

7.1.3 Provide Governing Documents to Tenants. An Owner renting his or her Lot shall provide the tenant(s) with a copy of the Governing Documents and any subsequent changes thereto.

7.1.4 Owners Provide Copy of Agreement and Age Verification to Board. Owners renting or leasing his or her Lot shall provide the Board with a copy of the rental or lease agreement and provide age verification documentation for prospective Residents.

7.2 Association As Third Party Beneficiary. Notwithstanding the failure of an Owner to comply with the requirements of Section 7.1 ("Requirements for Renting and Leasing"), and whether or not it is so stated in a written contract or other agreement between such Owner and such tenant, the Owner and the tenant of any Lot subject to this Declaration shall be conclusively deemed to have agreed that the Association is an intended third party beneficiary to the contract between the Owner and the tenant; that failure of the tenant, members of the tenant's household, tenant's invitees, or guests to comply with applicable provisions of the Governing Documents shall constitute a breach of the terms of the contract between the Owner and the tenant; and that the Association shall have the right but not the obligation to enforce the contract and to pursue every remedy available under the contract, under this Declaration or under the law. This Section 7.2 shall apply to any tenancy commencing or extended or renewed after the date this Declaration is recorded.

ARTICLE 8 ARCHITECTURAL APPROVAL

8.1 Prior Architectural Approval Required. No building, fence, hedge or similar barrier, wall, obstruction, balcony, screen, patio cover, tent, awning, carport cover, improvement or other structure of any kind, outdoor lighting, mast, pole, antenna, receiver, or transmitter to the extent not protected by federal or state law, or landscaping shall be commenced, erected, painted, or installed within the Development, nor shall any exterior addition or change or alteration be made, until the plans and specifications showing the nature, kind, shape, color, height, size, materials, and location of the same have been submitted to the Architectural Committee and approved in writing by the Board.

The requirement of architectural approval shall not apply to improvements made or constructed by or on behalf of the Association.

8.2 Architectural Rules. Subject to the requirements of *Civil Code* section 4340 and following, the Board may from time to time adopt, amend, and repeal rules and regulations to be known as "Architectural Rules." Architectural Rules shall set forth the standards for architectural review and guidelines for architectural design, placement of buildings and other structures, outdoor lighting, and landscaping, color schemes,

exterior finishes and materials, and similar features that are recommended for use in the Development.

8.3 Advisory Architectural Committee.

8.3.1 Appointment. The Board may (but is not required to) appoint an Architectural Committee consisting of three (3) Members of the Association at least one (1) of whom may be a Director. In the absence of a duly-constituted Architectural Committee, the Board shall perform the functions of the Committee.

8.3.2 Recommendations to Board. If an Architectural Committee is appointed, it shall review all requests for approval submitted in accordance with this Article 8 and provide recommendations to the Board concerning the same. The Board has the authority to accept, modify, or reject the Committee's recommendations and shall make the final decision on all requests for approval.

8.4 Written Request for Approval. Any Owner proposing to perform any work that requires prior approval pursuant to this Article 8, shall submit to the Architectural Committee a written request setting forth the nature of the proposed work and furnishing such information and documentation as the Committee may require depending on the nature and size of the proposed work.

Such information and documentation may include but is not limited to: (a) floor plans, (b) color samples of exterior materials, (c) specifications, (d) building plans, (e) wall sections, (f) exterior elevations, (g) roof plans, (h) landscaping plans, (i) graphics and exterior furnishings, and (j) the Owner's proposed construction schedule.

The Committee shall formulate a recommendation to the Board from the materials that the Owner submits to the Committee.

8.5 Fees; Professional Consultants. A reasonable fee or fees may be charged to the applying Owner for review of architectural or landscaping applications, drawings, plans, and specifications which may include the cost of retaining outside consultants including but not limited to architects, engineers, soils experts, or contractors.

8.6 Meetings. An Owner's request for approval and the Committee's recommendation shall be considered by the Board in an open Board meeting. The Owner and, in the Board's discretion, other interested persons, may present information relevant to the requested approval.

8.7 Basis for Decisions; Good Faith. The Board's decisions shall be made in good faith and shall not be unreasonable, arbitrary, or capricious. It is recognized and

intended that the Board will employ subjective criteria and judgments in its review of and determination concerning plans and proposals submitted to it.

