.2.4. Applicability--An association or a member may not file an enforcement action in the superior court unless the parties have endeavored to submit their dispute to alternative dispute resolution pursuant to this article. This section applies only to an enforcement action that is solely for declaratory, injunctive, or writ relief, or for that relief in conjunction with a claim for monetary damages not in excess of the jurisdictional limits stated in Sections 116.220 and 116.221 of the Code of Civil Procedure. This section does not apply to a small claims action, and, except as otherwise provided by law, this section does not apply to an assessment dispute.

6.2.5. Procedures:

6.2.5.1 Any party to a dispute may initiate the process by serving on all other parties to the dispute a Request for Resolution. The Request for Resolution shall include a brief description of the dispute between the parties, request for alternative dispute resolution and a notice that the party receiving the Request for Resolution is required to respond within 30 days of receipt or the request will be deemed rejected. If the party on whom the request is served is the member, a copy of Civil Code, Chapter 10, ARTICLE 3. Alternative Dispute Resolution Prerequisite to Civil Action [5925 - 5965]

6.2.5.2 Service of the Request for Resolution shall be by personal delivery, first-class mail, express mail, facsimile transmission, or other means reasonably calculated to provide the party on whom the request is served actual notice of the request.

6.2.5.3 A party on whom a Request for Resolution is served has 30 days following service to accept or reject the request. If a party does not accept the request within that period, the request is deemed rejected by the party.

6.2.5.4 If the party on whom a Request for Resolution is served accepts the request, the parties shall complete the alternative dispute resolution within 90 days after the party initiating the request receives the acceptance, unless this period is extended by written stipulation signed by both parties.

6.2.6. The costs of the alternative dispute resolution shall be borne by the parties.

6.2.7. Tolling

If a Request for Resolution is served before the end of the applicable time limitation for commencing an enforcement action, the time limitation is tolled during the period provided for response to a Request for Resolution, and, if the Request for Resolution is accepted, during the period provided for completion of alternative dispute resolution, including any extension of time stipulated to by the parties.

6.2.8. Certification

When beginning an enforcement action, the party commencing the action shall file with the initial pleading a certificate stating that one or more of the following conditions are satisfied:

- (1) Alternative dispute resolution has been completed in compliance with Article 3, Chapter 10 of the California Civil Code.
- (2) One of the other parties to the dispute did not accept the terms offered for alternative dispute resolution.
- (3) Preliminary or temporary injunctive relief is necessary. Failure to file a certificate is grounds for a demurrer or a motion to strike unless the court finds that dismissal of the action for failure to comply with this article would result in substantial prejudice to one of the parties.

6.2.9. After an enforcement action is commenced, on written stipulation of the parties, the matter may be referred to alternative dispute resolution. The referred action is stayed.

6.2.10. In an enforcement action in which attorney's fees and costs may be awarded, the court may consider whether a party's refusal to participate in alternative dispute resolution before commencement of the action was reasonable in determining the amount of the award.

7.0 SCHEDULE OF FEES

1. Building key \$30 per key
2. Assessment late fee: 10% of assessment
3. Check returned for insufficient funds \$25 per check

8.0 SCHEDULE OF DISCIPLINE, CHARGES AND MONETARY PENALTIES

8.1. The following schedule of discipline, charges and monetary penalties is hereby established to enable to Association to carry out its responsibility to maintain and manage the Common Areas and Facilities of the Association and to enforce compliance with the Governing Documents of the BPCA.

8.2. Monetary charges for damage to common area or any facility owned by the Association shall be the actual cost of repair or replacement of the damaged property (not to exceed the fair market cost of repair or replacement) and a monetary penalty of \$100.00

8.3. Infractions of provisions of the governing documents, including the rules and regulations, shall be:

Step1: First violation: warning letter

Step 2: Second violation of same offence: hearing letter to owner, possible fine of up to \$100.00

Step 3: Third violation of same offence: hearing with Board of Directors; possible fine of up to \$200.00

Step 4: Additional violations of same offence: enforcement as determined by the Board at a hearing with fine of up to \$300.00

8.4. The discipline, charges and monetary penalties described in this section are not all-inclusive nor is it required that steps be followed in order. The steps taken and the amount applied are at the discretion of the Board, depending on the severity of the violation, and may include legal action.

8.5. The discipline for violations as outlined in section 8.3 above shall apply to each offense, e.g., leaving a bicycle in the hallway is one offense, having dog in common area without leash is a different offense, smoking on the premises would be a third offense, and so on. Repeat violations of the same offense are treated as separate offenses.

8.6. A clerical fee may be assessed for processing the notice of violation. All legal fees and other costs incurred by the Association to enforce violations or collect fines or fees will be the responsibility of the owner involved.

8.7. Fees, penalties, charges and any other associated costs are due to the Association within 30 days of the owner's exhausting any remedies, including Alternative Dispute Resolution (ADR). Failure to pay may result in the filing of appropriate legal action.

