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ADAMS | STIRLING
Professional Law Corporation
2566 Overland Avenue, Suite 730
Los Angeles, California 90064
(800) 464-2817

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**2024 RESTATED DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS (CC&Rs)**

DEL MESA CARMEL COMMUNITY ASSOCIATION, INC.
a California nonprofit mutual-benefit corporation

If this document contains any restriction based on age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of 5 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code by submitting a "Restrictive Covenant Modification" form, together with a copy of the attached document with the unlawful provision redacted to the county recorder's office. The "Restrictive Covenant Modification" form can be obtained from the county recorder's office and may be available on its internet website. The form may also be available from the party that provided you with this document. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

TABLE OF CONTENTS

Article 1: Definitions		2
1.1	"Annual Meeting"	2
1.2	"Assessment"	2
1.3	"Association"	2
1.4	"Balcony"	2
1.5	"Bare Walls"	2
1.6	"Board" or "Board of Directors"	2
1.7	"Budget"	2
1.8	"Building"	2
1.9	"Bylaws"	2
1.10	"CC&Rs"	2
1.11	"Committee"	2
1.12	"Common Area"	2
1.13	"Condominium"	3
1.14	"Condominium Plan"	3
1.15	"Davis-Stirling Act"	3
1.16	"Deck"	3
1.17	"Development"	3
1.18	"Director"	3
1.19	"Exclusive Use Common Areas"	3
1.20	"Governing Documents"	3
1.21	"Ground Rules"	3
1.22	"Guest"	3
1.23	"Improvements"	3
1.24	"Insurable Interest"	3
1.25	"Lender"	3
1.26	"Manager"	4
1.27	"Member"	4
1.28	"Membership Approval"	4
1.29	"Mortgage"	4
1.30	"Mortgagee"	4
1.31	"Occupant"	4
1.32	"Officer"	4
1.33	"Open Space"	4
1.34	"Operating Account"	4

1.35 "Owner" 4

1.36 "Parking Spaces" 4

1.37 "Partition Action" 5

1.38 "Patio" 5

1.39 "Percentage Interest" 5

1.40 "Person" 5

1.41 "Quorum" 5

1.42 "Regular Assessments" 5

1.43 "Reimbursement Special Assessments" or "Reimbursement Assessments" 5

1.44 "Renovation" 5

1.45 "Reserves" or "Reserve Accounts" 5

1.46 "Residence" 5

1.47 "Resident" 5

1.48 "Separate Interest" 5

1.49 "Special Assessments" 5

1.50 "Tenant" 5

1.51 "Unit" 6

1.52 "Utility Lines" 6

1.53 "Voting Power" 6

1.54 *Definitions of Other Terms* 6

Article 2: Membership Rights and Privileges 7

2.1 *Membership* 7

2.2 *Proof of Ownership* 7

2.3 *Voting Rights* 7

2.4 *Inspection of Records* 7

2.5 *Ingress, Egress and Support* 7

2.6 *Easement for Use and Enjoyment* 8

2.7 *Encroachment Easement* 8

Article 3: Membership Obligations 9

3.1 *Obligation to Follow Governing Documents* 9

3.2 *Security* 9

3.3 *Purchase Subject to Violations* 9

3.4 *Obligation to Provide Entry* 9

3.5 *Obligation to Provide Telephone Number and Email Address* 9

3.6 *Notice of Transfer of Ownership* 9

3.7 *Duty to Maintain, Repair and Replace* 9

3.8	<i>Easement for Maintenance</i>	11
3.9	<i>Water Damage and Mold</i>	12
3.10	<i>Member Obligations regarding Termites and Pests</i>	12
3.11	<i>Obligation to Carry Insurance</i>	13
3.12	<i>Liability for Damage</i>	13
3.13	<i>Correction of Violations</i>	13
3.14	<i>Reimbursement to Association</i>	13
3.15	<i>Liability for Mitigation</i>	13
3.16	<i>Guests</i>	13
Article 4: Duties of the Association		14
4.1	<i>Board of Directors</i>	14
4.2	<i>Powers of a Nonprofit Corporation</i>	14
4.3	<i>Maintain Common Areas</i>	14
4.4	<i>Other Maintenance Responsibilities</i>	14
4.5	<i>Termites and Pests</i>	15
4.6	<i>Incur and Pay Expenses</i>	15
4.7	<i>Utility Expenses</i>	16
4.8	<i>Ground Rules</i>	16
4.9	<i>Foreclose, Hold Title and Make Conveyances</i>	16
4.10	<i>Fee Limitation</i>	16
4.11	<i>Commercial Concessions</i>	16
4.12	<i>Utility and Cable Easements</i>	16
4.13	<i>Granting Utility Easements</i>	16
4.14	<i>Limitation on Granting Easements</i>	16
4.15	<i>Borrow Money</i>	16
4.16	<i>No Power to Encumber Real Property</i>	17
4.17	<i>Represent Association in Litigation</i>	17
4.18	<i>Receive and Dispose of Property</i>	17
4.19	<i>Limitations on Disposition of Personal Property</i>	17
4.20	<i>Limitations on Transfer of Real Property</i>	17
4.21	<i>Capital Improvements</i>	18
4.22	<i>Vendor Contract Limitations</i>	18
4.23	<i>Delegation to Manager</i>	18
4.24	<i>Nonprofit Character of Association</i>	19
4.25	<i>Discharge of Liens</i>	19

Article 5: Architectural Control 20

5.1 *No Improvements or Alterations Without Approval*..... 20

5.2 *Applicants in Good Standing* 20

5.3 *Right to Decorate Unit*..... 20

5.4 *No Exterior Installations*..... 20

5.5 *Architectural Standards*..... 20

5.6 *Building and Grounds Committee*..... 20

5.7 *Submission of Plans* 21

5.8 *Rescinding Approval*..... 22

5.9 *Failure to Comply with Approval Requirements*..... 22

5.10 *Review Fees* 22

5.11 *Variances* 22

5.12 *Engineering and Code Requirements*..... 23

5.13 *Acoustical Limitations*..... 23

5.14 *Inspection*..... 23

5.15 *Building Department and Association Approvals* 23

5.16 *Mechanics' Liens* 23

5.17 *Hold Harmless and Indemnify* 23

5.18 *Waiver of Liability* 23

5.19 *Combining Units* 24

5.20 *No Right to Divide Units*..... 24

5.21 *Diligent Construction*..... 24

5.22 *Landscaping Following Renovation* 24

Article 6: Balconies, Decks and Patios 25

6.1 *Member Maintenance of Balconies, Decks and Patios*..... 25

6.2 *Association Maintenance of Balconies, Decks and Patios*..... 25

6.3 *Right to Inspect and Repair* 25

6.4 *Balcony, Deck and Patio Alterations* 25

6.5 *View Obstructions*..... 25

6.6 *Balcony and Deck Weight Limitations* 25

6.7 *Damage*..... 25

6.8 *Balcony, Deck and Patio Water Damage*..... 25

Article 7: General Restrictions 26

7.1 *Antennas*..... 26

7.2 *Barbecues*..... 26

7.3 *Criminal Activity Prohibited* 26

7.4	<i>Drones</i>	26
7.5	<i>Flammable Materials</i>	26
7.6	<i>Health/Safety Hazards</i>	26
7.7	<i>Hiring of Association Employees</i>	26
7.8	<i>Nudity</i>	26
7.9	<i>Harassment of Employees</i>	26
7.10	<i>Nuisance</i>	27
7.11	<i>Obstruction of Common Areas</i>	27
7.12	<i>Senior Citizen Residential Use</i>	27
7.13	<i>Occupancy Restriction</i>	27
7.14	<i>Limitation on Occupancy</i>	28
7.15	<i>Ownership Limitation</i>	28
7.16	<i>Quiet Enjoyment</i>	28
7.17	<i>Residential Use</i>	28
7.18	<i>Roof Restricted Access</i>	29
7.19	<i>Sale of Unit</i>	29
7.20	<i>Satellite Dishes</i>	29
7.21	<i>Signs, Posters and Flags</i>	29
7.22	<i>Smoking and Vaping</i>	29
7.23	<i>Solar Energy Systems</i>	29
7.24	<i>Spas, Hot Tubs and Saunas</i>	29
7.25	<i>Storage</i>	29
7.26	<i>Fuel Tanks and Receptacles</i>	29
7.27	<i>Time Sharing Prohibited</i>	29
7.28	<i>Trash Containers</i>	30
7.29	<i>Use of Independent Contractors</i>	30
7.30	<i>Vibrations and Noise</i>	30
7.31	<i>Window Coverings</i>	30
Article 8: Leasing and Rental Requirements		31
8.1	<i>No Hotel Purposes</i>	31
8.2	<i>No Short-Term and Transient Rentals</i>	31
8.3	<i>Lease of Less than Entire Unit</i>	31
8.4	<i>Lease and Rental Requirements</i>	31
8.5	<i>Rental Cap</i>	31
8.6	<i>Lease and Rental Agreements</i>	32
8.7	<i>Governing Documents</i>	32
8.8	<i>Transfer of Occupancy</i>	32

8.9	<i>Repairing Damage</i>	32
8.10	<i>Unlawful Detainer</i>	32
8.11	<i>Assignment of Rents</i>	33
Article 9: Pets		34
9.1	<i>Pet Limitation</i>	34
9.2	<i>Preexisting Pets</i>	34
9.3	<i>Service Animals</i>	34
9.4	<i>Nuisance</i>	34
9.5	<i>Dangerous Animals</i>	34
9.6	<i>Liability</i>	35
9.7	<i>Control</i>	35
Article 10: Vehicles and Parking		36
10.1	<i>Management of Parking</i>	36
10.2	<i>Restricted Parking</i>	36
10.3	<i>Commercial Vehicles</i>	36
10.4	<i>Assigned Parking</i>	36
10.5	<i>Guest Parking</i>	36
10.6	<i>Renting of Parking Spaces</i>	36
10.7	<i>Proper Operating Condition</i>	36
10.8	<i>Electric Vehicle Charging Stations</i>	36
10.9	<i>Noise Limitation</i>	37
10.10	<i>Repair of Vehicles</i>	37
10.11	<i>Washing of Vehicles</i>	37
10.12	<i>Fluid Leaks</i>	37
10.13	<i>Theft or Damage</i>	37
10.14	<i>Impeding Access</i>	37
Article 11: Enforcement of Governing Documents		38
11.1	<i>Association Enforcement Rights</i>	38
11.2	<i>Cumulative Remedies</i>	38
11.3	<i>Failure to Enforce Not a Waiver</i>	38
11.4	<i>Remedy at Law Inadequate</i>	39
11.5	<i>Right of Action Against Buyer</i>	39
11.6	<i>Right to Request Identification</i>	39
11.7	<i>Attorneys' Fees</i>	39
Article 12: Right of Entry		40
12.1	<i>Limited Right of Entry</i>	40

12.2 *Notice of Entry* 40

12.3 *Avoid Unreasonable Interference* 40

12.4 *Emergency Entry* 40

12.5 *Refusal to Allow Entry* 40

12.6 *Damage Repaired by Association* 41

12.7 *Power to Vacate Unit* 41

12.8 *Entry by Member's Representative* 41

Article 13: Assessments 43

13.1 *Purpose of Assessments* 43

13.2 *Regular Assessment* 43

13.3 *Special Assessment* 43

13.4 *Emergency Assessment* 44

13.5 *Deposit of Assessments* 44

13.6 *Reserves* 45

13.7 *Non-Waiver of Assessments* 45

Article 14: Enforcement of Assessments and Other Charges 46

14.1 *Liability for Assessments and Other Charges* 46

14.2 *Enforcement Rights* 46

14.3 *No Offsets* 47

14.4 *No Exemption by Waiver of Use* 47

14.5 *Attorneys' Fees* 47

Article 15: Insurance 48

15.1 *Association Insurance* 48

15.2 *Association's Insurance for Direct Physical Loss* 48

15.3 *Other Association Insurance* 49

15.4 *Member Obligation to Carry Insurance* 50

15.5 *Waiver of Claims* 51

15.6 *Supplemental Member Insurance* 51

15.7 *Tenant Insurance* 51

15.8 *Responsibility for Deductible and Uncovered Losses* 51

15.9 *Choice of Contractor* 52

15.10 *Insurance Company Rating* 52

Article 16: Protection of Lenders 53

16.1 *Furnishing of Information* 53

16.2 *No Priority Over Rights of First Mortgagees* 53

16.3 *Relationship with Assessment Liens* 53

16.4 Foreclosure 53

16.5 Priority of Mortgage Lien 53

16.6 Payment of Taxes and Charges 53

Article 17: Limitations of Liability 54

17.1 Standard for Liability 54

17.2 Limited Personal Liability 54

17.3 Association Not a Security Provider 54

17.4 Duty to Defend 54

17.5 Duty to Protect 54

17.6 Personal Injury or Property Damage Sustained Within a Unit 54

17.7 Actions Against Directors 55

Article 18: Damage/Destruction to Improvements 56

18.1 Generally 56

18.2 Duties of Board During Reconstruction 57

18.3 Right of Entry to Assess Damage and Make Repairs 57

18.4 Power to Vacate a Unit 57

18.5 Labor and Materials 57

18.6 Interior Unit Damage 57

18.7 Special Assessment for Reconstruction 58

18.8 Encroachment 58

Article 19: Condemnation 59

19.1 Notice 59

19.2 Payment for Common Area 59

19.3 Payment for Unit 59

19.4 Revision of Documents 59

19.5 Status of Membership 59

Article 20: Miscellaneous 60

20.1 Amendment or Restatement 60

20.2 Lender Approval 60

20.3 Amendment to Conform to Statute 60

20.4 Term of CC&Rs 60

20.5 Attorneys' Fees 60

20.6 Notices 60

20.7 Headings and Titles 61

20.8 Liberal Construction 62

20.9 Number and Gender 62

20.10 *Severability*.....62

20.11 *No Public Rights*..... 62

20.12 *Successor Association*..... 62

20.13 *Conflicting Provisions*..... 62

CERTIFICATION..... **63**

EXHIBIT “A” Legal Description..... **A-1**

EXHIBIT “B” Allocation Schedule For Assessments..... **B-1**

**2024 RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
(CC&Rs)**

DEL MESA CARMEL COMMUNITY ASSOCIATION, INC.
a California nonprofit mutual-benefit corporation

THIS 2024 RESTATED Declaration of Covenants, Conditions and Restrictions (“CC&Rs”) is made by all Persons who own Units in that certain real property Condominium Development known as Del Mesa Carmel Community Association, Inc. located in Monterey County, California.

The Development (as defined herein) is a “senior citizen housing development” as defined in Civil Code section 51.3(b)(3) and is operated as “Housing for Older Persons” as defined in the United States Fair Housing Amendments Act of 1988, 42 U.S.C.S. section 3607(b)(2).

These CC&Rs apply to and bind all properties previously covered by covenants, conditions and restrictions. Without reducing the number of properties covered by these CC&Rs, these CC&Rs apply to the following properties as more particularly described on Exhibit “A” attached to these CC&Rs.

By this instrument, (i) except for any recorded covenants affecting only a single Unit in the properties covered by these CC&Rs and/or (ii) unless expressly otherwise provided herein, the Members of the Association hereby fully amend and restate, in their entirety, the Declaration of Protective Restrictions recorded on January 31, 2017 as Recorder’s Document No. 2017005831 in the Official Records of Monterey County, as well as all amendments thereto and substitute in their place these CC&Rs, which:

1. *Benefit Members.* Are for the benefit of Members of the Association;
2. *Benefit the Development.* Are for the benefit, enhancement and protection of the desirability, value and attractiveness of the Development and each Unit therein;
3. *Bind Successors in Interest.* Inure to the benefit of and be binding upon each successor in interest of the Association, each Member, Tenant, Resident, and Occupant of any portion of the Development, as well as their respective heirs, personal representatives, grantees, Tenants, licensees, successors and assigns; and
4. *Run with the Land.* Run with the land and are binding upon all parties having or acquiring any right, title or interest in the Development or any portion of the Development, whether as sole Owners, joint Owners, Tenants, Residents, Occupants or otherwise.

NOW THEREFORE, all Units in the Development, as well as any conveyance, transfer, sale, assignment, rental, lease or sublease of a Unit, are deemed to incorporate the provisions of these CC&Rs. Each successor in interest is subject to all of the covenants, conditions and restrictions contained in these CC&Rs.

ARTICLE 1: DEFINITIONS

ARTICLE 1: DEFINITIONS

The following “defined terms” are used throughout this document, and are identified as such by the fact that they are always capitalized. Refer back to these “Definitions” when encountered for further clarification in any context where they are used.