The Board shall make its decisions from the perspective of the interest of the Development as a whole in the fostering of the coherence, value, attractiveness and aesthetic compatibility of all architectural designs and features in the Development, after consideration of the Committee's recommendation and such other factors that the Board reasonably determines to be relevant. The Board shall grant the requested approval only if *all* of the following are satisfied:

- (a) The Owner has submitted a complete application.
- (b) The Board finds that the plans and specifications conform to this Declaration and to the Architectural Rules in effect at the time such plans were submitted to the Committee.
- (c) The Board finds that the proposed work will, if approved, be consistent and compatible with the architectural and aesthetic standards prevailing within the Development and will be in harmony with the external design and appearance of other existing structures and improvements within the Development, and as to location with respect to topography and finished grade elevations.
- (d) The Board determines that the proposed work would be consistent with the standards of the Development and the purposes of this Declaration as to quality of workmanship and materials.

8.8 Decisions in Writing; Timely Decision; Reasonable Conditions. All approvals and rejections of requests for approval shall be in writing and shall be issued by the Board within sixty (60) days from the date of submission of a complete application to the Architectural Committee. Any approval may include such reasonable conditions as the Board may determine. If a request is rejected, the decision shall include an explanation of the Board's decision.

8.9 Failure of Board to Make Timely Decision. If the Board fails to act on a request for approval within the time specified in Section 8.8 ("Decisions in Writing; Timely Decision; Reasonable Conditions"), the Owner shall be entitled to invoke internal dispute resolution pursuant to Civil Code section 5910; except that in the case of an application for installation or use of a solar energy system on an Owner's Lot subject to Civil Code section 714, any application that is not denied by the Board within sixty (60) days from receipt of a complete application shall be deemed approved.

8.10 Failure to Obtain Required Approval. If any work that requires prior approval pursuant to this Article 8 is performed without such approval having been

obtained, the Board shall be entitled to proceed in accordance with the provisions of Section 8.14 ("Notice of Non-Conformity") and Section 8.15 ("Failure to Remedy Non-Conformity") as though the Board had given written notice of non-conformity with approved plans.

8.11 Commencement of Approved Work. Upon receipt of written approval, the Owner shall, as soon as practicable, satisfy all conditions of the approval and diligently proceed with the commencement and completion of all approved work. Commencement of the approved work shall occur, in all cases, within ninety (90) days from the date of such approval.

If the Owner fails to comply with this paragraph, any approval previously given shall be deemed revoked unless the Board extends the time for such commencement.

8.12 Completion; Extension of Deadline. The Owner shall complete all approved work within one (1) year after commencement thereof; except that in the case of reconstruction after substantially total destruction of the improvements on a Lot, the construction or reconstruction shall be completed within eighteen (18) months after commencement thereof. The date for completion may be extended as long as such completion is rendered impossible or would result in great hardship to the Owner due to strikes, fires, national emergencies, natural calamities, or other supervening forces beyond the control of the Owner or his or her agents, provided the Owner notifies the Board of such occurrence within a reasonable time after becoming aware of it.

If an Owner fails to comply with this Section 8.12, the Board shall be entitled to proceed in accordance with the provisions of Section 8.14, ("Notice of Non-Conformity"), as though the Board has given written notice of non-conformity with approved plans.

8.13 Notice of Completion; Inspection of Completed Work. Upon the completion of any work for which approval is required under this Article 8, the Owner shall give written notice of completion to the Board. The written notice shall include copies of all applicable permits and building permit inspections. Within sixty (60) days after receiving notice of completion from the Owner, the Board or its duly authorized representative may inspect such work to determine if it substantially complies with the granted approval, and the Owner shall cooperate with the Board to conduct such an inspection.

If the Board fails to notify the Owner of any non-conformity within such sixty (60) day period, the work shall be deemed to be in accordance with the granted approval. If the Owner fails to give notice of completion, the Board shall be entitled to proceed in accordance with the provisions of Section 8.14, ("Notice of Non-Conformity"), as though the Board has given written notice of non-conformity with approved plans.

8.14 Notice of Non-Conformity. If the Board finds that the work was not done in substantial conformity with the granted approval, it shall notify the Owner in writing before the end of the sixty (60) day period set forth in Section 8.13 (“Notice of Completion, Inspection of Completed Work”) specifying particulars of non-conformity and requiring the Owner to remedy the same within thirty (30) days from the date of the notice from the Board or such longer time as the Board may designate in the notice.