9.0 ASSESSMENT DELINQUENCY COLLECTION POLICY

Prompt payment of assessments by all owners is critical to the financial health of the Association. The following policy has been adopted by the Board of Directors of the BARCELONA OF PASADENA CONDOMINIUM ASSOCIATION (hereinafter, the "Association") to ensure timely payment of assessments by all owners. Assessments, late charges, interest and collection costs, including any attorneys' fees, are the personal obligation of the owner of the property at the time the assessment or other sums are levied (Civil Code Section 5650).

This policy will be used by the Association, pursuant to the CC&Rs and Civil Code Section 5310(a)(6)-(7), for the prompt enforcement of each owner's assessment payment obligation. Your full understanding and compliance is appreciated.

1. Regular monthly assessments are due and payable on the first day of each month. A billing statement is sent each month to the owner's billing address on record with the Association, as a courtesy only. It is the owner's responsibility to pay each assessment in full each month regardless of whether a statement is received. All other assessments, including special assessments, are due and payable on the date specified by the Board on the Notice of Assessment, which date is at least thirty (30) days after the date of notice of the special assessment.
2. Assessments not received within (fifteen) 15 days of the stated due date are delinquent and shall be subject to a late charge of ten percent (10%) of the delinquent assessment.
3. An interest charge at the rate of 12% per annum will be assessed against any outstanding balance, including delinquent assessments, late charges and cost of collection, which may include attorneys' fees. Such interest charges shall accrue thirty (30) days after the assessment becomes due and shall continue to be assessed each month until the account is brought current.
4. If a special assessment is payable in installments and an installment payment of that special assessment is delinquent for more than thirty (30) days, all installments will be accelerated and the entire unpaid balance of the special assessment shall become immediately due and

payable. The remaining balance shall be subject to a late charge and interest as provided above.

5. A first notice of past due assessment (“late letter”) will be prepared and mailed once an assessment becomes delinquent. Any charge for the late letter will be made against the delinquent owner’s account.
6. Pursuant to Civil Code Section 5655, any payments made are first applied to assessments owed, and only after the assessments owed are paid in full, shall such payments be applied to late charges, interest, and collection expenses, including attorneys’ fees.
7. If an assessment is not received within forty-five (45) days after the assessment becomes delinquent, the account will be turned over to a collection agent/attorney. The Association’s agent will send a pre-lien letter to the owner as required by Civil Code Section 5660. The pre-lien letter will be delivered by certified and first class mail to the owner’s address of record and will advise the owner of the delinquent status of the account and pending collection action. The owner will be charged a fee for the pre-lien letter. Notwithstanding the provisions of this Paragraph, the Association may: (i) send a pre-lien letter to a delinquent owner at any time when there is an open escrow involving the owner’s Unit, and/or (ii) issue a pre-lien letter immediately if any Special Assessment becomes delinquent. The owner will be charged all fees and costs of preparing the pre-lien letter.
8. Pursuant to Civil Code Section 5670, prior to recording a lien for delinquent assessments, the Association shall offer the owner, and if so requested by the owner, participate in internal dispute resolution (“IDR”) pursuant to the Association’s “meet and confer” program.
9. If an owner fails to pay the amounts set forth in the pre-lien letter within thirty (30) days of the date of that letter, **the Association will proceed to cause a lien to be recorded for the amount of any delinquent assessments, late charges, interest and/or costs of collection, including attorneys’ fees, against the owner’s property. The owner will be charged all fees and costs of preparing and recording the lien. Thirty (30) days following recordation of the lien, the lien may be enforced in any manner permitted by law, including, without**

limitation, judicial or non-judicial foreclosure pursuant to Section 2934a (Civil Code Section 5700).

IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST (YOUR UNIT) IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION.

10. In the event the lien is foreclosed judicially, additional costs secured by the lien shall include reasonable attorney's fees and court costs, title search fees, interest at the maximum legal rate allowed by law from the delinquency date, late charges, and all other fees, costs and expenses incurred in such action, and shall be allowed to the extent permitted by law.
11. Pursuant to Civil Code Section 5705, prior to initiating a foreclosure for delinquent assessments, the Association shall offer the owner and, if so requested by the owner, shall participate in dispute resolution pursuant to the Association's "meet and confer" program ("IDR") or alternative dispute resolution with a neutral third party ("ADR"). The decision to pursue dispute resolution or a particular type of dispute resolution shall be the choice of the owner, except that binding arbitration shall not be available if the Association intends to pursue judicial foreclosure.
12. An owner is entitled to inspect the Association's accounting books and records to verify the amounts owed pursuant to Corporations Code Section 8333.
13. In the event it is determined that the owner has paid the assessments on time, the owner will not be liable to pay the charges, interests, and costs of collection associated with collection of those assessments.
14. Any owner who is unable to pay assessments is entitled to make a written request to meet with the Board of Directors to discuss a payment plan so long as the request for a meeting with the Board is made within fifteen (15) days of the pre-lien letter postmark date. If the

request for a meeting is made within fifteen (15) days of the pre-lien letter, the Board of Directors will meet with the owner within forty-five (45) days of receipt unless there is no regularly scheduled board meeting within that period, in which case the board may designate a committee of one or more directors to meet with the owner. (Civil Code Section 5665). Any owner may submit a written request for a payment plan (without a request for a meeting) at any time during the collections proceedings. If the account has been turned over to a collection agent/attorney, the written payment plan request shall be submitted to the collection agent/attorney.