- 1.1 “Annual Meeting” means the yearly meeting of the Members of the Association.
- 1.2 “Assessment” means any Regular Assessment, Special Assessment, Reimbursement Special Assessment, or any other assessment levied, imposed, or assessed against a Member’s Unit in accordance with the provisions of the Governing Documents or applicable law.
- 1.3 “Association” means the Del Mesa Carmel Community Association, a California nonprofit mutual-benefit corporation. The Association includes, when the context requires, its Officers, Directors, employees and agents.
- 1.4 “Balcony” refers to a solid surface elevated external element which is attached to a Unit and accessible through the Unit of which it is a part.
- 1.5 “Bare Walls” insurance coverage means the level of “direct physical loss” coverage replacement up to and including the drywall. The master policy for such a form of insurance insures inside an Owner’s Unit to the unfinished interior surfaces of perimeter walls, ceilings and floors, i.e., “bare” walls.
- 1.6 “Board” or “Board of Directors” means the Board of Directors of the Association.
- 1.7 “Budget” means a pro forma operating budget, showing the Association’s estimated revenue and expenses on an accrual basis, for a twelve (12) month period.
- 1.8 “Building” means any building or structure which is part of the Improvements of the Development.
- 1.9 “Bylaws” means the duly adopted Bylaws of the Association, including any amendments.
- 1.10 “CC&Rs” means this 2024 Restated Declaration of Covenants, Conditions and Restrictions and any amendments to these CC&Rs.
- 1.11 “Committee” means any group of Residents or Owners appointed by the Board to assist in the management and administration of the affairs of the Association.
- 1.12 “Common Area” means those portions of the Development which are not considered a part of, nor included within the definition of, any Unit, including specifically: ground beneath all Units; that air space lying between the upper vertical boundary of a Unit and the interior finished surface of the ceiling; streets, roadways, drives, walks, alleys, sewers, electrical, water, gas and telephone services, walls, ceilings and fixtures, (excluding the parts thereof expressly made a part of Units as defined above); parks, pathways, planted and landscaped areas, sprinkling systems, Open Spaces, gates, and such community facilities which are presently or may in the future be constructed and set aside for the benefit and enjoyment of all Unit Owners.

ARTICLE 1: DEFINITIONS

1.13 “Condominium” means a Condominium, as defined in the Davis-Stirling Act (Civil Code section 4125(b)). A Condominium consists of a 1/289th undivided interest in common in a portion of real property coupled with a Separate Interest in space called a Unit, the boundaries of which are described on a recorded final map, parcel map, or Condominium Plan in sufficient detail to locate all boundaries thereof.

1.14 “Condominium Plan” means the diagrammatic description of the Development contained in the tract maps that identifies the boundaries of Units, some or all of the Exclusive Use Common Areas and the Common Area.

1.15 “Davis-Stirling Act” means and refers to the Davis-Stirling Common Interest Development Act which is the portion of the California Civil Code beginning with Section 4000 that governs common interest developments.

1.16 “Deck” means an exterior above ground element constructed of individual boards which is attached to and part of a Unit.

1.17 “Development” means that certain residential development known as “Del Mesa Carmel Community Association, Inc.” and located at 500 Del Mesa Drive, Carmel, CA 93923.

1.18 “Director” means any member of the Association’s Board of Directors.

1.19 “Exclusive Use Common Areas” means those portions of the Common Area which serve a single Unit, including but not limited to attics, Balconies, Patios, Decks, assigned carport Parking Spaces and storage closets, heating, ventilation and/or air conditioning, and Utility Lines, whether located inside or outside the boundaries of the Unit. Any Utility Line or portion thereof is deemed to “serve a single Unit” when its removal would interrupt service of only a single Unit.

1.20 “Governing Documents” means these CC&Rs and any other documents which govern the operation of the Association, including, but not limited to, the Articles of Incorporation, Bylaws, Ground Rules, and Election Rules, as may be amended from time to time.

1.21 “Ground Rules” means the rules and regulations adopted by the Board to interpret and implement the Governing Documents and for the orderly conduct of the business of the Association.

1.22 “Guest” means anyone invited into the Development by a Resident.

1.23 “Improvements” means all Buildings and other structures located within the Development, including, but not limited to, streets, sidewalks, utilities, landscape, hardscape, and irrigation.

1.24 “Insurable Interest” is defined in section 281 of the Insurance Code as “Every interest in property, or any relation thereto, or liability in respect thereof, of such a nature that a contemplated peril might directly damnify the insured, is an insurable interest.” Simply phrased, an Insurable Interest exists when the insured has a direct monetary interest in the preservation of the property and will suffer a monetary loss as an immediate and proximate result of this destruction.

1.25 “Lender” means the holder of a first Mortgage or deed of trust given by a Member (or his/her predecessor in interest), the lien of which Mortgage or deed of trust is superior to all other monetary encumbrances, except real property taxes and assessments.

ARTICLE 1: DEFINITIONS

1.26 “Manager” means any Person or company employed or retained by the Association to oversee the operation, maintenance and management of the Association.

1.27 “Member” means the Owner, whether one or more Persons, of a Condominium within the Development as evidenced by a publicly-recorded deed to the Condominium, but excluding any Person or Persons having such an interest in the Condominium merely as security for the performance of an obligation. Membership belongs to and may not be separated from the record fee ownership of a Condominium and may not be transferred, encumbered, pledged, alienated, or otherwise separated in any way, except in connection with the record sale of a fee interest of the Condominium to which it belongs. Where the CC&Rs impose restrictions on a Member, the restriction also applies to Member’s Tenants, and Member’s and Tenant’s family, Guests and invitees. Each Person is automatically a Member of the Association upon obtaining a publicly-recorded ownership interest in a Unit and remains a Member until he or she ceases to have such recorded fee ownership interest in a Unit.

1.28 “Membership Approval” means approved or ratified by an affirmative vote of a majority of the votes represented and voting in a duly held election in which a Quorum is represented, which affirmative votes also constitute a majority of the required Quorum, unless otherwise provided in the Governing Documents.

1.29 “Mortgage” means a deed of trust.

1.30 “Mortgagee” means a beneficiary (or its assignee) under a deed of trust to a Condominium and the term “First Mortgagee” refers to a beneficiary (or its assignee) under a deed of trust to a Condominium with priority over all other Mortgagees and deeds of trust.

1.31 “Occupant” means any natural person residing permanently in any Unit. Occupants include only those individuals who are at least 55 years of age or who are “qualified permanent residents” as defined by California Civil Code Section 51.3, as amended. The word “permanent” or “permanently” as used herein is defined by Ground Rules from time to time adopted by the Board of Directors of the Association. The terms “Occupancy” or “Occupant” and “Residents” or “Resident” are used interchangeably.

1.32 “Officer” means the president, vice-president, secretary, treasurer, and any other officer of the Association, as defined in the Bylaws.

1.33 “Open Space” refers to those undeveloped areas which provide visual relief to developed areas devoted to private use, and any other area which does not significantly lend itself to the overall benefit of either the particular development or surrounding environment.

1.34 “Operating Account” means any account into which the Association’s Assessments are deposited and out of which the Association’s operational expenses are paid.

1.35 “Owner” means one or more Persons, of the publicly-recorded fee title to any Condominium within the Development, but excluding any Person or Persons having such an interest in the Condominium merely as security for the performance of an obligation. The terms “Owner” and “Member” are used interchangeably.

1.36 “Parking Spaces” includes those portions of the Development used for the parking of vehicles.

ARTICLE 1: DEFINITIONS

1.37 “Partition Action” refers to the act of dividing, especially the division of real property held jointly or in common by two or more Persons into individually owned interests.

1.38 “Patio” refers to a ground level external element, originally in concrete, which is attached to a Unit and accessible through the Unit of which it is a part.

1.39 “Percentage Interest” means that undivided percentage ownership (1/289th) of the Common Area assigned to each Unit.

1.40 “Person” means a natural person (an individual human being), corporation, partnership, trust, association, or other entity, as recognized by law.

1.41 “Quorum” is defined in the Association’s Bylaws.

1.42 “Regular Assessments” means Assessments other than Special Assessments and Reimbursement Assessments, levied or imposed against Members in order to perform the Association’s obligations under the Governing Documents or the law.

1.43 “Reimbursement Special Assessments” or “Reimbursement Assessments” means those Special Assessments levied against Members for expenses incurred by the Association arising out of: (i) actions or omissions of Members, Tenants or their respective family, Guests, invitees, vendors, or pets; (ii) materials or services provided to Members, Tenants or their respective family, Guests, invitees, or pets; or (iii) conditions originating in a Unit.

1.44 “Renovation” means any additions, alterations, or modifications made by a Member in or to any Unit, Common Area, or Exclusive Use Common Area.

1.45 “Reserves” or “Reserve Accounts” means those monies set aside in a separate account for anticipated long-term maintenance, repair, replacement and restoration of major Common Area components of the Development or Improvements upon the Common Areas, and any other obligations of the Association that are authorized by either the Governing Documents or law.

1.46 “Residence” means a Person’s home; the place where someone lives.

1.47 “Resident” means any Person in actual possession of all or any portion of a Unit. The terms “Occupancy” or “Occupant” and “Residents” or “Resident” are used interchangeably.

1.48 “Separate Interest” means a separately owned individual Unit, per the Davis-Stirling Act (Civil Code section 4125(a)(2)).

1.49 “Special Assessments” means Assessments levied from time to time against Members if at any time during the fiscal year the Regular Assessments are inadequate to perform the Association’s obligations under the Governing Documents or the law, including, but not limited to, Common Area maintenance and repairs, replacements, unexpected expenses, capital improvements, and emergency repairs.

1.50 “Tenant” means a Person who has been given the right to temporary use and occupancy of a Unit owned by a Member, whether such right to occupy and use is paid for in money or other value.

ARTICLE 1: DEFINITIONS

1.51 “Unit” means those elements of a Condominium which are not owned in common with the Owners of other Condominiums in the Development.

The boundaries of the individual Units in the Development are as described in the Condominium Plan. Each Unit includes the interior surfaces of the perimeter walls, floors, ceilings, windows, and doors thereof and the air space so encompassed, plus the fireplaces, including the flues and chimneys thereof.

Not included in a Unit is the air space lying between the upper vertical boundary of the Unit and the interior finished surface of the ceiling, and the bearing walls, columns, subflooring, roofs, foundations, central heating, pipes, ducts, other flues, conduits, wires, and other utility installations, wherever located, except the outlets thereof when located within the Unit.

1.52 “Utility Lines” means sewer lines, storm drains, water pipes, electricity lines, gas lines, telephone lines or cables, television/internet cables, satellite dish cables, heating and air conditioning conduits, heating and air conditioning ducts, heating and air conditioning flues, fiber optic cables, data lines, community security systems, and other similar lines, pipes, cables, ducts, flues, and conduit pipes.

1.53 “Voting Power” means the total number of Condominiums entitled to vote, noting that each Condominium shall have only one vote in the Association regardless of the number of Owners.

1.54 Definitions of Other Terms. Unless the context clearly requires otherwise, all other terms are defined in the Davis-Stirling Act.

ARTICLE 2: MEMBERSHIP RIGHTS AND PRIVILEGES

ARTICLE 2: MEMBERSHIP RIGHTS AND PRIVILEGES

- 2.1 **Membership.** Each Person is automatically a Member of the Association upon obtaining a publicly-recorded fee title ownership interest in a Unit and remains a Member until he or she ceases to have such recorded fee ownership interest in a Unit.
- a. **Membership Belonging to Condominiums.** Membership in the Association is for the benefit of and belonging to the Owner of the Condominium to which it relates and may not be separated from the ownership of the Condominium.
 - b. **No Membership for Security Interests.** Membership does not include Persons who hold an interest in a Condominium merely as security for the performance of an obligation.
 - c. **No Membership for Tenants.** Tenants have the same rights to use the Common Areas as Members and have the same duties to follow the Association's Governing Documents but are not Members and have no right to vote.
 - d. **No Separate Transfer of Membership.** No Member may transfer, pledge, or alienate in any way his/her membership in the Association, except upon the recorded transfer of the fee interest in the Condominium to which it belongs and then only to the transferee of such fee interest.
 - e. **Trusts.** If title to a Separate Interest is held in the name of one or more trustees, subject to a trust, then a sole trustee or one of several trustees is authorized to exercise the rights and privileges of Association membership. The designation of one of several trustees must be in writing with documentation confirming both the designation and the authority of the designator to do so.
 - f. **Impersonal Entities.** If title to a Separate Interest is held by a legal entity that is not a natural person, the governing authority of that legal entity has the power to appoint a natural person who is authorized to exercise the rights and privileges of Association membership. The designation by the impersonal legal entity must be in writing with documentation confirming both the designation and its authority to do so.
- 2.2 **Proof of Ownership.** Proof of membership must be in the form of a recorded deed showing fee ownership of a Condominium.
- 2.3 **Voting Rights.** In all matters submitted for a membership vote, Members are entitled to one (1) vote per Condominium (regardless of the number of Members having an interest in the Condominium).
- 2.4 **Inspection of Records.** Members have the right to inspect records of the Association as provided for in the Bylaws and by law.
- 2.5 **Ingress, Egress and Support.** Members have a nonexclusive easement appurtenant to and for the benefit of their Units for ingress, egress, and support over, across and through the Common Area and every portion of any Unit required for the structural support of the Unit.

ARTICLE 2: MEMBERSHIP RIGHTS AND PRIVILEGES

2.6 Easement for Use and Enjoyment. Members have a nonexclusive easement of use and enjoyment of the Common Areas, subject to the rights of the Association as described in the Governing Documents and the Association's right to reasonably limit the number of Guests of Members.

2.7 Encroachment Easement. Members agree that minor encroachments of the Common Area on Units or of Units on the Common Area or on other Units are permitted and that valid easements for the encroachments exist. Such minor encroachments are not encumbrances on either the Units or the Common Area.

ARTICLE 3: MEMBERSHIP OBLIGATIONS

ARTICLE 3: MEMBERSHIP OBLIGATIONS

3.1 Obligation to Follow Governing Documents. Members, Tenants and Residents must follow the Association's Governing Documents and ensure that their respective family, Guests, invitees, and vendors abide by the Governing Documents.

3.2 Security. Neither the Association nor any Officer, Director, Committee member, employee or agent of the Association are insurers or guarantors of any level of security within the Development. Members are responsible for their own security and must take appropriate measures to ensure their own security and that of their family, Guests, invitees and Tenants. Members agree not to rely on any security measures provided by the Association. The Association, its Officers, Directors, Committee members, employees and agents are not liable for any loss or damage from failure to provide adequate or effective security measures.

3.3 Purchase Subject to Violations. Buyers take ownership of Units subject to any violations by prior Members, Tenants or their respective family, Guests, invitees, or pets, of the Governing Documents concerning the Unit, whether or not such violations were disclosed by the seller of the Unit and whether or not the Association knew of the violations at the time of sale. Such buyers are liable for correcting such violations upon demand by the Association, as determined by the Board. Assessments, fines, and other charges not secured by a lien on the Unit prior to transfer of title are exempt from this provision.

3.4 Obligation to Provide Entry. Members must provide the Association with the means to enter their Units (e.g., a set of current keys to their Units or codes to a key pad entry). The Association may use these to enter a Unit in an emergency or to perform necessary repairs. If a Member fails to provide current means of entry to his/her Unit, the Association may engage the services of a professional locksmith to gain access to the Unit. The cost of such services is the basis of a Reimbursement Assessment against that Unit and the Members who own it. If, in an emergency, the Association is unable to gain access to the Unit because the Members owning the Unit failed to provide current means of entry, then the Member is liable for the cost of all resulting damage to the Member's Unit, the Common Area and any other Unit. The Member is prohibited from asserting any legal claim for or filing any legal action against the Association, or its Directors, Officers, or representatives (i) for trespass from entering the Unit in any manner allowed in this Section, or (ii) for any damage resulting from forced entry into the Unit which damage resulted from the failure of Members to provide current means of entry.

3.5 Obligation to Provide Telephone Number and Email Address. Members and Tenants must provide the Association with a current telephone number and email address, if available, at which they can be reached in an emergency.

3.6 Notice of Transfer of Ownership. No later than five (5) days after the assignment, sale, quitclaim or other transfer of their Units, Members must notify the Association of the name, address, phone number, and email address of the transferee and the nature of the transfer.

