

EXHIBIT C - Eastbluff HOA – Architectural Guidelines Questions

Q & A Based on Comments Received

COMMENT / QUESTION	RESPONSE
<p>1. Believe new guidelines are unenforceable given existing construction within Eastbluff. California law precludes HOA’s from “discriminating” between homeowners. Once a use is allowed for one homeowner, it is allowed for all, forever. And the penalty to the HOA is to pay the homeowner’s attorney fees.</p>	<p>Legal authorization for HOA Architectural Standards is provided under HOA’s CC&Rs and Bylaws. The intent is for any changes in the architectural guidelines to be implemented in A uniform manner on a go forward basis applying to all Members and future projects. HOA BOD has reviewed this question with our attorney and concluded modifications to architectural standards do not create any discrimination between owners.</p>
<p>2. What is the future cost to the HOA if we change the rules now after 50 years? Legal precedent has been set within Eastbluff. This invites MORE legal battles, not less.</p>	<p>We cannot predict future cost of changing guidelines. If adopted properly there is likely little cost to defined authority to set rules and regulations.</p> <p>The HOA BOD is following the required process for consideration and adoption of changes to architecture guidelines and procedures. The BOD has the legal authority to adopt changes on a go-forward basis.</p> <p>Board has decided that the final proposed changes to architectural standards will be determined by a Members’ vote of quorum and simple majority. This further strengthens validity and helps to avoids legal cost to defend or enforce.</p>
<p>3. We moved to Eastbluff, because of its limited rules and regulations. Our guidelines we follow today, give us freedom to maximize value today and in the future.</p>	<p>The HOA CC&R’s and By Laws are provided to all homeowners at time of purchase and are available online. The documentation and other disclosures at time of purchase provide notice to property owners that the HOA Board of Directors has the authority to promulgate rules and regulations. Authority also exists by statute. When purchasing property governed by HOA, buyer must understand existing rules can be modified, deleted or added in the future.</p>
<p>4. Even with strict guidelines we will still have the raucous disagreements and potentially invite legal action which could cost our HOA thousands of dollars</p>	<p>Goal of updating Architectural Standards is to provide improved clarity of acceptable standards to be fair to Members improving/replacing home and existing neighbors.</p>
<p>5. We need data to understand guidelines. How would they apply to new homes and remodels last three years? Also, materials do not provide basis for understanding setbacks site coverage.</p>	<p>Data to improve Members’ understanding of guidelines will be provided at future Members’ workshop. A copy of proposed guidelines was mailed to all Members in November 2017 and provided online. Comments were sought and are under review. Details about the basis of the proposed changes were discussed at November Members’</p>

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	<p>workshop, but attendance by Members was poor. BOD has stated intentions to hold 2nd workshop after the comments have been reviewed. Final version of proposed guidelines will be mailed to Members and comments sought prior to final decision. BOD has determined decision to proceed or not with final proposed guidelines will be based on vote by Members.</p>
<p>6. What is the basis for proposed fees and deposits? We do not want excessive fees because that discourages improvements.</p>	<p>The proposed fees in each category of improvement recover cost of review and processing. The intended goal of current and proposed fees is to recover cost of processing applications and to not use HOA general fund dues for this service.</p> <p>Deposits for certain categories of improvements provides HOA with security for potential damage during construction to HOA property and as an incentive for Members to complete project on a timely basis. Deposits are returned upon resolution of any damage issues and project completion.</p>
<p>7. What has been the cost of creating this new version?</p>	<p>The HOA expenses over the past 34 months since the initial Members’ Townhall Meeting on 3/23/2015 and development of proposed architectural guideline modifications is approximately \$20K to \$25K. This includes cost of Architect, Association Property Manager and HOA Attorney at dedicated meetings on this subject and drafting/reviewing the guidelines. All time by HOA Directors and Members in the drafting and review processes was uncompensated.</p>
<p>8. Which proposed setback changes impact current homes, which may not comply?</p>	<p>Proposed new standards do not apply retroactively to existing homes. The revised guidelines only apply on a go-forward basis to all homeowners on an equal basis, regardless of when home was purchased.</p>
<p>9. HOA easement prohibits owners from constructing improvements on slopes. Would this change under proposed new guidelines?</p>	<p>The proposed guidelines continue to prohibit construction on slopes under HOA easements. A provision was included to approve exception for extending rear yard pads with retaining wall approved by City of up to 4 ft under certain circumstances where size of pad is very small and there is no material impact on neighbors’ privacy and is consistent with appearance of adjacent homes. Homeowner would also be required to provide agreement that assigns future responsibility for any slope problems and ongoing maintenance of portion of slope they have used for pad extension improvement.</p>

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<p>10. Will new guidelines be reviewed by outside architects?</p>	<p>The BOD has discussed option of obtaining a peer review by an Architect familiar with our HOA homes and standards. A decision has not yet been made if this will occur.</p>
<p>11. Requested three lawyers' opinions be obtained on the proposed Architectural Guidelines.</p>	<p>The BOD has discussed option of seeking review by outside attorney with practicing in HOA law. A decision has not yet been made if this will occur.</p>