8.15 Failure to Remedy Non-Conformity. If the Owner fails to remedy such non-conformity within the time specified in the notice of non-conformity the Board shall then, pursuant to the procedures set forth in the Bylaws, set a date on which a hearing before the Board shall be held regarding the alleged non-conformity. If the Board finds at such hearing that a substantial non-conformity exists, the Board may, in addition to any other remedy available under the Governing Documents or applicable law, order the Owner to remedy or remove such non-conformity.

If the Owner thereafter fails to do so within the time specified by the Board, the Board may, in addition to any other remedy available under the Governing Documents or applicable law, remove or remedy the non-conformity and, in that event, all expenses incurred by the Association in connection therewith shall be assessed against the Owner as a Reimbursement Assessment.

8.16 Non-Waiver. The approval by the Board of any plans, drawings, or specifications for any work done or proposed, or for any other matter requiring approval under this Article 8, shall not be deemed to constitute a waiver of the right to withhold approval of any similar plan, drawing, specification, or matter subsequently submitted for approval with respect to the same Lot or any other Lot.

8.17 Disclaimer of Liability. Neither the Board nor the Architectural Committee nor any members thereof shall be liable to the Association, to any Owner, or to any person deriving an interest through an Owner for any damage, loss, or prejudice suffered or claimed on account of (i) the approval or disapproval of any plans, drawings, and specifications, whether or not defective, or (ii) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications; *provided, however*, that the Board, Committee, or such members thereof have acted in good faith on the basis of such information as may be possessed by it, him or her.

Without limiting the generality of the foregoing, the Board or Committee may, but is not required to, consult with or hear the views of the Association or any Owner with respect to any plans, drawings, specifications, or any other proposal submitted for approval pursuant to this Article 8. Every purchaser, by acquiring title to a Lot or portion thereof agrees not to bring any action or suit against the Board, the Committee, or any members thereof seeking to recover any such damages.

8.18 Compliance with Governmental Requirements. The Owner of the Lot is required to obtain all permits and governmental authorizations, if any, required for any work done upon such Owner's Lot, and such Owner must comply with all applicable zoning and building codes as well as other applicable laws and ordinances. Submission of a request for approval by the Board and the review and approval of any proposals, plans, or other submittals shall in no way be deemed to be satisfaction of or compliance with any building permit process or any other governmental requirements, nor shall it constitute the assumption of any responsibility by or impose any liability on the Association, the Board, the Architectural Committee, or any Board or Committee members as to the accuracy, efficacy, or sufficiency thereof. When architectural approval standards of the Association are more stringent than applicable governmental standards, the more stringent standards of the Association shall apply, notwithstanding the fact that governmental approval may have been obtained based on governmental standards that are less stringent than those of the Association.

ARTICLE 9 ASSESSMENTS AND LIENS

9.1 Purpose of Assessments. The Assessments levied by the Board shall be used exclusively to pay for the costs of management and operation of the Development, of conducting the business and affairs of the Association, of promoting the recreation, health, safety, welfare, benefit, and interests of the Owners and Residents in the Development, and for the improvement and maintenance, repair, and replacement of the Common Area and, to the extent provided for in the Governing Documents, of portions of the Garden Homes Lots situated within the Development or which, in the opinion of the Board, shall be deemed to be necessary or proper for the management of the Development or of the affairs of the Association, or the benefit of the Owners, or for the enforcement of the Governing Documents.

9.2 Covenant of Owner. Each Owner of a Lot within the Development, by acceptance of a deed or other conveyance thereof, whether or not it shall be so expressed in such deed or conveyance, shall be deemed to have covenanted and agreed to pay to the Association all: (a) Regular Assessments, (b) Special Assessments, (c) Reimbursement Assessments, and (d) Compliance Assessments levied by the Association as hereinafter provided, together with all Additional Charges. The foregoing shall also apply to each Owner of a Lot within a Garden Homes area, with respect to the Garden Homes Assessment applicable to such Owner's Lot.

9.2.1 Association's Power to Collect. Such deed or conveyance shall be deemed to vest in the Association the right and power to initiate all actions and procedures as the Board shall deem necessary or appropriate for the collection of such Assessments and Additional Charges and for the enforcement of the liens hereinafter provided for.