3.7 Duty to Maintain, Repair and Replace. In general, the interior of a Unit, except for central heating, is the responsibility of the Member. Except for those duties specifically assigned to the Association by these CC&Rs, Members must, at their sole expense, maintain and repair modifications to their Units, as well as Exclusive Use Common Areas servicing their Units. Members' obligations include, without limitation, the following:

ARTICLE 3: MEMBERSHIP OBLIGATIONS

- a. Interior Walls and Partitions. The walls and partitions which are contained inside Members' Units, excluding the perimeter walls and any original as-built internal load-bearing walls.
- b. Interior Surface Coverings. All finished interior surfaces and treatment of walls, ceilings, floors, doors, windows and any other materials used to decorate the interior surfaces of the Unit.
- c. Windows. Windows are owned by the Member. With respect to windows and window frames bounding a Member's Unit:
 - i. Cleaning. Members must keep the interior and exterior of their windows clean.
 - ii. Glass. Members must maintain, repair and replace window glass with the color, quality and style specified by the Association, or by local building codes.
 - iii. Frames and Screens. Members must maintain, repair and replace window frames, window screens (interior), and all component parts and hardware, using the material, color, quality and style specified by the Association. If a replacement frame or screen is unspecified by the Association, then the same or like kind must be used.
 - iv. Waterproofing, Sealing and Leaks. Members are responsible to maintain, repair and replace all weather stripping and waterproofing on the windows, including, (i) the seal between the glass and the frame, (ii) the seal between the frame and the Building structure. Members must repair all leaks through the windows, whether due to broken glass, failed seals, damaged frames, worn out weather stripping or otherwise.
 - v. Window Treatments. Curtains, rods, shutters and blinds must be maintained by Members.
- d. Doors. The doors, screen doors, door frames, thresholds, weather stripping, locks, related hardware and doorbell (interior and exterior components). While the maintenance of exterior paint is the responsibility of the Association, front doors may be painted with a like kind exterior paint in a color other than "Del Mesa Green" if the color has been approved by the Building and Grounds Committee and the paint is provided by the Owner.
- e. Cabinets and Countertops. All built-in cabinets, vanities and counter tops.
- f. Appliances. All appliances, including refrigerators, freezers, ranges, ovens, microwave ovens, exhaust fans and associated ductwork, dishwashers, garbage disposals, clothes washers, dryers, water treatment, and the like.
- g. Air Conditioning. All mechanical equipment, air conditioning equipment, heat exchangers, drip pans, valves, thermostats, compressors, control equipment, and any

ARTICLE 3: MEMBERSHIP OBLIGATIONS

other mechanical equipment exclusively servicing the Unit. Members are responsible for any damage to the Common Areas or to the heating equipment in their own Units caused by their air conditioning units.

- h. Heating Grills and Registers.
- i. Electrical, Telephone, Cable, and Security. All electrical: circuit breakers, circuit breaker subpanels, light fixtures, receptacles and switches; telephones, telephone lines, cable lines, antennas and/or satellite television lines; audio, video, and intercom equipment; and security systems exclusively servicing a single Unit.
- j. Plumbing. Water heaters, recirculating pumps, plumbing equipment including plumbing fixtures: toilets, bidets, sinks, faucets, bathtubs, tub and shower valves, shower pans, shower heads; and exposed connections to fixtures: drain lines, water lines, angle stops, all of which exclusively service the Unit.
- k. Plumbing for Washers and Dryers. All plumbing, ducts and Utility Lines that exclusively service a Unit's washing machine and/or dryer, including but not limited to the water supply lines, vents, and exhaust fans.
- l. Fireplaces. Fireplaces belonging to Units, including fireplace mantles, hearths, fireboxes, flues, chimney cap, and chimneys are the Member's responsibility to maintain, repair, and replace. From time to time, the Association may inspect fireboxes in Units. If it is determined that a Member's firebox needs repair or replacement, the Occupant must immediately cease using the fireplace and have it repaired or replaced at the Member's expense or eliminated altogether (and walled over) so it cannot be used.
- m. Storage Areas. The interior of the storage closets on Decks, Patios, and carports assigned to a Unit.
- n. Fences. Fences serving individual Units, if any.
- o. Skylights. Members must maintain, repair, and replace skylights to their Units, except that the Association is responsible for original as-built skylights and flashings that have been replaced in conjunction with roof replacements.

3.8 Easement for Maintenance. Each Member has easements across Units and Common Areas as may be necessary for installing, maintaining, repairing, or replacing Utility Lines which cannot reasonably be serviced from their Units. Access to Units and Common Areas is limited to a reasonable work area and for a reasonable time. Except in emergencies, reasonable notice and consent to perform such work, which may not be unreasonably withheld, must be obtained from the affected Unit Owner and/or the Association, as applicable. Immediately after the work is completed, Members must restore affected Units and/or the Common Areas to the same or better condition than they were in prior to the commencement of such work. Such restoration work on affected Units and Common Areas must be done promptly at the sole expense of the Member responsible for performing the installation, repair, or maintenance work.

ARTICLE 3: MEMBERSHIP OBLIGATIONS

3.9 Water Damage and Mold.

- a. Damage from Leaks within the Unit. Members are responsible for the maintenance, repair and/or replacement of personal property items within the interior of their Units and Exclusive Use Common Area that may be damaged from water that may leak or flow within the Unit, regardless of the source.
- b. Member Duty to Promptly Report Leaks. Each Member is expected to promptly report to the Association any plumbing leaks, water accumulation, water intrusion through windows, doors, slabs and roofs, and signs of mold. Members must periodically inspect, service and/or replace angle stops, supply lines, and drain lines to appliances, HVAC equipment, sinks, toilets, and the like in their Units.
- c. Member Negligent Use or Failure to Report. Each Member, and not the Association, is liable for water damage and mold in and to Units, Common Areas, and Exclusive Use Common Areas, and any personal property: (i) negligently caused by the Member, Member's Tenant or their respective family, Guests, or invitees, vendors, or (ii) caused by Member's negligent failure to mitigate damage from failing to promptly report signs of water intrusion and leaks, including, but not limited, to roof, door, window and slab leaks.
- d. Duty to Cure, Right of Entry, Financial Responsibility. The Association and all Members must repair, restore or replace any water or mold damaged portions of the Development as required by these CC&Rs. Each Member is financially liable for any and all damage to the Common Area or other Units due to the Member's failure to promptly perform such work. The Association reserves the right to enter any Unit and/or Exclusive Use Common Area, as permitted by these CC&Rs, to repair, restore, remediate or replace any portion of a Unit and/or Exclusive Use Common Area in order to protect any Building and Common Area from any damage from water and/or mold. The Association may impose a Reimbursement Special Assessment against any liable Member for all costs incurred by the Association for any such repairs, restoration, remediation or replacement. The Reimbursement Special Assessment may become a lien against the liable Member's Separate Interest enforceable by the sale of the Member's Unit under Civil Code sections 2924, 2924(b), and 2924(c).
- e. Association Responsibility for Roof, Gutter, and Attic Leaks. The Association is responsible to repair or replace damage to the Units (excluding personal property in the Units), Common Areas, including Exclusive Use Common Areas, due to water damage originating from roof leaks, gutter leaks, and leaks from piping in attics.

3.10 Member Obligations regarding Termites and Pests. Each Member is obligated to do the following with respect to the Member's Unit:

- a. Treat non-wood-destroying Pests. Treat Units infested by insects (such as ants, cockroaches, silverfish, etc., other than wood-destroying pests) and rodents.

ARTICLE 3: MEMBERSHIP OBLIGATIONS

- b. Assist Fumigation by Tenting. Comply with all legal requirements necessary to effect any fumigation by tenting requested by any fumigator, including the execution of any paperwork mandated by law.

3.11 Obligation to Carry Insurance. Members must purchase insurance for their Separate Interests, at their sole expense, as more fully described in Article 15, Insurance. The Association may confirm compliance with this Section but is not required to and is specifically relieved of any responsibility or liability for not confirming compliance with this Section.

3.12 Liability for Damage.

- a. Member Negligence. Members are liable for any and all damage to the Units, Common Areas, including Exclusive Use Common Areas, and any personal property negligently caused by the Member, Member's Tenant, Occupants, or their respective family, Guests, invitees, vendors, or pets.
- b. Duty to Cure, Reimbursement Special Assessment. The Association and all Members must repair, restore, remediate or replace any damaged portion of the Development as required by these CC&Rs. However, the Association may impose a Reimbursement Special Assessment against any liable Member for all costs, incurred by the Association in connection with any such repairs, restoration or replacement. The Reimbursement Special Assessment may become a lien against the liable Member's Separate Interest enforceable by the sale of the Member's Unit under Civil Code sections 2924, 2924(b), and 2924(c).

3.13 Correction of Violations. Following notice and a hearing and a finding by the Association of a violation of the Governing Documents, the Association has the right, but not the duty, to correct or cause to be corrected the violation, including entering a Unit with the permission of a Member owning the Unit, which permission may not be unreasonably withheld. All expenses incurred by the Association to correct the violation are recoverable from the Members owning the Unit as a Reimbursement Assessment following notice and a hearing. If permission for entry into the Unit is not granted, the Association may enforce the violation by any other means allowed by the Governing Documents or the law.

3.14 Reimbursement to Association. If the Association provides materials or services that benefit a particular Member, such Member must reimburse the Association for the costs the Association incurred. If not, the Association may impose a Reimbursement Special Assessment against the Member in the amount of such costs.

3.15 Liability for Mitigation. Members are liable for expenses incurred by the Association in mitigating or repairing damage to Units, Exclusive Use Common Areas, Common Areas, and Improvements due to damage: (i) originating from Member's Unit, including, but not limited to, flood, fire, mold, insect (such as ants, cockroaches, silverfish, etc., other than wood-destroying pests), or rodent infestation; or (ii) from the negligence or willful misconduct of such Member, Member's Tenant, or their respective family, Guests, invitees, vendors, or pets. If not repaid, the Association may impose Reimbursement Special Assessments against liable Members.

3.16 Guests. Each Member is liable to all other Members and the Association for the conduct, behavior, and violations of Persons invited by the Member or Member's Tenant in the Development.

ARTICLE 4: DUTIES OF THE ASSOCIATION

ARTICLE 4: DUTIES OF THE ASSOCIATION

4.1 **Board of Directors.** The management, maintenance and care of the Common Areas, management of the Association, enforcement of the Governing Documents, and all other acts of the Association are performed or caused to be performed by its Board of Directors, unless provided otherwise in the Governing Documents.

- a. **Membership Meetings.** The Association must have at least one (1) meeting of its Members each year, as provided for in the Bylaws. Annual and Special Meetings of the membership must be held at the dates, times, and locations provided for in the Bylaws.
- b. **Director Qualifications and Meetings.** The qualifications of Directors and candidates to be elected to the Board are provided for in the Bylaws. Meetings of the Board must be held as provided for in the Bylaws and as required by law.

4.2 **Powers of a Nonprofit Corporation.** The Association has all of the powers of a nonprofit mutual-benefit corporation organized under the laws of the State of California, operating for the benefit of its Members.

4.3 **Maintain Common Areas.** Unless otherwise provided in these CC&Rs the Association must maintain, repair, and replace the Common Area excluding that part of the Common Area defined as Open Space. Specifically, Association responsibilities include the following:

- a. **Common Area Slopes.** The Association must stabilize, maintain, repair, and replace all Common Area slopes and drainage contours throughout the Development.
- b. **Common Area Fences.** The Association must maintain, repair, and replace all Common Area fences and keep those portions of Units under and around fences in a clean and neat condition.
- c. **Buildings and Equipment.** All portions of Buildings and equipment owned by the Association must be maintained and repaired by the Association. The Association may discontinue the use of, dispose of, or repurpose equipment or Association Buildings as it deems appropriate.
- d. **Building Exteriors.** The Association must maintain, paint, repair, and replace the exterior of all Buildings including roofs, fascia boards, gutters, leaf guards, downspouts, drainage pipes, and eave vents, with the exception of windows and chimneys.

4.4 **Other Maintenance Responsibilities.** The Association shall perform other maintenance, repair and replacement activities, as follows:

- a. **Skylights.** The Association maintains, repairs, and replaces original skylights.
- b. **Plumbing and Gas.** Plumbing equipment, including drain lines, sewer lines, water lines, shut-off valves (except those within a Unit), original gas lines and gas meters to

ARTICLE 4: DUTIES OF THE ASSOCIATION

Units located in walls, attics or beneath Units. This includes sewer and/or water damages to the interior of a Unit determined to be coming from the outside water, sewer, or drain lines, but excluding damage to personal property within the Unit.

- c. *Kitchen and Bathroom.* Labor to clear local stoppage, clogged drains to include bathtubs, showers and sinks. Labor to repair or replace water heaters, faucets, toilets, tank mechanisms, wax rings, supply lines, valves, angle stops, drains and drain lines. Water heater and all above parts are billed to the Member.
- d. *Electrical.* Repairs to light fixtures, electrical outlets, circuit breakers, and switches; parts are billed to the Member. Original electrical wiring within walls is covered by the Association for parts and labor.
- e. *Heating.* All mechanical equipment, heating equipment, heat exchangers, drip pans, valves, thermostats, compressors, control equipment, and any other mechanical equipment exclusively servicing the Unit.
- f. *Walls and Floors.* Perimeter walls surrounding the Unit, including exterior surfaces and trim, perimeter interior walls up to and including the drywall, and interior as-built load-bearing walls, as it pertains to structural issues. Unfinished slab and/or sub-floors.

4.5 *Termites and Pests.* In addition to any authority provided for under the Davis-Stirling Act (Civil Code sections 4780 and 4785), the Association has the authority and duty to:

- a. *Common Areas.* Treat, repair and/or replace, Common Areas excluding that part of the Common Area defined as Open Space, and any other areas which the Association must maintain, repair or replace, infested or damaged by insects, rodents, and wood-destroying pests or organisms (including microorganisms);
- b. *Units.* Treat, repair and/or replace portions of Units infested by wood-destroying pests or organisms (including microorganisms);
- c. *Tenting/Fumigation.* Tenting/fumigation, when a licensed inspector and the Association's Board of Directors both determine that tenting is prudent; and
- d. *Resident Removal.* Summarily remove Residents, at Residents' expense, to ensure prompt treatment and repairs in the manner provided for in the Davis-Stirling Act.

4.6 *Incur and Pay Expenses.* The Association is empowered to incur and pay the operational expenses of the Association, which include, but are not limited to, legal and accounting services; insurance; management services; vendor services, such as security, landscaping, garbage collection, pest control, street sweeping, swimming pool and spa maintenance, cleaning, painting, and other such services; maintenance, repair, reconstruction, and replacement of all or any portion of the Common Areas or the personal property acquired by the Association; supplies and materials; and such other services for the use, enjoyment and protection of the Development and its Residents as the Board may determine from time to time are reasonable, proper, or desirable.

ARTICLE 4: DUTIES OF THE ASSOCIATION

4.7 Utility Expenses. The Association is empowered to incur and pay utility expenses for all utilities (electricity, gas, water, and sewer) and services in, under, or upon the subject property including utilities used by the Owners of all individual Units, and to assess the Owners of each Unit for the payment of said services.

The Association may install meters for each individual Unit measuring utility consumption. If and when individual metering is installed for any utility in all individual Units, the Board may require that each Member must pay for the cost of the utilities consumed by his/her Unit.

Utility costs for the Common Area are included in the Regular Assessment and apportioned among all the Units according to the class thereof.

4.8 Ground Rules. The Board may adopt, amend, and repeal Ground Rules regarding any matter set forth in the Governing Documents, including, but not limited to: (i) the use, occupancy, and maintenance of the Development; (ii) the general health, welfare, peace, comfort, safety and security of Residents in the Development; and (iii) the interpretation and implementation of the Governing Documents.

4.9 Foreclose, Hold Title and Make Conveyances. The Association is authorized to lien and foreclose upon any Unit for non-payment of Assessments, to take title to the Unit, to assume or otherwise pay off encumbrances, and to acquire, hold title to, lease and convey, with or without consideration, real and personal property and interests.

4.10 Fee Limitation. The Association may not impose fees that exceed the amount necessary to defray the costs for which the fee is levied.

4.11 Commercial Concessions. The Board may negotiate contracts and grant commercial concessions over portions of the Common Area, subject to Membership Approval (i.e. allowing entities to use Common Areas such as allowing telecommunications companies to lease roof space on high rises for broadcasting and/or transmitting towers).

4.12 Utility and Cable Easements. The Association is hereby granted easements to enter into Units as is necessary or prudent to: (i) install, maintain, repair, and replace Common Area Utility Lines; and (ii) install, operate, maintain, repair, and replace transmission lines and other facilities for a community television system, high-speed internet lines, community security systems, or other similar systems; provided that any damage to a Member's Unit caused by such work must be repaired at the Association's expense and in a timely fashion.

4.13 Granting Utility Easements. The Board is authorized to grant easements and rights of way in, under, or through the Common Areas for constructing, erecting, operating, maintaining, repairing, and replacing utilities and similar services.

4.14 Limitation on Granting Easements. Granting any Member an easement for exclusive use of any portion of the Common Areas requires Membership Approval except if the easement is for any of the reasons stated in the Davis-Stirling Act.

4.15 Borrow Money. The Association may borrow and repay monies, as needed to discharge its duties, and pledge or assign Special Assessment rights, as security for repayment of such borrowed money. Except for emergencies, the aggregate total of all loans made by the Association in a given fiscal year may

ARTICLE 4: DUTIES OF THE ASSOCIATION

not exceed five percent (5%) of the budgeted gross expenses for the same fiscal year, without Membership Approval.

4.16 No Power to Encumber Real Property. The Common Area of the Association may not be encumbered as a security for debt.