15. All written payment plan requests must comply with the following guidelines:
 - a. The request must set forth the proposed terms of the plan including the date on which each payment will be made and the amount of each payment.
 - b. The proposed monthly payments must be sufficient to cover the current monthly assessment **and** a portion of the past due balance.
 - c. Additional late fees shall not accrue during the payment plan period so long as the owner is in compliance with the terms of the payment plan.
 - d. The entire delinquent balance must be paid in full in no more than 3 months.
 - e. Acceptance of a payment plan request does not impede the Association's ability to record a lien on the owner's separate interest to secure payment of the delinquent assessments. The lien will be released within twenty-one (21) days of payment in full.
16. Nothing herein limits or otherwise affects the Association's right to proceed in any lawful manner to collect any delinquent sums owed to the Association.
17. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and costs of collection, including attorneys' fees, must be paid in full to the Association. Within twenty-one (21) days of the payment of all such sums, the Association shall

record or cause to be recorded a lien release or notice of rescission and provide the owner of the separate interest a copy of the lien release or notice that the delinquent assessment has been satisfied.

18. The Association shall charge the owner a twenty-five dollar (\$25.00) fee for the first check tendered to the Association that is returned unpaid by the owner's bank and thirty-five dollars (\$35.00) for each subsequent check passed on insufficient funds. If the check cannot be negotiated, the Association may also seek to recover damages of at least one hundred dollars (\$100.00), or, if higher, three (3) times the amount of the check up to one thousand five hundred dollars (\$1,500.00) pursuant to Civil Code Section 1719.
19. All charges listed herein are subject to change upon thirty (30) days' prior written notice.
20. Until the owner has paid all amounts due, including delinquent assessments, late charges, interest and costs of collection, including attorneys' fees, the Board of Directors may suspend the owner's right to vote, and suspend the owner's right to use the Association's recreational facilities after providing the owner with a duly noticed hearing pursuant to Civil Code Section 5855. However, any suspension imposed shall not prevent the delinquent owner from the use, benefit and pleasure of the owner's unit.
21. There is no right of offset. An owner may not withhold assessments owed to the Association, including under claims that the owner is entitled to recover money or damages from the Association for some other obligation.
22. Owners have the right to provide a secondary address for mailing for purposes of collection to the Association. The owner's request shall be in writing and shall be mailed to the Association in a way that shall indicate that the Association has received it. An owner may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, the Association shall only be required to send notices to the indicated secondary address from the point the Association receives the request.

23. In accordance with Civil Code Section 5655, the following mailing address is provided for overnight payment of assessments:

Barcelona of Pasadena Condominium Association
P. O. Box 7029
Pasadena, CA 91101-7029

24. Notice of Assessments and Foreclosure. The Notice of Assessments and Foreclosure required by Civil Code Section 5730 is contained in Attachment "A" to this Policy.

25. Fair Debt Collection Practices Act. The disclosures required by the State Rosenthal Fair Debt Collection Practices Act and the Federal Fair Debt Collection Practices Act are contained in Attachment "B" to this Policy.

ATTACHMENT “A”

NOTICE: ASSESSMENTS AND FORECLOSURE

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

ASSESSMENTS AND FORECLOSURE

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner’s property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney’s fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner’s property. The owner’s property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive.)

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney’s fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common area damaged by a member or a member’s guests, if the governing documents provide for this. (Section 5725 of the Civil Code.)

The association must comply with the requirements of Article 2 (commencing with Section 5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 5675 of the Civil Code.)

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code.)

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 5685 of the Civil Code.)

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

PAYMENTS

When an owner makes a payment, the owner may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code.)

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2

(commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time.

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share interest may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exists.

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist.

ATTACHMENT "B"

The following Disclosure is made pursuant to Civil Code Section 1812.700-1812.703

“The state Rosenthal Fair Debt Collection Practices Act and the federal Fair Debt Collection Practices Act require that, except under unusual circumstances, collectors may not contact you before 8 a.m. or after 9 p.m. They may not harass you by using threats of violence or arrest or by using obscene language. Collectors may not use false or misleading statements or call you at work if they know or have reason to know that you may not receive personal calls at work. For the most part, collectors may not tell another person, other than your attorney or spouse, about your debt. Collectors may contact another person to confirm your location or enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission at 1-877-FTC-HELP or www.ftc.gov.”