

COMMON AREA ENCROACHMENTS

1. **Introduction.** From time to time, Members and Designated Occupants request to modify the Common Area outside the Manors and the Exclusive Use Common Area patios. This Common Area Encroachments Policy ("Encroachments Policy") establishes a protocol for reviewing such requests and the obligations regarding any approved modifications. Capitalized terms shall have the meaning set forth in the Bylaws and Occupancy Agreements. Once adopted by the Board, this Encroachments Policy shall replace and supersede Sections 1(A) through 1(B) of the Private Gardens; Landscaping Policy that was last revised on September 26, 2014. To the extent that there is a conflict between the terms of this Encroachment Policy and the Bylaws or the Occupancy Agreements, the terms of this Encroachment Policy shall control.
2. **Scope.** This Encroachments Policy addresses modifications impacting the general Common Area including, but not limited to: (a) maintaining and installing plants and irrigation systems in landscaped areas; and (b) installing or extending fences and pavers beyond the boundaries of the original patio area. This Encroachments Policy does not address modifications that solely impact Exclusive Use Common Area. This Encroachments Policy supplements the Governing Documents, including the Alterations Policy, all of which continue to apply to modifications of Common Area, including Exclusive Use Common Area.
3. **General Prohibition; Board Approval.** No portion of the Common Area, other than Exclusive Use Common Area, shall be monopolized by any Member, group of Members, or occupants without the prior written approval of the Board of Directors. In addition, no encroachments or modifications of any type shall be made to or installed upon the Common Area without the express prior written approval of the Board, including but not limited to the installation of plants of any nature (including flowers, grasses, shrubs, vegetables, and trees), irrigation systems, pavers, fences (including the extension of existing fences), pergolas, arbors, patio umbrellas, and similar improvements. The Board has no obligation to approve any request to modify the Common Area. The Board may exercise its reasonable discretion to approve such modifications in limited circumstances where the proposed modification meets the criteria set forth in Paragraph 5. "Alteration Application" below, but the Board has no obligation to do so.
4. **Unapproved Modifications.** Subject to California law, any unapproved modification to the Common Area may be removed by the Mutual without prior notice.
5. **Alteration Application.** Members seeking approval of a proposed modification to/encroachment on the Common Area shall submit an Alteration Application to the Board for its review and approval, including plans and specifications clearly describing the proposed modification, its location, and dimensions in accordance with the procedures set forth in the Mutual's Alteration Policy (contained in Section 1.0 of the Mutual's Policy Manual) for physical modifications to the property, and

be revoked and the Mutual may remove and/or alter the modification to blend with the surrounding area.

i. Hearing. Except in the context of sale or transfer of membership, the Member will have an opportunity to meet with the Mutual Board to discuss the condition of the modification, with the possibility of being given a reasonable time to restore the modification to an acceptable condition.

ii. Board's Decision. The Member will be bound by the Board's written decision on whether the Mutual will remove and/or alter the modification and what charges, if any, the Member will be responsible for, or whether the Member will be given a 30-day grace period to restore the area to an acceptable condition.

9. Indemnity. Members who modify the Common Area with or without the Mutual's prior written approval shall defend, indemnify, and hold harmless the Mutual, its members, employees, and agents from all claims, liabilities, obligations, and damages arising out of or related in any way to the modification of the Common Area and the maintenance of such modification.

10. Revocability. Any approval of a modification to the Common Area may be subject to specified conditions and may be revoked by the Mutual, with or without cause, upon reasonable written notice. At that time, the Member shall be responsible for removing the modification and restoring the affected area to the satisfaction of the Mutual at the Member's expense. The Mutual may, at its option, remove the modification and charge the costs thereof to the responsible Member as a Reimbursement Assessment following notice and a hearing as required by the Governing Documents.

11. No Real Property Interest. The approval of a modification to the Common Area constitutes a revocable license, and shall not be construed to create an interest in real property or any form of easement, exclusive or otherwise.

12. Sale or Transfer of Membership. When a membership is transferred, the following rules shall apply:

i. No Transferability. The Board's approval of a modification to the Common Area is personal to the Member and shall not be assigned or transferred to the Member's successor in interest without the Board's express written approval.

ii. Member's Disclosure Obligation. Members shall disclose to prospective purchasers that the sale does not include the exclusive right to use or occupy any existing modifications of the Common Area. Such modifications may not be taken over by a new Member or occupant without the Board's prior written approval.

iii. Removal of Modification. Upon sale or transfer of a membership, the Board may require the removal of any previously approved modifications that

LANDSCAPING AND EXTERIOR DECOR

1. Introduction. The purpose of this Landscaping and Exterior Decor Policy (“Landscaping Policy”) is to establish rules which balance the members’ interests in decorating their doorways, patios and balconies with plants and other objects, against the need to keep the Common Area free from hazards and unreasonable risk of damage, including water damage. Capitalized terms shall have the meaning set forth in the Bylaws and Occupancy Agreements. Once adopted by the Board, this Encroachments Policy shall replace and supersede Sections 2 through 5 of the Private Gardens; Landscaping Policy that was last revised on September 26, 2014. To the extent that there is a conflict between the terms of this Landscaping Policy and the Bylaws or the Occupancy Agreements, the terms of this Landscaping Policy shall control.
2. Use of Common Area. The Common Area, including the Exclusive Use Common Area, shall be kept free of rubbish, debris, and other unsightly or unsanitary materials. Each Member shall avoid causing any damage to the Common Area.
3. Private Patios, Balconies and Front Doors.
 - i. Patio Gardens are allowed only within a terrace, porch, patio or atrium in the following manor models: Carmel, Mendocino, Golden Gate, San Franciscan and Yosemite. The Sonoma and Sequoia models (G-11 buildings) and the Monterey model can only support plants in pots on porches, balconies, or entry areas.
 - ii. Members may maintain a limited number of container plants and decorative items by their front door, provided that such items do not obstruct access to their manor, neighboring manors, stairways or walkways, and do not create a hazard. The collective weight of container plants and decorative items shall not compromise the structural integrity of the building, or otherwise cause damage or safety issues.
 - iii. No action by an occupant or Member is permitted that would adversely affect water lines, hose bibs, drainage, erosion or the manor structure. Second-level units must ensure plantings are watered with care.
 - iv. Trees or large shrubs may not be planted in containers larger than 24 inches in diameter and may not exceed 12 feet in height at maturity. All pots must have basins underneath that will catch water overflow.
 - v. Ivy and all other climbing plants must be controlled/pruned so that they do not climb on fences or buildings or extend onto sidewalks.

the appropriate district director or FWCM Landscape Maintenance Division supervisor.

- iv. Upper-level porches and balconies may not have any type of drip system; therefore, all watering must be done by hand.
- v. Potted plants on upper-level landings or balconies must be placed in saucers large enough to handle water runoff
- vi. Potted plants must be placed in waterproof containers; wooden containers are not allowed.
- vii. Members are responsible for any damage occurring to property caused by planting or watering.

6. Absent Occupant or Member.

Should the Member or occupant be absent, that individual remains responsible for maintenance of the property as set forth in this Policy Manual and the Occupancy Agreement.

The foregoing Landscaping and Exterior Decor Policy was adopted by the Board of Directors of First Walnut Creek Mutual at an open meeting of the Board held on _____, 2026, following notice to the members, the opportunity for member comment and Board consideration of member comments pursuant to Civil Code § 4360.

Date: _____

FIRST WALNUT CREEK MUTUAL

By: _____

Its: _____