4.17 Represent Association in Litigation. The Association, by its Board, may institute, defend, settle, or intervene in litigation, arbitration, mediation, administrative proceedings, or any other legal proceeding in any capacity necessary to represent the interests of the Association.

4.18 Receive and Dispose of Property. Subject to the Section of these CC&Rs entitled "Limitations on Transfer of Real Property", the Association may acquire, hold, lease, encumber, convey, or otherwise dispose of real and personal property and to take real and personal property by will, gift, bequest or any other legal transfer. Any funds or property so received must be used consistently with the purposes for which the Association was formed.

4.19 Limitations on Disposition of Personal Property. The Board may not, without Membership Approval, dispose of during any fiscal year personal property owned by the Association having an aggregate market value in excess of five percent (5%) of the Association's budgeted gross expenses for that year.

4.20 Limitations on Transfer of Real Property.

- a. Right to Transfer Property. The Board may exchange, sell, dedicate, or otherwise transfer real property owned by the Association, but not any portion of the Common Area, only on the following conditions:
 - i. Approval by a majority of the Voting Power of the Association must first be obtained, except for the sale or other transfer of property acquired by the Association in foreclosure proceedings.
 - ii. For any exchange of real property, the property received by the Association must be of equal or greater value than the property given.
 - iii. Any dedication of property must only be to a public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Association.
 - iv. If the exchange, sale, dedication or other transfer of real property requires an amendment to the Governing Documents, then any approval of such exchange, sale, dedication or other transfer by the Board must be conditioned upon approval of such amendment.
- b. Limit to Property Sale. The Common Area of the Development, or any portion thereof, is not subject to partition or sale except as provided in the Davis-Stirling Act (Civil Code sections 4610 and 4630) and related case law.

ARTICLE 4: DUTIES OF THE ASSOCIATION

4.21 Capital Improvements. The following applies to Common Area Capital Improvements:

- a. Authority. The Board may alter, remove or replace Common Area Improvements as-needed to carry out their duties.
- b. Defined. "Capital Improvement" means any substantial discretionary addition to the Common Areas or significant alterations to the appearance of the Development. A Capital Improvement is not defined to mean additions or upgrades to Common Area materials which are necessary or prudent to comply with governmental regulations regarding building, safety or fire codes, or to prevent property damage or personal injury, or to reduce operating or maintenance costs for the Common Areas or to comply with Reserve component repairs or replacements.
- c. 5% Limitation. Capital Improvements may not be made to the Common Areas in any fiscal year in excess of five percent (5%) of the Association's budgeted gross expenses for that year, without Membership Approval.
- d. Obsolescence. If the Board determines that any Common Area Improvement is obsolete, and/or no longer brings sufficient value to the Association to justify its upkeep, and the cost to remove the amenity is more than five percent (5%) of the budgeted gross expenses for that fiscal year, then the Board must obtain Membership Approval to remove the amenity.

4.22 Vendor Contract Limitations. Except for the contracts listed below, the Association is prohibited from entering into any contract for services which binds the Association for a period for more than two (2) years, without Membership Approval.

- a. Public Utility Contract. A contract with a public utility company, if the rates charged for the materials or services are regulated by the Public Utilities Commission. However, the term of the contract must be for the shortest term for which the supplier will contract at the regulated rate.
- b. Fire and Burglary. Contracts for terms up to three (3) years to lease or service burglar and/or fire alarm equipment or provide protective services.
- c. Bulk Cable Service. Contracts for terms up to five (5) years to provide cable, internet, or satellite communications service.
- d. Laundry Machines. Contracts for laundry machines for terms up to three (3) years.
- e. Insurance. Contracts for insurance, if the policies do not exceed three (3) years duration.
- f. Reserve Studies. Contracts for up to three (3) years for Reserve studies.

4.23 Delegation to Manager. The Board may delegate any of its duties, powers, or functions to any qualified Person or management company to act as Manager, except (i) voting on motions at Board meetings; (ii) electing Officers; (iii) filling vacancies on the Board; (iv) appointment of executive

ARTICLE 4: DUTIES OF THE ASSOCIATION

Committees; and (v) approving settlement agreements. Notwithstanding any delegation of duties, however, the Manager's actions are subject to the direction and supervision of the Board.

4.24 Nonprofit Character of Association. Notwithstanding anything contained in these CC&Rs to the contrary, the Association may not engage in any activity which may jeopardize the nonprofit character of the Association.

4.25 Discharge of Liens. When necessary, the Association is empowered to discharge, by payment, any lien against the Common Area and assess the cost thereof to the Member or Members responsible for the existence of the lien. Prior to any Board decision to discharge a lien, the Member or Members responsible for the existence of the lien must be given written notice and an opportunity to be heard by the Board and present any defenses which may exist.

ARTICLE 5: ARCHITECTURAL CONTROL

ARTICLE 5: ARCHITECTURAL CONTROL

5.1 No Improvements or Alterations Without Approval. No Renovations by or on behalf of a Member in or to any Unit, Common Area, or Exclusive Use Common Area are permitted until plans and specifications have been submitted to and approved in writing by the Building and Grounds Committee or Board. Any Renovations which are unapproved, different from those approved by the Committee, or done without required governmental permits, are automatically deemed disapproved and the Member must promptly remove or correct the disapproved Renovations to comply with the Del Mesa architectural style, the Building and Grounds Committee's or Board's approvals, and governmental requirements.

5.2 Applicants in Good Standing. Only Members in Good Standing may submit requests for architectural approval of Renovations to their Unit, Exclusive Use Common Areas, or Common Areas appurtenant to their Units. A Member is in Good Standing for the purposes of this Article, unless found by the Board, at a properly noticed hearing, (i) to be delinquent in the payment of any Assessment, fee, or fine, by more than sixty (60) days, and/or (ii) to be otherwise in violation of the Association's Governing Documents.

5.3 Right to Decorate Unit. Members are permitted to decorate the interior surfaces of the walls, partitions, ceilings, floors, and doors within their Unit, subject to any restrictions or procedures found in these CC&Rs and any Rules established by the Association.

5.4 No Exterior Installations. Installations of any kind, including but not limited to, trellises, awnings, electric lines, telephone lines, television antennas, satellite dishes (except as permitted by law), machines, such as air conditioning units or generators, on the exterior of the Unit or that protrude through the walls or the roof, are prohibited except as authorized by the Building and Grounds Committee.

5.5 Architectural Standards. The Board is authorized to adopt, amend, and repeal architectural standards. These architectural standards would interpret and implement the provisions of these CC&Rs by setting forth the standards and procedures for the review and approval of proposed Renovations, guidelines or requirements for architectural design, placement of any Renovation, color schemes, exterior finishes and materials, and similar features which are recommended or required for use within the Development, provided that the architectural standards meet any minimum standards required by these CC&Rs. If any conflict exists between the architectural standards and these CC&Rs, the CC&Rs prevail.

5.6 Building and Grounds Committee. The Board is authorized to appoint a Building and Grounds Committee. If the Board does not appoint one, the Board is automatically deemed to be the Building and Grounds Committee. The Building and Grounds Committee has the authority to approve, reject, modify, give conditional approvals, and give limited approvals of Improvements and alterations as provided for in the Association's Ground Rules.

- a. Architect. The Board is authorized to retain the services of a licensed architect and one or more consultants to assist the Building and Grounds Committee in its duties. Compensation for consultants' services must be determined by the Board. The cost of such consultants and any related expenses may be charged to those Members submitting plans for Renovations as a Reimbursement Special Assessment. Any significant costs for which the Member will be responsible must be submitted to the Member for approval before being incurred by the Association.

ARTICLE 5: ARCHITECTURAL CONTROL

- b. *Conflicts of Interest.* A Director or Building and Grounds Committee member is not permitted to participate in the decision-making process of any architectural submittal made by that Director or Building and Grounds Committee member or members of his or her family. Further, a Director or Building and Grounds Committee member is not permitted to participate in the decision-making process of any other architectural submittal if the approval would result in a monetary benefit to the Director or Building and Grounds Committee member or any company in which the Director or Building and Grounds Committee member, or members of his or her family have a financial interest.

5.7 Submission of Plans.

- a. *Submission to Building and Grounds.* Plans and specifications in accordance with the Association's Governing Documents, describing the proposed Renovations, must be submitted to the Building and Grounds Committee as described in the Ground Rules.
- b. *Approval Time Frames and Exceptions.* Applications must be time dated and are deemed approved within forty-five (45) days from the date of submission of a complete application unless (i) disapproved by the Committee, (ii) additional information necessary to properly consider the application is requested by the Committee within the forty-five (45) day period, or (iii) any proposed Renovations would violate the Association's Governing Documents, any governmental regulations regarding building, safety and fire codes, or any other laws.
- c. *No One Committee Member Approvals.* Applications may not be approved by any one individual Building and Grounds Committee member or Director.
- d. *Other Approval Conditions.* The Building and Grounds Committee is authorized to impose any reasonable conditions of approving an architectural application, in writing, including, but not limited to, (i) requiring modifications of particular aspects of the Member's architectural submission and/or (ii) requiring the preparation, execution and recording, at the Member's expense, of a covenant establishing maintenance, repair and replacement, indemnity, and other obligations binding current and future Members owning the Unit.
- e. *Disapproval Applications, Reconsideration.* Disapproval of applications must be in writing and must explain why the proposed Renovation is disapproved. The Member is permitted to seek reconsideration of a disapproved application, in writing, by the Board, unless:
- i. *Disapproval by Board.* The original disapproval was made by the Board or a body that has the same membership as the Board at a meeting that satisfied the requirements of the Open Meeting Act (Davis-Stirling Act (Civil Code section 4910(a))); or
 - ii. *Violation of Governing Documents or Governmental Regulations.* As to any Renovations that were disallowed because they would violate the Association's

ARTICLE 5: ARCHITECTURAL CONTROL

Governing Documents, any governmental regulations regarding building, safety and fire Codes, or any other laws.

A permissible written request for reconsideration must be received by the Board not more than forty-five (45) days after the denial. Within forty-five (45) days after receipt of the request for reconsideration, the Board must hold an open meeting to consider the reconsideration and decide. Failure of the Board to decide within the forty-five (45) day period is deemed a decision in favor of the Member.

- f. Material Modifications to an Approved Plan. Once an application has been approved, material modifications to the approved plans and specifications thereof are not permitted, and any subsequent alterations, relocations, additions or modifications require a separate application, review and approval. If a proposed material modification to the approved plan is likely to affect other aspects or components of the work, then the Board, in its discretion, may order the Member and his or her contractors and agents to cease working on both the modified component of the Improvement and any other affected component. The Member is responsible for any costs and fees associated with returning to the original state.
- g. Time Frame to Complete Renovations. Unless a shorter period is specified in the approval, Renovations approved by the Building and Grounds Committee must be completed within one (1) year of the Member receiving approval. Renovations not completed within one (1) year must be resubmitted for approval. The Building and Grounds Committee, in its discretion, may grant extensions for Renovations to be completed.

5.8 Rescinding Approval. The Building and Grounds Committee and/or the Board is authorized to rescind previously approved plans but only for good cause.

5.9 Failure to Comply with Approval Requirements. Any Renovations, whether in progress or completed, which (i) were not approved by the Building and Grounds Committee or Board when such approval is required by the Governing Documents, (ii) violate the Building and Grounds Committee's or Board's conditions of approval, the Association's Governing Documents, or any governmental regulations regarding building, safety and fire codes, or other laws, or (3) were performed by an unlicensed contractor (where a licensed contractor was required by law, the Governing Documents, or the Building and Grounds Committee's conditions of approval), are automatically deemed disapproved and in violation of the Governing Documents.

5.10 Review Fees. The Board is authorized to establish a schedule of fees to be charged to an applicant to reimburse the Association for any out-of-pocket expenses it may incur in connection with the approval of an application, including architectural and/or engineering consultant fees, attorneys' fees for the preparation of recordable covenants or easements, or other documents uniquely necessary for compliance with reasonable conditions of approval, and expert expenses for reviewing plans.

5.11 Variances. The Building and Grounds Committee is permitted to recommend reasonable architectural variances, subject to advanced written Board approval. The Board may grant the variance if it determines the variance does not (i) constitute a material deviation from the overall plan and scheme of the

ARTICLE 5: ARCHITECTURAL CONTROL

Development, (ii) result in a material detriment to the Association or any Member, or (iii) create a nuisance in the Common Area or affecting any other Member. The granting of a variance by the Board is not a variance or waiver as to any other Unit, nor does any variance affect the applicability or enforceability of any provision of this Article with respect to any other Unit.

5.12 Engineering and Code Requirements. Plans and specifications approved by the Building and Grounds Committee or Board are not approved for engineering design, governmental regulations regarding building, safety or fire codes, or other safety specifications. Approval by the Building and Grounds Committee or Board does not absolve Members of the responsibility of obtaining any necessary governmental approvals or permits. Members must ensure compliance with applicable governmental regulations regarding building, safety and fire codes, ordinances, and specifications.

5.13 Acoustical Limitations. Ground Rules define standards on hard-surfaced flooring and carpeting installation in Units. These standards include limits on noise transmission and materials.

5.14 Inspection. The Association has the right, but not the obligation, to periodically inspect any work approved by the Building and Grounds Committee or Board. Members must allow inspection. Any work in progress may be halted and the Member is subject to a fine if (i) an inspection is not allowed, or (ii) the Renovations are in violation of the Governing Documents as provided in the Section above entitled "Failure to Comply with Approval Requirements" or elsewhere. Such inspections do not absolve Members from compliance with the Association's Architectural Standards and all applicable governmental regulations regarding building, safety and fire codes.

5.15 Building Department and Association Approvals. Any construction, repair, modification, or alteration of any requested Improvement requiring the issuance of a building permit must be submitted by the Member to the appropriate governmental entity for review and approval. The Building and Grounds Committee may impose conditions of approval which are more restrictive than conditions imposed by governmental agencies. If the conditions of approval imposed by the governmental entity and the Building and Grounds Committee conflict, then the more restrictive conditions control.

5.16 Mechanics' Liens. Members must ensure that no lien is placed against any other Unit, or against the Common Areas, for labor or material furnished to their Units. If a lien is placed against the Common Areas and/or another Member's Unit or Condominium, and the responsible Member does not immediately cause the removal of the lien, then the Association may, after written notice to the responsible Member, pay the amounts necessary to have the lien removed and levy a Reimbursement Special Assessment against the responsible Member for the monies advanced and any fees and costs incurred by the Association.

5.17 Hold Harmless and Indemnify. Approval of plans by the Association signifies only a general conformance with its architectural style and not with governmental regulations regarding building, safety, or fire code compliance, lot lines, easements, or best construction practices. The Association and its Building and Grounds Committee, Members, Officers, Directors, employees, and agents are not liable and must be held harmless, defended and indemnified for mistakes in judgment or negligence arising out of or in connection with the Association's approval or disapproval of plans.

5.18 Waiver of Liability. Neither the Building and Grounds Committee or its members nor the Association or its Officers, Directors, employees or agents are liable for any damage, loss or prejudice

ARTICLE 5: ARCHITECTURAL CONTROL

suffered or claimed on account of the Building and Grounds Committee's review, approval, or disapproval of any plans, drawings or specifications, or the conformance of the construction with the approved plans and any such claims are expressly waived.

5.19 Combining Units. Subject to the applicability of any law restricting the partitioning of Units and the Common Area, the combining of Units is not permitted without prior written Board approval. Once combined: (i) the Percentage Interest in the Common Area allotted to the combined Units equals the sum of the Percentage Interests in the Common Area of each of the combined Units; (ii) the Assessments due and owing on the combined Units equals the sum of the Assessments levied against each of the respective Units so combined; and (iii) the Owner of the combined Units continues to have the same number of votes assigned to the Units before they were combined.

5.20 No Right to Divide Units. Subject to the applicability of any law restricting the partitioning of Units and the Common Area, no Member is permitted to divide any Unit; provided, however, that once two or more Units have been combined, the Members owning such combined Units are permitted to restore them to their original dimensions and footprint only after receiving prior written Building and Grounds approval.

5.21 Diligent Construction. The construction of any Building or structure must be prosecuted diligently and continuously from the time of commencement until fully completed, and all structures, once the foundations are erected, must be completed in eighteen (18) months, unless an exception is approved by the Board.

5.22 Landscaping Following Renovation. Within two (2) months of the completion of any Renovation work during which the Association's landscaping requirements were waived, or within any shorter time frame required by the Building and Grounds Committee, Members must landscape their Units as required by the Association's architectural style and/or any conditional approvals of the Building and Grounds Committee or Board.

ARTICLE 6: BALCONIES, DECKS AND PATIOS

ARTICLE 6: BALCONIES, DECKS AND PATIOS

6.1 Member Maintenance of Balconies, Decks and Patios. Members must, at their sole expense, maintain their Balconies, Decks and Patios as described below.

