Construction Rules and Regulations

Any property owner, builder, contractor, or subcontractor engaging in construction, maintenance, repairs, restoration, or other improvements on a lot or home at The Capes must comply with the following construction regulations. The Board of the Homeowner's Association may assess fines or other penalties for failure to adhere to these regulations. The Board of the Homeowner's Association ('HOA Board") may update these rules and regulations as necessary. Owners may recommend changes through the Architectural Review Committee (ARC). Owners are responsible for keeping builders, contractors, and subcontractors working on their behalf informed of all current rules and regulations. Copies of current rules and regulations are available at the community manager's office.

Architectural Review

Article 7.1 of The Capes CC&Rs states that "No improvement shall be commenced, erected, placed, or altered on any lot until the construction plans and specifications... have been submitted to and approved in writing by the Architectural Review Committee." Owners should contact the community manager for current architectural review guidelines, applications and review deposits.

Insurance

Prior to the start of new construction and addition work, and as part of the approval process, the owner shall provide a copy to the community manager of a certificate of public liability insurance against claims for damages due to bodily injury, including death, and property damage which may arise during construction. The certificate shall include the Capes Homeowner's Association as an additional insured party. The insurance shall be written for not less than \$1,000,000 for injuries, including death, to any one person in any one accident, and not less than \$500,000 for property damage. All contractors must document that they are duly licensed, bonded and insured as required by the State of Oregon. For lesser projects, such as for maintenance or repair, contractors must have bonding and insurance appropriate to the project.

Completion of Construction

Construction of any building must be completed within eight (8) months of commencement of construction, (as required by the CC&R's). For purposes of these Construction Regulations, "construction" includes, but not limited to, such activities as groundbreaking, excavating, constructing walkways, erecting temporary structures (such as storage buildings), or similar activities and storing building materials. The ARC and HOA Board may approve an extension under extenuating circumstances, with a written explanation from the homeowner.

Construction on the Coast

The Capes HOA and ARC strongly recommend that all construction materials and methods be suitable for a coastal environment and be able to withstand salt air and high wind conditions. It is the responsibility of the homeowner to ensure that proper coastal construction methods and practices are being followed and that all exterior envelope materials and products are well suited to a coastal environment. If you have any questions regarding materials, products or licensed general contractors please contact the community manager or the ARC for recommendations.

Animals

Contractors, subcontractors, and their employees are not permitted to have pets or animals of any kind on any job site at The Capes at any time, day or night.

Portable Toilets

Contractors (or owners if they are not using a general contractor), must at their expense provide portable toilets for workers. Portable toilets must be placed on the job site (that is, they may not be placed on any common areas), must be maintained in a sanitary condition and anchored in such a way as to not tip-over during high wind conditions.

On-Site Materials

A reasonable amount of building materials may be stored on the job site once the ARC has approved the project. Materials may be stored on the job site only and not on any adjoining lot or common area. (Note: Placement of any building materials on a job site constitutes commencement of construction for the purposes of the time limit on completion as indicated above.) Materials must be secured against high winds.

Cleanup and Disposal of Trash and Debris

Construction debris, excavated material, plant material, and trash shall not be allowed to accumulate at any job site, shall not be disposed of on any lot or common area or in any trash container other than a dumpster located at the construction site. Contractors may provide containers ("dumpsters") for debris or otherwise ensure a clean and safe construction site. The contractor is responsible for keeping the area around the dumpster clean. Trash containers at the entry to The Capes are for owners to dispose of residential trash only and must not be used for construction debris. Dumping of any building material into storm drains is not permitted at any time or under any circumstance. Dumpsters, loose lumber, building materials, tools and misc. debris must be anchored so as to not fly away during periods of high winds.

Concrete and mortar suppliers and contractors may clean their delivery vehicles or other equipment only on the owner's lot, and only with written permission from the owner, but nowhere else on The Capes premises.

Responsibility for Workers

Owners are solely responsible for the actions of their contractors and their subcontractors while working on that owner's projects at The Capes. Neither The Capes nor the Homeowner's Association can be held liable for any such actions.

Working Hours and Noise Restrictions

Except with advanced written request and approval of the ARC or Board, no construction work of any kind is permitted before 7:00 a.m. or after 7:00 p.m. Monday through Saturday. In addition, exterior construction work on homes making significant noise (this includes, but is not limited to grading, foundations, framing, siding, or roofing) is not permitted before 9:00 a.m. on Saturday. Exterior work that is loud and/or disruptive is not allowed on Sundays and holidays. Interior work which is not loud and/or disruptive may be performed on Sundays and holidays.

Drainage and Erosion Control

Drainage from any phase of the construction process must be controlled in such a manner that it does not adversely affect adjacent lots, common areas, or dune stability. Qualified erosion barriers shall be placed to prevent sand and debris from washing into gutters and storm drains. Dust and sand from any phase of construction must be controlled so that other homeowners are not impacted. Please instruct your contractor to prevent sand run-off by implementing erosion control measures on your lot. Do not allow sand and other debris to go into the street where it will clog the storm water system. These measures should be implemented prior to excavation or immediately at the start. The street in front of your lot

needs to be kept clean and free from sand as well. Your contractor must sweep and clean up any sand or debris on a daily basis. This is important as it will not only keep the storm system clear, but it will protect the street as well. Please refer to Appendix G of The Capes ARC Design Requirements and Review Procedures for additional information.

Construction Trailers, Field offices

A construction trailer, field office, or similar temporary structure may be placed at a job site with approval in advance by the ARC. Such temporary structures shall be located only as approved by the ARC and must be removed within five (5) days of job completion.

Construction Traffic and Parking

Construction personnel must drive cautiously and observe the posted speed limit of 15 mph. Construction personnel shall not park vehicles or equipment on or otherwise use other sites or lots, other owner's driveways, open spaces, or any common areas. All vehicles must be parked such that they do not block traffic, driveways, or posted fire-lanes. Vehicles must be parked such that they do not damage landscape on any improved lot, common area, or natural area. No overnight parking of construction personnel vehicles. Vehicles shall be parked so as not to hinder the flow of traffic.

Gate Access

The Capes is a gated community, the owner may obtain gate access cards from the community manager for use by their contractors and subcontractors for the duration of their project. The owner shall be responsible for such gate cards and shall pay a refundable deposit for each card issued. Owners are responsible for the whereabouts of all cards issued to them. The owner must report lost, stolen, or damaged cards to the manager immediately. The owner must return to the community manager all cards issued to them for their project within five (5) days of the job completion. The gate will be programmed in accordance with the contractor's working hours specified above.

Construction Signage

Temporary construction signs may be placed as specified in the Architectural Design Guidelines. All such signs shall be removed within five (5) days of job completion.

Repair and Restoration of Damaged Property

Any damage to property owned by others, or by the Homeowner's Association, must be repaired or restored promptly (generally within 30 days) at the expense of the responsible party, or the owner, if the responsible party cannot be determined. Upon completion of construction, the property owner is responsible for cleaning his/her job site and repairing all property that was damaged. Repair and restoration include, but is not limited to, restoring grades, stabilizing open sand, replacing shrubs and trees as approved by the ARC and the Landscape committee, and repairing streets, driveways, paths, culverts, signs, lighting, and fencing.

Local, County, State, Federal, and OSHA Requirements

Owners are responsible to see that their builders, contractors, and subcontractors meet all applicable codes, laws, and requirements set by local, county, state, federal, and OSHA. This includes, but is not limited to proper work, clothes, shoes, safety lines, and any other equipment specified by OSHA regulations and The Capes CC&R's.