- a. Clean and Sanitary. Members must keep their Balconies, Decks and Patios in a clean and sanitary condition. However, any water used in cleaning Balconies, Decks must not unreasonably spill over the edge of the Balcony or Deck onto other Units or the Common Area.
- b. Balcony/Deck/Patio Doors. Members must maintain, repair, and replace their Balcony, Deck and Patio doors, door casings, thresholds, flashing, weather stripping, waterproofing, caulking, door guides, and any other related hardware and sealants.

6.2 Association Maintenance of Balconies, Decks and Patios. Excluding Member obligations provided for in this Article, the Association must seal and waterproof Balcony floors, maintain, repair and replace exterior surfaces, railings, and structural components of original, unmodified Balconies and Decks. Subject to the notice provisions in these CC&Rs under "Right of Entry," the Association has the right to enter upon any Balcony, Deck or Patio to conduct any maintenance, repair, or replacement for which the Association is responsible.

6.3 Right to Inspect and Repair. To ensure Member and Association obligations are met, the Association has the right to enter onto Balconies, Decks and Patios to inspect them. Failure by a Member to maintain a Balcony, Deck or Patio gives the Association the right to repair it in accordance with the notice and repair provisions of these CC&Rs. The Association is permitted to recover the costs of such repairs by imposing a Reimbursement Assessment and imposing a lien against the Unit, if not paid, as provided for in these CC&Rs.

6.4 Balcony, Deck and Patio Alterations. Members have no right to paint or alter their Balconies, Decks or Patios without the prior written approval of the Building and Grounds Committee.

6.5 View Obstructions. No vegetation or other obstruction is permitted to be planted or maintained upon any Balcony, Deck or Patio which unreasonably obstructs the view from any other Unit. Any item or vegetation which, in the opinion of the Board, creates an unreasonable view obstruction must be removed or pruned to the Board's satisfaction.

6.6 Balcony and Deck Weight Limitations. Members are not permitted to place unreasonable weight loads on any Balcony or Deck.

6.7 Damage. Members are liable for any damage to their Balconies, Decks or Patios caused by the acts, omissions, or willful misconduct of Members, their Occupants, Guests, or their family or pets. Any such damage which the Association repairs under these CC&Rs may be assessed against the Member as a Reimbursement Assessment.

6.8 Balcony, Deck and Patio Water Damage. Members are responsible for the cost of repairing any damage to: (i) their own property; (ii) the property of others; and (iii) the Common Areas, resulting from water intrusion from the Balconies, Decks or Patios attached to their Units due to waterproofing failures for which the Member is responsible.

ARTICLE 7: GENERAL RESTRICTIONS

ARTICLE 7: GENERAL RESTRICTIONS

7.1 Antennas. No antennas for transmitting or receiving radio signals or any other form of electromagnetic radiation may be installed, except as provided in the Association's Ground Rules, its architectural style, and applicable law.

7.2 Barbecues. Except for propane, natural gas or electric barbecues in U.L.-approved receptacles designed for such purposes, barbecues are prohibited. Hours of operation, other permissible equipment, and other rules regarding barbecue operation may be stated in the Ground Rules. Occupants must take reasonable precautions to minimize smoke from entering other Units.

7.3 Criminal Activity Prohibited. No Person is permitted to engage in criminal activities anywhere within the Development, including, without limitation, within the Common Areas, and/or any Unit. For purposes of this Section "criminal activities" includes, without limitation, drug-related activities (including the illegal manufacture, sale, distribution, use or possession of a controlled substance), gang-related activities, the unlawful use or discharge of firearms, prostitution, or any misdemeanors or felonies enumerated in the California Penal Code, or any federal criminal statute, local ordinance, regulation or other law. In addition, Members owning a Unit must prohibit, in their lease, rental agreement or otherwise, Persons who engage in criminal activities from occupying their Unit.

7.4 Drones. A "drone" is defined as a powered aerial vehicle that flies autonomously or is remotely piloted. The operation of drones in the Development, if allowed by the Association, must comply with the Association's Ground Rules, federal and state law. No Person is permitted to operate, cause, allow or authorize the operation of a drone in the airspace above any portion of the Development in such a way as to invade the privacy of Association Members, Guests, Residents or vendors, whether equipped with a camera or otherwise. Prior written approval of the Board of Directors must be given for drone operations that are contrary to this Section or the Association's Ground Rules and must comply with such terms and conditions as the Board may deem appropriate under the circumstances.

7.5 Flammable Materials. Except for reasonable amounts of legal ammunition for use with legal firearms, the storage or use of explosives, fireworks, or highly flammable or highly corrosive materials by Members, Tenants, Residents, or their respective family, Guests, or invitees anywhere in the Development is prohibited.

7.6 Health/Safety Hazards. Members must not permit conditions which constitute a health, safety, or fire hazard to exist in their Units or Exclusive Use Common Areas.

7.7 Hiring of Association Employees. Members are permitted to hire Association employees to perform work. However, any use of employees is at the employing Member's expense and such Member is responsible for workers' compensation and payroll deductions for that employee. The work to be performed must be pre-authorized by the employee's immediate supervisor. The Association is not liable for the acts or omissions of employees hired by Members while in the course and scope of employment by the Member.

7.8 Nudity. Public displays of nudity are prohibited.

7.9 Harassment of Employees. Members are prohibited from engaging in harassing behavior towards the Association's employees and vendors, including, but not limited to: (i) unwelcome physical

ARTICLE 7: GENERAL RESTRICTIONS

touching; (ii) racial or ethnic jokes; (iii) slurs on religion, age, sexual orientation, physical handicap or medical condition; (iv) harsh, abusive or denigrating language.

7.10 Nuisance. Members are prohibited from causing or permitting any act or condition which constitutes a nuisance.

- a. Unreasonableness. To constitute a nuisance, the act or condition must be an unreasonable disturbance or annoyance, unreasonably injurious to health, indecent, or unreasonably detrimental to Persons or property.
- b. Secondhand Smoke. Any “exfiltration” (air flow outward through a wall, Building envelope, window, etc.) of any noxious odor or smoke, including tobacco smoke, from a Unit, whether through windows, doors, vents, or other means, is prohibited. It is the responsibility of the Member causing such exfiltration of smoke or odors to prevent it.
- c. Allergies and Sensitivities. Residents with allergies or sensitivities must, at their own expense, take precautions to protect themselves against commonplace levels of noise, odors, dust, smoke, gases, pollen, or other environmental pollutants.
- d. Board Determination. Because a nuisance is largely subjective, the Association is not obligated to become involved in disputes where, in the opinion of the Board, the alleged disturbance does not constitute a nuisance. Despite the Board’s determination, the parties retain the right to take appropriate legal action against each other without involving the Association.

7.11 Obstruction of Common Areas. Obstruction or misuse of the Common Area, for other than its intended purpose, is prohibited, unless expressly permitted in writing by the Board for good cause.

7.12 Senior Citizen Residential Use. Except to the extent permitted by Section 7.17, below, and Article 8, below, Units shall be occupied and used for residential purposes only. Occupants of each Unit shall be subject to age and other restrictions set forth in a written policy (i.e., the Ground Rules) adopted by the Board in compliance with applicable federal and California law as those laws may be amended from time to time. It is the intention of this provision to restrict occupancy to older Persons or senior citizens to the fullest extent permitted by applicable law.

7.13 Occupancy Restriction.

- a. Resident Number Restrictions. No more than one (1) Person per bedroom plus one additional Person may reside in a Unit.
- b. Time Limits. For purposes of this restriction, “reside” means to use or occupy any Unit for more than thirty (30) consecutive days and/or more than sixty (60) aggregate days, whether or not consecutive, in any one calendar year.
- c. Occupancy Limitations. Effective as of January 1, 2025, no Unit occupancy may exceed that specified in this Section, except as allowed by the Board of Directors.

ARTICLE 7: GENERAL RESTRICTIONS

7.14 Limitation on Occupancy.

- a. Non-Owner Occupancy. No Owner may permit any natural person, whether or not such natural person meets the requirements of an Occupant, to reside permanently in the Unit unless the prospective Occupant has obtained the written consent of the Association to occupy said Unit as provided in subsection (b) of this Section; a natural person who has obtained such consent is referred to herein as an authorized Occupant.
- b. Association Written Consent Required. No natural person may occupy any Unit or reside permanently therein who has not first obtained the written consent of the Association to be an authorized Occupant.
- c. Home Health Aide. Upon written application, the Association may permit natural persons who do not qualify as Occupants under this Section to reside in a Unit with an Owner or authorized Occupant where necessary for the health or well-being of the Owner or authorized Occupant.
- d. No Discrimination. The Association may not discriminate against applicants on the basis of race, color, sex, familial status, age, religion, ancestry, sexual orientation, marital status, source of income, disability, national origin or upon any other basis recognized by law.

7.15 Ownership Limitation. The vesting of title in and ownership of more than two Units by the same natural person or Persons, their agents, assigns, heirs, or nominees or by any corporation, trust organization or other entity, their agents, or nominees, is prohibited, unless approved by the Board of Directors. This ownership limitation does not apply to a Member owning more than two Units as of the date of the recording of these CC&Rs.

7.16 Quiet Enjoyment. No one may engage in any behavior, whether verbal or physical, including, but not limited to, the posting or distributing of documents, openly or anonymously, anywhere in the Development, where such behavior is abusive, harassing, threatening, intimidating, defaming, slanderous, unlawfully aggressive, and/or otherwise legally actionable against other Members, Residents, Guests, invitees, Directors, or the Association's management, employees, agents, or vendors. Because such breaches of quiet enjoyment are largely subjective, the Board may choose to act only against egregious breaches. When the Association chooses not to act on a complaint of breach of quiet enjoyment, or the complaining party believes the Association's action is not sufficient, such party may take legal action to enforce this provision against other Members and/or Residents, but is not permitted and expressly waives his/her right to take any action, legal or otherwise, including commencing or maintaining a lawsuit against the Association and/or its Officers, Directors, employees, and/or agents for their decision on the party's complaint and/or for the manner in which they handled it.

7.17 Residential Use. Using a Unit, or permitting a Unit or any portion of it, to be occupied or used for any purpose other than a private residential dwelling is prohibited. Units must not be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending or other nonresidential purpose. Notwithstanding the foregoing, Residents may use a room in their Unit as a home office, provided that (i) the primary use of the Unit remains as a Residence, (ii) no business advertising or signage is used in connection with the home office use, (iii) package deliveries are kept to a minimum, and

ARTICLE 7: GENERAL RESTRICTIONS

(iv) no customers, clients or patients visit the Unit. The Board may adopt additional Ground Rules regarding the use of such home offices.

7.18 Roof Restricted Access. Only those with the prior written consent of management may access roofs. All others are prohibited.

7.19 Sale of Unit. The Association may impose restrictions or limitations on open houses, brokers' caravans and other matters relating to the sale of a Unit in the Ground Rules.

7.20 Satellite Dishes. Satellite dishes may only be installed as provided for in the Ground Rules, and applicable law.

7.21 Signs, Posters and Flags. Signs, posters, flags, banners, notices, nameplates, cards, and advertisements of any kind may only be displayed to the public view on or from any Unit or in or on any Common Area, including any Exclusive Use Common Area, as allowed by law. Owners may display one sign in a designated area which is of reasonable dimensions and design, advertising that the property is for sale or lease, as allowed by law and subject to any restrictions in the Ground Rules. Commercial signs may not be displayed.

7.22 Smoking and Vaping. All smoking, vaping, and use of e-cigarettes is prohibited in the Common Areas or any Exclusive Use Common Area. "Smoking" means, but is not limited to, any practice by which a substance, whether tobacco, marijuana or any other substance, is burned for the purpose of inhaling its smoke. "Vaping" means inhaling water vapor to obtain nicotine, cannabis or any other substance. "E-cigarette" means an electronic device that vaporizes liquid nicotine, cannabis or any other substance. Additional Common Area restrictions concerning Smoking, Vaping and E-cigarette use, consistent with these CC&Rs, may be adopted by the Board.

7.23 Solar Energy Systems. Solar Energy Systems may only be installed after obtaining written approval of the Building and Grounds Committee and as provided for in the Ground Rules, architectural style, and applicable law.

7.24 Spas, Hot Tubs and Saunas. No spa, hot tub, or sauna may be installed in any Unit without the written approval of the Building and Grounds Committee and the Board. Such installations must conform to the Association's architectural style. Spas, hot tubs, and saunas are prohibited on Patios, Balconies, and Decks.

7.25 Storage. Balconies/Patios/Decks and carports may only be used as provided for in the Ground Rules. Under no circumstances may explosives, fireworks, or highly flammable or highly corrosive materials be stored in such areas. Members must keep their storage closets hazard-free at all times. Members must supply their own locks to secure their possessions and are responsible for insuring stored items against loss.

7.26 Fuel Tanks and Receptacles. Installation of any tank for the storage of fuel outside any structure on a Unit is subject to advanced written approval of the Building and Grounds Committee. Such tanks must be either buried below the surface of the ground or screened by fencing or shrubbery to the satisfaction of the Building and Grounds Committee.

7.27 Time Sharing Prohibited. Units may not be divided, used or conveyed on a time increment basis (commonly referred to as "time sharing"). The term "time sharing" is defined to include any

ARTICLE 7: GENERAL RESTRICTIONS

agreement, plan, program or arrangement under which the right to use, occupy or possess a Unit or any portion of a Unit rotates among various Persons, either corporate, partnership, individual or otherwise, on a periodically recurring basis.

7.28 Trash Containers. Every outdoor receptacle for trash, rubbish or garbage must be placed, screened, and kept as provided for in the Association's Ground Rules.

7.29 Use of Independent Contractors. Members may use independent contractors to perform work in their Units subject to the Association's Ground Rules and its Construction Guidelines, if any. Such contractors must be licensed and insured as required by law. The Association is permitted to, but not required to, police or enforce this provision, and has no responsibility or liability for failing to do so. Members are liable for any injury to persons or damage to the Common Areas, Exclusive Use Common Areas, Units and any personal property caused by the acts or omissions of such Member's contractor. The Association is authorized, in its sole discretion, to repair, restore or replace property damaged by a Member's contractor and is permitted to impose a Reimbursement Special Assessment against the responsible Member for all costs and expenses incurred by the Association from repairing the damage. The Reimbursement Special Assessment may become a lien against the liable Member's Separate Interest enforceable by the sale of the Member's Unit under Civil Code sections 2924, 2924(b), and 2924(c).

7.30 Vibrations and Noise. No Member may operate any fixtures or equipment which cause unreasonable vibrations or noise which cause an annoyance to Residents of other Units.

7.31 Window Coverings. Window coverings installed on windows must be properly maintained at all times. The color of such window coverings must be in harmony with the exterior of the structure. No window may be covered by paint, aluminum foil, newspapers, bed sheets, cardboard, blankets, or other similar items.

ARTICLE 8: LEASING AND RENTAL REQUIREMENTS

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In addition to the restrictions found in Article 7, that Members may not use their Units for business, commercial, manufacturing, mercantile, storing, or vending purposes, the following residential restrictions apply:

8.1 No Hotel Purposes. Units may not be rented for hotel, fractional or similar purposes.

8.2 No Short-Term and Transient Rentals.

- a. Prohibited Short Term Rental Period. Short-term and transient rentals or leases of a Unit for a period of thirty (30) days or less are prohibited.
- b. Advertising Limitation. No Unit may be advertised with Airbnb, VRBO, Flipkey, Homeaway, or by any other means, as being available for rent or lease for a period of thirty (30) days or less or in a manner that would suggest or imply the Unit was available for rent or lease for a period of thirty (30) days or less.

8.3 Lease of Less than Entire Unit. No Member is permitted to lease or rent less than the entire Unit unless a Member also resides in the Unit. The entire Unit, or any portion thereof as permitted herein, may only be leased or rented under a single lease or rental agreement signed by all adult Tenants occupying the Unit.

8.4 Lease and Rental Requirements.

- a. Qualifications to Live in Del Mesa. All Occupants must comply with age and other restrictions found in the Ground Rules or other rules and policies pertaining to senior citizen residential communities adopted by the Board or permitted by applicable law.
- b. Minimum Lease Term. The initial term of a lease of a Unit, must be for a period of at least thirty-one (31) days.
- c. Re-Leasing Before Expiration of Original Term. If a Tenant terminates their lease or rental agreement or otherwise vacates the Unit before the expiration of any rental or lease term then in effect, the Member may not re-lease or re-rent the Unit until at least thirty (30) days have elapsed from the commencement of such executed lease, unless the Member applies for and receives a hardship exception from the Board.
- d. No Assignment or Subleasing. No lease of or rental agreement concerning a Unit may be assigned. No Unit may be sublet or subleased.

8.5 Rental Cap. No more than twenty-five percent (25%) of the Units in the Development may be leased to Tenants at any given time. If a Member wishes to lease a Unit to a Tenant at a time when twenty-five percent (25%) of the Units are already being leased, then the Member may appeal to the Board for a special exemption.

- a. Rental Cap Exception. All record Owners of a Unit on the date these CC&Rs are recorded may rent or lease their Unit to Tenants regardless of the percentage of rented

ARTICLE 8: LEASING AND RENTAL REQUIREMENTS

or leased Units. Members must adhere to all other rental or lease prohibitions, restrictions, rules and requirements.

- b. Waiting List. Any Member wishing to lease a Unit must submit a written request to management to ensure the leasing capacity has not been met. When at least twenty-five (25%) of all Units are leased or rented to Tenants, management must maintain a waiting list.
- c. Units with Member in Residence Not Subject to Rental Cap. Units are not deemed to be counted toward the rental cap while a Member resides in the Unit.

8.6 Lease and Rental Agreements.

- a. Leases and Rental Agreements in Writing. All leases and rental agreements between a Member and Tenant must be in writing.
- b. Required Lease and Rental Agreement Provisions. All provisions of any leases and rental agreements between a Member and Tenant must be consistent with and not violate any provisions the Association's Governing Documents. All leases must include, at a minimum, the following provisions: (i) that the Development is a "senior citizen housing development" and subject to the Senior Housing Residency Restrictions and all other occupancy restrictions, (ii) that the Tenants are required to comply with provisions of the Association's Governing Documents and (iii) to be bound by and subject to the same disciplinary procedures and fines as Members.
- c. Lease Agreement. Upon completion, Member must submit a copy of the signed lease or rental agreement to management.

8.7 Governing Documents. Members must provide their Tenants with the Association's Ground Rules and other Governing Documents and ensure compliance with them.

8.8 Transfer of Occupancy. Members living offsite must promptly provide the Association with the current name, address, phone number, and email address of all Unit Residents and any changes in such information.

8.9 Repairing Damage. Members are liable for all damage to the Units, Common Areas, including Exclusive Use Common Areas, and any personal property which was caused by the negligent acts or omissions of such Member, Member's Tenant, or their respective family, Guests, invitees, vendors, or pets. The Association is authorized, in its discretion to repair, restore or replace such damaged property and is permitted to impose a Reimbursement Special Assessment against the liable Member for all costs and expenses incurred by the Association from repairing, restoring or replacing the damaged property. The Reimbursement Special Assessment may become a lien against the liable Member's Separate Interest enforceable by the sale of the Member's Unit under Civil Code sections 2924, 2924(b), and 2924(c).

8.10 Unlawful Detainer. Members who lease their Units must ensure compliance with the Association's Governing Documents by their Tenants. If a Member fails to take legal action against his/her Tenant, who is in violation of the Governing Documents, within ten (10) days after receipt of the Association's written demand to do so, then the Association is permitted to institute unlawful detainer

ARTICLE 8: LEASING AND RENTAL REQUIREMENTS

proceedings on behalf of such Member and against the Tenant and the Association is hereby granted right of possession to the Unit for such purpose. The Association may be awarded costs of suit and/or attorneys' fees by the court as provided by law.

8.11 Assignment of Rents. As security for the payment of Assessments, fines, and other sums owed to the Association, Members who lease their Units pledge their rights as Landlords (including the right to receive rent) to the Association. If a Member becomes delinquent in payment of Assessments or fines to the Association, then the Association is permitted to assign the rents payable by the Tenant to the Association until the Member's account is paid in full as provided for in Civil Code section 2938 or any other provision of law. During the period of assignment, Members have no right to collect the assigned amounts from Tenants and may not evict Tenants for complying with the Association's assignment of rents.

ARTICLE 9: PETS

ARTICLE 9: PETS

9.1 Pet Limitation. Usual domesticated dogs, cats, and birds may be kept in Units as pets. No more than two (2) dogs or two (2) cats or one of each may be kept as pets. Aquariums of 100 gallons or less are permitted to be maintained in Units with only non-poisonous, legal, aquatic creatures, excluding any snakes. No animal is permitted to be kept, bred, or maintained: (i) for any commercial purpose; (ii) in unreasonable numbers; or (iii) for any purpose that would involve any odor, noise, or other nuisance which would unreasonably disturb the use and enjoyment of any portion of the Development by other Members. The Board is permitted to adopt additional Ground Rules regarding the quantity, kinds and sizes of pets, and tanks which may be kept and other pet issues not conflicting with these CC&Rs.

9.2 Preexisting Pets. Pets being kept in the Development on the date of recordation of these CC&Rs, which were not in violation prior to that date, but which are prohibited under these CC&Rs, are permitted. Residents may keep any such pets for as long as the Resident resides in the Development. If the pet has died it may not be replaced, except as provided for in these CC&Rs.

9.3 Service Animals. A service animal is not a pet, covered under these CC&Rs. Details of the current policy on service animals is found in the Association's Ground Rules.

- a. Disability Trained Animals. An animal that is certified as individually trained to do work or perform tasks for the benefit of an individual with a disability, including a physical, sensory, psychiatric, intellectual, or other mental disability, which is kept by a Resident for the purpose of servicing the Resident's medically qualified disability, may be kept by such Resident provided the animal is properly cared for (i.e., kept healthy, clean, and properly groomed and waste material is properly disposed of) and not unruly or disruptive (e.g., barking, growling, running loose, displaying aggressive behavior, etc.).
- b. Emotional Support Animals. A licensed medical practitioner, with whom the requester has had a medical relationship for over thirty (30) days before the request, must certify in writing that the requester has a medical need for an emotional support animal. Such animals may not cause damage, must be leashed, picked up after, and if a danger to other Residents, then must be removed.
- c. Rule Application. All pet rules, except the number limitation, apply to service animals, unless contrary to Americans with Disabilities Act of 1990.

9.4 Nuisance. The Board is authorized to prohibit any animal from the community which, in its opinion, constitutes a nuisance to other Members pursuant to evidence provided at a noticed hearing.

9.5 Dangerous Animals. No wild or undomesticated animal, or animal which the Board has determined to be aggressive or dangerous pursuant to evidence provided at a noticed hearing, is permitted to be kept in the Development. The Board is authorized to require dogs found to exhibit aggressive or dangerous behavior to wear a muzzle while in the Common Area until a further determination is made by the Board as to whether the pet is allowed to remain in the Development.

ARTICLE 9: PETS

9.6 Liability. Members are liable for any injury to Persons or property caused by any animal brought or permitted onto or kept within the Development by the Member, Member's Tenant or their respective family, Guests, or invitees.

9.7 Control. Pets are permitted in the Common Area, only as permitted by the Ground Rules or this Section. All dogs in the Common Area must be on a leash held by a Person capable of controlling the dog. The Association is permitted to remove any unleashed dog found within the Common Areas to a pound or animal shelter under the jurisdiction of the county in which the Development is located. Dogs may be off leash in the dog park as long as they remain under the supervision of a Person capable of controlling the dog.

ARTICLE 10: VEHICLES AND PARKING

ARTICLE 10: VEHICLES AND PARKING

10.1 Management of Parking. The Association manages and controls the use of all Common Area parking and private streets. Vehicle and parking regulations are detailed in the Ground Rules.

10.2 Restricted Parking. Only the following types of vehicles are permitted to be parked or stored in Parking Spaces: automobiles, trucks, motorcycles, and golf carts. Vehicles must be parked completely within the Parking Space. That is, parking in the assigned space cannot impede access by another Member to their spot. No RV, camper, boat, recreational watercraft, trailer, or any other similar vehicle is permitted in any portion of the Common Areas or in any Parking Space unless as otherwise provided in the Ground Rules. Only permitted vehicles may be stored in Parking Spaces. Each Member is solely responsible to ensure that his/her vehicle, or that of his/her Tenants, fits within the Member's assigned Parking Space(s).

Effective as of January 1, 2025, and except as described in 10.6, a maximum of two (2) Parking Spaces per Unit, one in the Del Mesa carport area and another in a Common Area Parking Space, may be used by a Member to park or store vehicles in Parking Spaces on the Association's property.

10.3 Commercial Vehicles. Commercial vehicles, including pickup trucks one ton or larger, panel trucks, tow trucks, stake bed trucks, tank trucks, dump trucks, step vans, concrete trucks, taxis, buses, vans designed for ten (10) people or more, vehicles with commercial signage, and the like, are prohibited, except as provided in the Ground Rules.

10.4 Assigned Parking. Members are assigned one carport per Unit for their exclusive use or for that of their Tenants. Unless prohibited by law, the Association is permitted to suspend such use at a disciplinary hearing due to repeated Governing Document violations. Each Member is solely responsible to ensure that his/her vehicle, or that of his/her Tenants, fits within each Unit's assigned Parking Space.

10.5 Guest Parking. Guest parking is limited by and subject to the Association's Ground Rules.

10.6 Renting of Parking Spaces. Renting or leasing a carport Parking Space to a non-Member, except to a Tenant as part of a lease agreement, is prohibited. However, Members may rent one (1) additional Parking Space from another Member, in which case, the number of allowed Parking Spaces is increased to a total of three (3).

10.7 Proper Operating Condition. All vehicles parked or stored in the Development must be maintained in proper operating condition, and not be a hazard or nuisance by noise, exhaust emissions, or appearance. All vehicles parked or stored in the Development must carry current registration tags and must be insured.

10.8 Electric Vehicle Charging Stations. Members are permitted, with written approval of the Building and Grounds Committee and/or Board, to install, maintain, repair, remove or replace, at their own expense an electric charging station compliant with Section 4745 of the Civil Code (Davis-Stirling Act) or any successor statute. Use of Association electricity to power a Member's electrical vehicle charging station is prohibited unless, following written approval of the Building and Grounds Committee and the Board, the Member has installed an electrical submeter to track electricity usage. The Member must pay the Association for all Association electricity used by the electrical vehicle charging station. The Association may impose reasonable requirements on the location and installation of the equipment. All electrical work must be done

ARTICLE 10: VEHICLES AND PARKING

by a licensed electrician with appropriate permits from the County Building Department. Details of this requirement are found in the Association's Ground Rules.

10.9 Noise Limitation. All vehicles must be configured to operate quietly.

10.10 Repair of Vehicles. Construction, repair, or servicing of vehicles within any portion of the Development is prohibited. However, emergency repairs are permitted when necessary to move a vehicle to a proper repair facility.

10.11 Washing of Vehicles. Except as provided for in the Ground Rules, washing or detailing vehicles in the Development is prohibited.

10.12 Fluid Leaks. Members must keep their carports, Common Area, and streets in front of their Units free of fluids such as oil, radiator coolant, brake fluid, power steering fluid, etc. Members who fail to do so are subject to fines or other discipline, and a Reimbursement Assessment for the cost of cleaning the affected areas.

10.13 Theft or Damage. The Association is not liable for any loss or damage suffered by any Member, Tenant, or Guest due to theft of or damage to any vehicle or vehicle contents, unless resulting from the Association's intentional misconduct or gross negligence.

10.14 Impeding Access. Vehicles must not impede or prevent ready access to any door, gate, entrance, or exit.

ARTICLE 11: ENFORCEMENT OF GOVERNING DOCUMENTS

ARTICLE 11: ENFORCEMENT OF GOVERNING DOCUMENTS

11.1 Association Enforcement Rights. In addition to any other rights described in these CC&Rs and without waiving the Association's right to institute any other enforcement measures, and subject to the notice and hearing provisions in the Bylaws and as required by law, the Association is authorized to enforce the Governing Documents by any of the following means:

- a. Monetary Penalties (Fines). The Board is authorized to assess reasonable monetary penalties (fines) for violations of the Association's Governing Documents by a Member, Member's Tenants or their respective family, invitees or Guests. A monetary penalty (fine) imposed by the Association as a disciplinary measure for failure of a Member to comply with the Governing Documents, is hereby treated and deemed to be an Assessment that may become a lien against the Member's Separate Interest, but such lien may not be enforced by the sale of the interest under California Civil Code Sections 2924, 2924b, and 2924c (non-judicial foreclosure). As assessments, Members are liable for all costs of collection, including reasonable attorneys' fees, court costs, and related expenses for delinquent monetary penalties (fines).
- b. Suspend Common Area Privileges. The Board is authorized to temporarily suspend Common Area privileges (to exclude mailbox access) of Members, Member's Tenants and their respective family, invitees, and Guests for their failure to comply with the Association's Governing Documents. Any such suspension must be for a period of time not to exceed thirty (30) days for each noncontinuing violation. For continuing violations, the suspension may be imposed for as long as the violation continues.
- c. Dispute Resolution. As to any dispute between a Member and the Association, the Association is authorized to engage in Internal Dispute Resolution (meet and confer) pursuant to the Davis-Stirling Act (Civil Code section 5910) and/or Alternative Dispute Resolution as defined in the Davis-Stirling Act (Civil Code section 5925) as provided for in the law.
- d. Judicial Enforcement. A lawsuit for damages, declaratory relief, and/or injunctive relief may be filed, whether or not the relief sought is for negative or affirmative action.

11.2 Cumulative Remedies. The respective rights and remedies, provided by the Governing Documents, under the law, or available in equity, are cumulative. The exercise of any one or more of such rights or remedies does not preclude or affect the exercise, at the same or at different times, of any other such rights.

11.3 Failure to Enforce Not a Waiver. Failure to enforce the Governing Documents, whether by the Board or any Member or other Person entitled to enforce them, is not deemed a waiver of the right to do so. Waiver or attempted waiver of any provision of the Governing Documents with respect to a given Unit is not deemed a waiver of such right as to any other Unit. Additionally, violation of any provision of the Governing Documents by the Members owning any Unit or Units does not affect the applicability or enforceability of any provision of the Governing Documents against the Members owning any other Unit.

ARTICLE 11: ENFORCEMENT OF GOVERNING DOCUMENTS

11.4 Remedy at Law Inadequate. If remedies at law for violation of the Association's Governing Documents are inadequate, then equitable, declaratory, and/or injunctive relief may be sought and awarded.

11.5 Right of Action Against Buyer. If a Member fails to correct architectural, nuisance, or other continuous violations concerning the Member's Unit prior to the transfer of title of the Unit to a buyer, then the Association retains the right to enforce compliance against the buyer for such violations.

11.6 Right to Request Identification. All Persons using the Association's Common Area facilities must provide proper identification when requested by management or the Association's security personnel.

11.7 Attorneys' Fees. If any party initiates any action or proceeding to enforce or interpret the Governing Documents or California law relating to the Development, the prevailing party is entitled to recover reasonable attorneys' fees and court costs, including reasonable expert fees, as permitted by law.

ARTICLE 12: RIGHT OF ENTRY

ARTICLE 12: RIGHT OF ENTRY

12.1 Limited Right of Entry. During reasonable hours and subject to the notice requirements contained in this Article, the Association's representatives, employees, and vendors are authorized to enter Units, Common Areas, and Exclusive Use Common Areas: (i) to inspect and perform maintenance, repairs, or replacements to the Common Areas or Exclusive Use Common Areas; or (ii) to mitigate or repair damage; or (iii) to inspect the Units and Exclusive Use Common Areas to ensure compliance with the Governing Documents.

12.2 Notice of Entry. Email notification may be used only if the recipient previously consented to receive such notices and communications from the Association by email. The Association must give at least three (3) business days' written notice by personal delivery, or five (5) calendar days' written notice by first class mail or email, to the Resident and a Unit Owner, stating the purpose for and time of the entry.

12.3 Avoid Unreasonable Interference. The right of entry must be exercised to avoid unreasonable or unnecessary interference with the possession, use, and enjoyment of the Member or Resident of such Unit.

12.4 Emergency Entry. In an emergency, the Board or its authorized representatives may enter the Unit without permission and is not subject to liability to the Member or Resident for such entry. If exercised in good faith, such entry is deemed to be consented to by all Members and does not constitute trespass or any other wrongful act. If the Association must damage or destroy property to gain access to the Unit, the Member has no right of action against the Association or its representatives for such damage or destruction. However, the Association must repair, at its cost any such damage or destruction if the emergency did not originate in the affected Unit. Prior to emergency entry, if feasible, the Board must make a good faith effort to contact a Member owning the Unit.

12.5 Refusal to Allow Entry.

- a. Entry by Court Order. Following any refusal to expressly grant entry permitted in these CC&Rs, the Association may file suit and seek a court order to gain entry authorized in these CC&Rs. However, if the Member owning the Unit or a Resident of the Unit has expressly prohibited entry authorized in these CC&Rs, then the Association's representatives are permitted to gain entry only after filing suit and obtaining a court order.
- b. Entry without Court Order. If the Member owning the Unit or a Resident of the Unit does not expressly prohibit entry authorized in these CC&Rs, but is unavailable or otherwise refuses to expressly grant access, then the Association, through its representatives, is permitted to enter the Unit, without a court order, in the manner permitted elsewhere in this Article. Such Persons entering with no court order, when acting in good faith, are not liable for trespass or any other unintentional damages resulting from such entry.
- c. Recovery of Attorneys' Fees and Costs in Lawsuit. If the Association files a lawsuit to gain entry and prevails, it is entitled to recover from the Member, by judgment, all expenses the Association incurred because of refusal to allow entry, including, without limitation, the cost of hiring a locksmith, the cost of repairing damage that was

ARTICLE 12: RIGHT OF ENTRY

reasonably necessary to gain entry, and reasonable attorneys' fees and costs of suit for enforcement of this provision of the CC&Rs as the court may order.

- d. Expenses Not Recovered as Part of a Lawsuit. If the Association gains entry without a court order and/or chooses not to seek recovery of expenses in a lawsuit, it is nonetheless permitted to recover all expenses it incurred because of refusal to allow entry, including, without limitation, the cost of hiring a locksmith and the cost of repairing damage that was reasonably necessary to gain entry, but excluding attorneys' fees, by a Reimbursement Special Assessment against the Member, enforceable by all means provided for in these CC&Rs and by law, including lien and foreclosure.

12.6 Damage Repaired by Association. Any damage caused by the Association to the Common Areas excluding that part of the Common Area defined as Open Space or Unit Improvements must be repaired by the Association, at its cost. The Association is authorized to recover the cost of any damage caused by others, but repaired by the Association, by a Reimbursement Special Assessment (if caused by a Member, a Member's Tenant, family member, invitee or Guest), or any other legal means against the responsible parties.

12.7 Power to Vacate Unit. The Association is permitted to require Residents to vacate a Unit to allow maintenance, repair or replacement of the Association's Common Areas or other areas for which the Association is obligated. All costs of temporary relocation during the maintenance, repair or replacement of the areas within the responsibility of the Association must be borne by the Member owning the Unit affected, and not the Association, as provided for in the Davis-Stirling Act (Civil Code section 4775). Such temporary relocation costs include, without limitation, food, lodging, lost rent or other income, and any other associated expenses incurred by the Member. However, it is the Association's duty to diligently make such repairs.

- a. Notice. The Board must give notice of the need to temporarily vacate a Unit to Residents and Members not less than fifteen (15) days prior to the date of the relocation. The notice must state the reason for the temporary relocation, the date and time of the repairs, and the anticipated date and time of completion of repairs. Notice must be either by personal delivery or first-class mail to the address shown on the books of the Association.
- b. Duty to Vacate. Members and Residents must cooperate with the Association and, if requested by the Association, vacate their Units. If not, the Association may file a lawsuit to require cooperation and/or the Unit to be vacated.
- c. Recovery of Attorneys' Fees and Costs in Lawsuit. If the Association files a lawsuit to require cooperation and/or require the Unit to be vacated and prevails, it is then entitled to recover from the Member, by judgment, all expenses the Association incurred because of refusal to cooperate and/or vacate, including, without limitation, reasonable attorneys' fees and costs of suit for enforcement of this provision of the CC&Rs as the court may order.

12.8 Entry by Member's Representative. Members must permit other Member's representatives to enter their Units to perform installations, alterations, or repairs to the mechanical or electrical services to a Unit, if: (i) requests for entry are made in advance; (ii) entry is made at a time reasonably convenient to the

ARTICLE 12: RIGHT OF ENTRY

Member whose Unit is being entered; and (iii) the entered Unit is left in substantially the same condition as existed immediately preceding such entry. Any damage to the Unit caused by entry must be repaired by the entering Member's representative. Both the Member allowing entry, and the Member's representative gaining entry must hold harmless and defend the Association and its Officers, Directors, Committee members, Members, agents, and employees against claims of damage or injury resulting from one Member's representative entering into another Member's Unit.

ARTICLE 13: ASSESSMENTS

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13.1 Purpose of Assessments. The general purpose of Assessments is to fund the Association with resources to provide the membership with services which enhance their safety, provide for the recreation, health, and welfare of the Members, enforce and comply with the Governing Documents, manage the Development, enhance the quality of life in the Association, improve, maintain, repair, and replace Common Areas and Exclusive Use Common Areas, provide for the acquisition and maintenance of property, services and facilities devoted to these purposes, and for any action or undertaking on behalf of the Association.

13.2 Regular Assessment. The Board must levy Regular Assessments in an amount sufficient to provide for the performance by the Board of each and every one of its powers and duties provided, however:

- a. 20% Limitation. Pursuant to the Davis-Stirling Act (Civil Code section 5605), the Board is not permitted, without the approval of Members casting a majority of the votes with a Quorum present, to impose a Regular Assessment which is more than twenty percent (20%) greater than the Regular Assessment for the immediately preceding fiscal year. Quorum for the purposes of this provision means more than fifty percent (50%) of the Members of the Association.
- b. Assessment Allocation. Regular Assessments must be levied in accordance with the Allocation Schedule for Assessments in Exhibit "B".
- c. Payable Monthly. Regular Assessments are payable by each Member against whom assessed in twelve (12) equal monthly installments on the first day of each calendar month or at such other dates and in such other installments as the Board determines. Assessments for new Members must be prorated in the first month of membership according to the date on which the individual becomes a Member.
- d. Written Notice. Written notice of any increase in Regular Assessments must be sent by first-class mail or by email to each Member not less than thirty (30) days nor more than sixty (60) days prior to the increased Assessment becoming due. Email notice is governed by the terms of 20.6 in these CC&Rs.
- e. Modification of Assessment. The Board may modify the Regular Assessments during the course of a fiscal year if necessary to conform to a revised estimate of costs and expenses. However, if the aggregate increase exceeds twenty percent (20%) of the Regular Assessment for the immediately preceding fiscal year, the Board must then obtain the approval of Members as provided for in the Davis-Stirling Act. If an annual Regular Assessment is not published for a new fiscal year, the Regular Assessment for the prior fiscal year applies and governs each Member's payments until changed by a new Regular Assessment.

13.3 Special Assessment. In addition to the Regular Assessment, the Board may levy a "Special Assessment" for any purpose necessary for the Association to carry out its duties; provided, however:

- a. 5% Limitation. Pursuant to the Davis-Stirling Act (Civil Code section 5605), the Board is not permitted, without the approval of Members casting a majority of the

ARTICLE 13: ASSESSMENTS

votes with Quorum present, to impose a Special Assessment which in the aggregate exceeds five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. Quorum for purposes of this provision means more than fifty percent (50%) of the Members of the Association.

- b. Rate of Assessment. Special Assessments must be levied in accordance with the Allocation Schedule for Assessments contained in Exhibit "B".
- c. Reimbursement Assessments. Special Assessments are also permitted to be levied against individual Units for reimbursement of expenses incurred by the Association arising out of actions or omissions of such Member, Member's Tenant, or their respective family, Guests, invitees or pets, as expressly provided for elsewhere in these CC&Rs.
- d. Payment Schedule. Special Assessments are payable by each Member against whom assessed either monthly or at such dates and in such installments as the Board determines.
- e. Written Notice of Special Assessment. Written notice of Special Assessments must be sent by first-class mail or email to each Member not less than thirty (30) days nor more than sixty (60) days prior to the Assessment becoming due. Email notice is governed by the terms of 20.6 in these CC&Rs.

13.4 Emergency Assessment. In emergency situations, the Board may increase Regular Assessments beyond twenty percent (20%) or impose Special Assessments above five percent (5%) of the budgeted gross expenses of the Association for that fiscal year only as provided for in the Davis-Stirling Act (Civil Code section 5610), only for any one of the following emergency situations:

- a. Court Order. An extraordinary expense required by an order of a court;
- b. Personal Safety Risk. An extraordinary expense necessary to repair or maintain the common interest development or any part of it for which the Association is responsible where a threat to personal safety on the property is discovered;
- c. Unforeseen Repair or Maintenance. An extraordinary expense necessary to repair or maintain the common interest development or part of it for which the Association is responsible that could not have been reasonably foreseen by the Board in preparing and distributing the annual budget report. However, prior to the imposition of collection of such an Assessment, the Board must pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process, and the resolution must be distributed to the Members with the notice of Assessment.

13.5 Deposit of Assessments. All sums received by the Association must be promptly deposited into accounts clearly designated in the Association's name.

ARTICLE 13: ASSESSMENTS

- a. Commingling. The Association must maintain separate accounts for its operating funds and its Reserves, respectively, and no funds from those separate accounts are permitted to be commingled at any time.
- b. Interest. No Member has the right to receive interest on any such funds deposited.

13.6 Reserves. All sums assessed and collected by the Association which are budgeted to fund Reserves for anticipated long-term maintenance, repair, and replacement of Common Area components, the cost of which would not ordinarily be incurred on an annual basis, must:

- a. Be Segregated. Be received in trust by the Board, set aside and segregated from the other monies and not be commingled with the Association's Operating Account.
- b. Be Invested. Be invested in low-risk investments. Reserves must be deposited in financial institutions authorized to do business in California and where the Association's deposits are insured against loss. Alternatively, the Association may deposit funds with brokerage houses or institutions which are members of the Financial Industry Regulatory Authority and where the Association's deposits are insured against loss.
- c. Be Withdrawn Upon Approval.
 - i. For expenses budgeted for the current year, upon the signature of two (2) Directors.
 - ii. For non-budgeted expenses, upon approval by the Board and the signature of two (2) Directors.
- d. Not Be Reimbursed. All contributions to the Reserves, as well as interest earned, are for the benefit of the Association and not to the benefit of any individual Member. As such, contributions and interest are not refundable to Members when they cease to be Members of the Association.

13.7 Non-Waiver of Assessments. If the Board fails to approve a Budget or fix the Assessments for the current year, the Budget and Assessments from the preceding year continue until a new Budget is approved and new Assessments are fixed.

ARTICLE 14: ENFORCEMENT OF ASSESSMENTS AND OTHER CHARGES

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14.1 Liability for Assessments and Other Charges. Assessments, together with other charges (e.g. cable/internet and guest rooms), interest, costs, and attorneys' fees (regardless of whether legal proceedings are instituted), are a debt of each Owner of a Unit at the time the Assessment or other sums are levied. Co-Owners and/or Members owning a full or partial interest in a Unit are jointly and severally liable for the entire amount of all Assessments, late charges, interest, reasonable costs of collection, reasonable attorneys' fees, and monetary penalties.

14.2 Enforcement Rights. In addition to any other rights provided for by law or described in these CC&Rs, the Board has the right to collect delinquent Assessments and other charges as follows:

- a. Late Fees and Interest. Unpaid Assessments and other charges are deemed delinquent thirty (30) days after they are due and are subject to a late charge of the greater of either ten percent (10%) or Ten Dollars (\$10.00), which may not be imposed more than once on any delinquent payment, and interest at the rate of twelve percent (12%) per annum, which may commence thirty (30) days after the Assessment becomes due.
- b. File Suit. The Board, on behalf of the Association, is authorized to commence and maintain a lawsuit directly on the debt without waiving its right to establish a lien and initiate foreclosure against the Member's Unit for the delinquent Assessment. In any action to collect delinquent Assessments, late charges or interest, the prevailing party is entitled to costs and reasonable attorneys' fees. All amounts included in any judgment may become the subject of a judgment lien in any county in California in which an abstract of judgment is recorded.
- c. Lien and Foreclosure. In accordance with the Davis-Stirling Act, a delinquent Assessment or installment, together with any late charges, interest, costs, attorneys' fees, and penalties, becomes a lien on the Unit upon the recordation of a "Notice of Delinquent Assessment" in the Office of the County Recorder. The Board is permitted to enforce any Assessment lien against a Unit by filing an action for judicial foreclosure or by nonjudicial foreclosure in the manner provided for in the Davis-Stirling Act. The Association, through its Board, is authorized to bid on the Unit at the sale and may hold, lease, Mortgage, and convey the acquired Unit as permitted by law.
- d. Continuing Lien. Any demand or claim of lien or lien on account of prior delinquencies is deemed to include subsequent delinquencies and amounts due on account thereof. It is the intent of these CC&Rs that any lien recorded against a Separate Interest by the Association to secure payment of delinquent Assessments and/or other amounts be a continuing lien to include any and all subsequent Assessments and other amounts as permitted in the Davis-Stirling Act, to the full extent allowed in *Bear Creek Master Ass'n v. Edwards*, (2005) 130 Cal. App. 4th 1470.
- e. Suspend Privileges. Subject to the notice and hearing provisions set forth in the Bylaws, the Association is authorized to suspend membership privileges, except

ARTICLE 14: ENFORCEMENT OF ASSESSMENTS AND OTHER CHARGES

voting rights, until the delinquent Assessments, fees and fines, including any accumulated penalties, interest, and costs of collection have been paid in full.

- f. Additional Remedies. The remedies provided in this Section are in addition to, not in substitution for, any other rights and remedies which the Association may have.

14.3 No Offsets. All Assessments are payable in the amount specified by the Assessment and no offsets against such amount are permitted for any reason, including, without limitation: (i) a claim that the Association is not properly exercising its duties and powers, as provided in these CC&Rs; (ii) a Member has not made or elects not to make use of the Common Area; (iii) any maintenance, repairs or replacements for which the Association is responsible have not been performed or have not been performed to a Member's satisfaction.

14.4 No Exemption by Waiver of Use. Members are not permitted to exempt themselves from liability for Assessments nor release their Units from liens and charges by waiver of their use and enjoyment of the Common Areas, by abandonment of their Units, or through non-use of Common Areas or membership privileges.

14.5 Attorneys' Fees. Any reasonable attorneys' fees and costs incurred by the Association in the collection of assessments, late fees, and interest against a Member may become a Reimbursement Special Assessment against that Member, which may be collected in any manner provided for by these CC&Rs or by law.

ARTICLE 15: INSURANCE

ARTICLE 15: INSURANCE

15.1 Association Insurance. Except as otherwise provided herein, the Association must obtain and maintain policies of insurance, including those described below. The Association is empowered to assess payments for the premiums for insurance to Owners of individual Units in accordance with the Allocation Schedule for Assessments attached as Exhibit "B". To help keep premiums at a reasonable level, the Association is authorized to establish appropriate deductibles and limits of coverage for its policies of insurance. The Board of Directors must attempt to procure the insurance coverage as specified in this Article, but when any such insurance coverage is not available or affordable, in the sole discretion of the Board of Directors, the Board must seek to obtain the best available insurance the Board in its discretion believes the Association can reasonably afford.

15.2 Association's Insurance for Direct Physical Loss. The Association must maintain one or more master plan policies for loss or damage by fire or other perils covered by the standard "Special Form" policy (or its equivalent) covering all Common Area in the Development.

When available and affordable as determined by the Board, the amount of such insurance should not be less than one hundred percent (100%) of the aggregate full insurable value, on a replacement cost basis. The coverage should, when available, be written on a blanket basis with an agreed value endorsement and an inflation guard endorsement. The Association's insurance policy is intended to be primary with respect to covered property damage in the event a Member's policy covers the same property damage that was the subject of loss. Because construction costs can be unpredictable and suddenly escalate whenever large losses occur, the Association is not liable if actual construction costs are greater than the replacement cost provided by the insurance policy.

- a. Coverage limitation. The Board is authorized, in its sole discretion, to limit the scope of coverage under such policies to what is commonly referred to as "Bare Walls," which exclusions from coverage may include, but are not limited to, the following fixtures and/or components within or attached to a Separate Interest:
- i. Exclusive Use Common Areas.
 - ii. Flooring, wall, and ceiling coverings.
 - iii. Forced air units, heaters, air conditioners, and electrical and plumbing fixtures.
 - iv. Water heaters, water softeners, water filters, and built-in and free-standing appliances.
 - v. Built-in cabinets and countertops.
 - vi. Window treatments and components, such as curtains, drapes, blinds, and related hardware.
 - vii. Personal property of an Occupant.

ARTICLE 15: INSURANCE

- viii. Betterments and Improvements made by the Members.
 - ix. Replacements of any of the foregoing.
- b. Additional Coverage. In addition, the Association will seek to include the following, if available:
- i. "Ordinance or Law Coverage" or its equivalent, including coverage for loss to the undamaged portion of the Building or structure, demolition cost coverage, and increased cost of construction coverage.
 - ii. "Maintenance Fees Receivable" coverage, or its equivalent, to cover the loss from unpaid or uncollected Assessments resulting from a covered property loss.
 - iii. Such other endorsements which the Board may deem necessary or reasonable.

15.3 Other Association Insurance. Except as otherwise provided herein, the Association must also procure and maintain the following additional insurance:

- a. Automobile Insurance. If appropriate, the Association is permitted to purchase insurance for owned and/or hired autos for liability and physical damage coverage.
- b. Boiler and Machinery Insurance. If appropriate, the Association is permitted to purchase insurance for the loss or damage to or as a result of equipment failures such as boilers, pressure vessels, pressure pipes, motors, mechanical breakdowns, electrical failures, and the like.
- c. Commercial General Liability ("CGL"). The Association must maintain one or more CGL policies which provide appropriate liability limits for bodily injury and/or property damage for any one accident or occurrence. The Association must carry coverage in amounts that meet or exceed those called for in the Davis-Stirling Act (Civil Code section 5805) and any successor statutes.
- d. Directors and Officers. The Association must purchase Directors and Officers insurance insuring the Association, Directors, Officers, Committee members, trustees, Association employees, Association volunteers, and any Manager employed by the Association. The Association must carry coverage in amounts that meet or exceed those called for in the Davis-Stirling Act (Civil Code section 5800) and any successor statutes.
- e. Earthquake Insurance. The Association may purchase earthquake insurance, after considering the cost and availability.
- f. Employment Practices Liability. The Association may purchase employment practices liability coverage (whether or not it has employees).

ARTICLE 15: INSURANCE

- g. Fidelity Bond. Per the Davis-Stirling Act (Civil Code section 5806), the Association must maintain fidelity bond coverage for all Directors, Officers, Committee members, and employees of the Association in an amount no less than the combined amounts of the total assessments of the Association for three months, plus Association Reserves. Such fidelity bond must include coverage for computer fraud, funds transfer fraud and social engineering fraud. If the Association uses a managing agent or management company, the fidelity bond coverage must also include dishonest acts by that Person or entity and its employees.
- h. Flood Insurance. The Association may purchase flood insurance, after considering the need, cost, and availability.
- i. Professional liability. The Association may purchase professional liability (errors and omissions) insurance to insure any property management operations of the Association and employees of the Association who perform services on behalf of the Association.
- j. Umbrella Policy. The Association may purchase an excess or umbrella policy over its public liability and property damage, Directors and Officers liability, and workers' compensation policies to provide higher liability limits as the Board determines.
- k. Workers' Compensation. The Association must carry workers' compensation insurance as required by law to cover employees of the association. If available, the Association may also purchase a Voluntary Labor Endorsement to protect its volunteers.

15.4 Member Obligation to Carry Insurance. At their sole expense, Members must purchase and maintain insurance. This includes, without limitation the following coverages:

- a. Personal Property. Insures the contents of their Unit against damage or loss.
- b. Real Property. Insures their Unit against damage or loss, including, but not limited to, all Improvements to the Unit and all fixtures and components within or attached to the Unit.
- c. Premises Liability. Provides protection for bodily injury and property damage.
- d. Personal Liability. Provides personal liability coverage.
- e. Loss of Use. Protects a Member for additional living expenses should his/her Unit become uninhabitable due to a covered loss.
- f. Loss Assessment. Protects against Special Assessments due to a loss which exceeds the Association's master policy limits or deductible.
- g. Member Automobile. If a Member operates a vehicle which is driven across or stored in the Association's Common Areas, then the Member must carry appropriate automobile insurance. The Association has no obligation to police this provision and

ARTICLE 15: INSURANCE

is specifically relieved of any responsibility or liability from doing so or failing to do so.

- h. Other Coverage. Such other coverage as the Member deems appropriate.

15.5 Waiver of Claims. Members waive their claims against the Association to the extent such claims are covered under insurance which Members are required to carry under these CC&Rs, regardless of whether Members actually carry such insurance.

15.6 Supplemental Member Insurance. Rising costs and unprecedented difficulties in obtaining insurance throughout the State of California became an issue in the early 2020's.

Given the Insurable Interest that Members have in their Units, the Board recommends additional property insurance to be carried by Members to supplement the Association's insurance. This supplemental insurance would cover the portions of Common Area Buildings containing Units from loss or damage by fire or other perils covered by the Association's insurance standard "Special Form" policy (or its equivalent). Whether or not supplemental insurance is generally available, the portions of the Common Area Buildings containing Units are an Insurable Interest to each Member, to the degree that each Member has a 1/289th ownership interest in the Common Area. Should the Association's property insurance be inadequate to cover the reconstruction costs of the portions of the Common Area Buildings containing Units, a Member's supplemental insurance will be the property of the Member and is not allocated to other Units.

15.7 Tenant Insurance. Members must require Tenants to have renters or tenant insurance, including coverage for damage to or loss of personal property, personal liability, medical payment to others, and loss of use.

15.8 Responsibility for Deductible and Uncovered Losses.

- a. Intentional or Negligent Acts. If any Common Area property is damaged as a result of the intentional or negligent acts or omissions of any Member, Member's Tenant, or their respective family, Guests, invitees, vendors, or pets and a claim is tendered to the Association's insurance carrier, then the Member is solely responsible for paying any portion of the claim not paid due to the deductible.
- b. Non-Negligent, Unintentional Acts. If any property damage loss which results from a failure of any component, element or portion of the Development and did not result from a negligent or intentional act or omission is tendered to the Association's property damage policy, the Association apportions the deductible of such policy or policies amongst all claimants according to the percentage each claim bears against the total of all claims for the loss when distributing the Association's insurance proceeds to the various claimants.
- c. Uncovered Losses. Apart from deductibles as set forth above, responsibility for any losses for which the Association's property damage policy does not provide coverage is determined according to the maintenance, repair and/or replacement provisions set forth in these CC&Rs and/or the law.

ARTICLE 15: INSURANCE

15.9 Choice of Contractor. With respect to any repairs for which proceeds of insurance are paid or are payable to the Association, the Board must designate the contractor to perform the repairs to the Common Areas.

15.10 Insurance Company Rating. If feasible, as determined by the Board, all policies of insurance identified by this Article must be issued by either a California admitted insurance company or an approved carrier on the California List of Approved Surplus Line Insurers (LASLI) or be a public carrier (e.g., the California FAIR Plan or California Earthquake Authority (CEA)). Each such carrier should hold an A.M. Best Insurance or Standard and Poor's rating of "A-" or better. Notwithstanding the foregoing, if after a comprehensive and thorough search the Board is not able to find coverage with such a rating, then the Board has discretion to obtain insurance with other companies in consultation with the Association's insurance agent.

ARTICLE 16: PROTECTION OF LENDERS

ARTICLE 16: PROTECTION OF LENDERS

16.1 Furnishing of Information. Each Lender is, upon written request, entitled to inspect the books and records of the Association during normal business hours and receive written notice of Board and membership meetings and designate a representative to attend such meetings.

16.2 No Priority Over Rights of First Mortgagees. Nothing in these CC&Rs gives a Member or any other party priority over any rights of First Mortgagees of Units, pursuant to their Mortgages, in the case of a distribution to Members of insurance proceeds or condemnation awards for losses to or taking of Units and/or the Common Area. Additionally, if any Unit or any portion of a Unit is made the subject matter of any condemnation or eminent domain proceeding, then no provision herein entitles the Member, or any other party, to priority over a First Mortgagee of a Unit, concerning any distribution of the proceeds of any award or settlement.

16.3 Relationship with Assessment Liens. Any lien that the Association may have on any Unit for the payment of Assessments subordinates to the lien or equivalent security interest of any Lender with a first trust deed or Mortgage on the Unit, made in good faith and for value, and no such lien impairs the obligation or the priority of such trust deed or Mortgage, unless the Lender expressly subordinates its interest, in writing, to such lien.

16.4 Foreclosure. Any holder of a first Mortgage who takes title to a Unit, pursuant to the remedies provided in the Mortgage, through foreclosure of the Mortgage takes the property free of any claim for unpaid Assessments or charges against the Mortgaged Unit which accrued prior to the time such Person takes title to the Unit.

16.5 Priority of Mortgage Lien. No breach of any provision of these CC&Rs nor the enforcement of any lien created herein affects, impairs, defeats, or invalidates the lien of any Mortgage or deed of trust made in good faith and for value, but these CC&Rs are binding upon any Member whose title is derived through foreclosure, trustee sale, or otherwise.

16.6 Payment of Taxes and Charges. Lenders may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any portion of the Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for such Common Area. Lenders making such payments are owed immediate reimbursement from the Association.

ARTICLE 17: LIMITATIONS OF LIABILITY

ARTICLE 17: LIMITATIONS OF LIABILITY

17.1 Standard for Liability. Officers, Directors, Committee members, employees, or agents are not responsible to the Association, or any Member, Member's Tenant, or their respective family, Guests, or invitees for any loss or damage to the Association, or any Person or property suffered by reason of water, fire, smoke, explosion, electricity, dust, sand, insect or rodent infestation, or any other source, unless there is clear and convincing evidence the damage or loss was caused by the willful, intentional or bad faith misconduct of the Association's Officers, Directors, Committee members, employees, or agents, based upon the information such individual possessed at the time of the purported act or omission. The Association's Officers, Directors, Committee members, employees and agents cannot be held strictly liable for their acts or omissions.

17.2 Limited Personal Liability. No Officer, Director, Committee member, or employee of the Association is personally liable for any loss, injury, or damage to Persons or property for any act or omission, if the act or omission was performed in good faith, within the scope of the Person's duties for the Association, was not self-dealing, and did not constitute willful or intentional misconduct.

17.3 Association Not a Security Provider. The Association is authorized to provide security measures in the Development. However, the Association is not a provider of security and has no duty to provide any security in the Development. The obligation to provide security lies with each Member individually. The Association cannot be held liable for any harm, loss or damage to Persons or property by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. This includes, but is not limited to, any harm, loss or damage from theft of or damage to any article or thing placed or stored in or on any portion of the Common Area.

17.4 Duty to Defend. The Association must indemnify and defend and must advance reasonable attorneys' fees and costs to its Officers, Directors, Committee members, and employees for all expenses and liabilities reasonably incurred by such Person(s) regarding any proceeding (including, but not limited to, alternative dispute resolution proceedings) to which they are a party by reason of having been an Officer, Director, Committee member, or employee of the Association. However, the Association may recover its attorneys' fees and costs from, and is not liable for any judgments or other liabilities for the acts or omissions of, any Persons adjudged to have acted in bad faith or in gross negligence in the performance of their duties to the extent permitted by law.

17.5 Duty to Protect. The Association must protect its Officers, Directors, Committee members, and employees from unlawful harassment in the workplace as such phrase is defined in the law. However, the Association has no duty to prosecute or fund the prosecution of any claim or cause of action which an Officer, Director, Committee member, or employees of the Association asserts against another Officer, Director, Committee member or employee of the Association, or against a Member, which is (i) not based on conduct of the accused performed in the course and scope of his or her duties (ii) founded on personal issues or disputes between the parties, (iii) for personal injuries or emotional distress, or (iv) for defamation.

17.6 Personal Injury or Property Damage Sustained Within a Unit. This Section applies if any Person sustains personal injury or property damage within a Unit or on its attached Balcony, Patio or Deck and the injury or damage results in a claim against the Association or any of its Officers, Directors, Committee members, Members, agents, or employees. The Owner of the Unit, Patio, or Balcony where the injury or damage occurred must: (i) fully indemnify and hold harmless the Association, Officer, Director,

ARTICLE 17: LIMITATIONS OF LIABILITY

Committee member, Member, agent, or employee against whom such claim or suit is brought; and (ii) defend, at his/her own cost and expense, any resulting litigation against the Association, Officer, Director, Committee member, Member, agent, or employee. However, there is no obligation to hold harmless, defend or indemnify any party whose gross negligence or willful misconduct was the cause of the injury or damage.

17.7 Actions Against Directors. Members are not permitted to and waive all rights to file an action or state any cause of action in any pleading against a Director or Officer of the Association, acting within the scope of that Person's duties as a Director or Officer unless the court first determines that the Member seeking to file the pleading has established evidence that substantiates the claim.

ARTICLE 18: DAMAGE/DESTRUCTION TO IMPROVEMENTS

ARTICLE 18: DAMAGE/DESTRUCTION TO IMPROVEMENTS

18.1 Generally. All provisions of this Article 18 apply only when the Common Area excluding that part of the Common Area defined as Open Space has been partially or totally destroyed by fire, earthquake, groundwater flooding or other similar casualties. The provisions do not apply to (i) any damage resulting from any plumbing failure originating in a single Unit and/or (ii) any damage resulting from any casualty or occurrence that affected only a single Unit. The provisions of this Article are also subject to any prohibitions against partitioning the Common Area that might apply.

- a. Cost of Reconstruction. As soon as practical, the Board must: (i) obtain bids from at least two (2) reputable contractors that are licensed in California and insured, which bids must set forth in detail the work required to reconstruct the damaged or destroyed portions of the Common Area to substantially the same condition as they existed prior to such damage and the itemized cost of such work (subject to any increased building standards then in effect); and (ii) determine the amount of all insurance proceeds and Reserves available to the Association for the purpose of effecting such reconstruction.
- b. Automatic Reconstruction. If the cost to reconstruct the Common Areas, excluding the deductible and the value of any insurance proceeds due the Association, is less than or equal to three times the amount of the total annual operating Budget of the Association for the current fiscal year, then the Board, without a vote of the membership, must cause the Common Area to be reconstructed to substantially the same condition as existed prior to such damage (subject to any increased building standards then in effect). Such reconstruction must be completed as promptly as practical. Notwithstanding any other provision, the Board is authorized, without a vote of the membership, to levy an Emergency Special Assessment against the membership to provide the funds necessary for such reconstruction and/or for repayment of any monies borrowed by the Association for such reconstruction.
- c. Membership Approval. If the Board determines that the cost to reconstruct the Common Areas, excluding the deductible and the value of any insurance proceeds due the Association, is an amount greater than three times the total annual operating Budget of the Association for the current fiscal year, then the Common Areas must be reconstructed unless sixty-seven percent (67%) of the membership, by ballot or at a special meeting called for such purpose, vote not to reconstruct the damaged or destroyed Common Areas.
- d. Decision Not to Rebuild. If the membership votes not to rebuild the Common Areas, the Association or any Member is authorized to file a Partition Action under the Davis-Stirling Act (Civil Code section 4610) seeking sale of the entire Condominium project.
- e. Distribution of Insurance Proceeds.
 - i. No Partition Action Promptly Filed. If a Partition Action is not filed within six (6) months of the partial or total destruction, the Board must then distribute the insurance proceeds available for reconstruction, together with any other sums

ARTICLE 18: DAMAGE/DESTRUCTION TO IMPROVEMENTS

otherwise available to the Association for such purpose, to the Owners, less costs for clearing the debris, collecting insurance proceeds, and any other expenses necessarily incurred as a result of the damage or destruction. Such proceeds are distributed proportionately according to cost to rebuild, as evidenced by estimates or receipts. Such payment is subject to rights of Mortgagees holding Mortgages encumbering Units and all unpaid Assessments, together with any interest charges.

- ii. Partition Action Promptly Filed. If a Partition Action is filed within six (6) months of the partial or total destruction, the Association must interplead the insurance proceeds available for reconstruction, together with any other sums otherwise available to the Association for such purpose, to the Owners, less costs for clearing the debris, collecting insurance proceeds, and any other expenses necessarily incurred as a result of the damage or destruction into the Partition Action.

18.2 Duties of Board During Reconstruction. If reconstruction is undertaken, the Board must: (i) enter into a written contract with a contractor who is licensed and insured for such repair, reconstruction, and restoration; (ii) disburse insurance proceeds available for the work, along with funds collected by reason of Assessments, in appropriate progress payments; and (iii) take all steps necessary to ensure the commencement and completion of such repair, reconstruction, and restoration in a lawful, workmanlike manner at the earliest possible date.

18.3 Right of Entry to Assess Damage and Make Repairs. Representatives of the Association, contractors, engineers, workmen, or any other Persons designated by the Board have the right and authority to enter any Unit, Common Area, or Exclusive Use Common Area after such casualty to determine the extent of damage and to make repairs, as provided for under the "Right of Entry" provisions contained in these CC&Rs.

18.4 Power to Vacate a Unit. If necessary, the Board has the authority to vacate a Unit to make repairs, as provided for under the "Right of Entry" provisions contained in these CC&Rs.

18.5 Labor and Materials. In determining whether the plans for a reconstructed Building are in substantial conformance with the Condominium Plan, the Board must take into consideration the availability and expense of the labor and materials in the original construction of the Building. If such labor or material is not available or is prohibitively expensive at the time of reconstruction, the Board is permitted to substitute other labor or materials, as it deems proper.

18.6 Interior Unit Damage. Restoration and repair of any damage caused by fire, earthquake, or other casualty to: (i) the interior of any individual Unit; (ii) personal property, furniture, furnishings, and decorations contained within a Unit; or (iii) any Improvements which were added to the Unit by any present or prior Unit Resident or Member must be made by and at the individual expense of the current Unit Owner. The repairs, restoration and reconstruction must be completed as promptly as practical and in a lawful and workmanlike manner. If the work is of a nature that would normally require approval by the Association, the Member must seek such approval, as provided for in these CC&Rs.

ARTICLE 18: DAMAGE/DESTRUCTION TO IMPROVEMENTS

18.7 Special Assessment for Reconstruction. If the proceeds of insurance obtained by the Association are paid to any Mortgagee of a Unit and, by reason of such payment, the insurance proceeds are not made available to the Association as trustee, or otherwise, to effect any repair, reconstruction, or restoration of any damage and/or destruction to all or any portion of the Development as provided in these CC&Rs, then the amount of such proceeds not made available must be assessed and charged to and against the Member or Members and his/her Unit as an Emergency Special Assessment. The Emergency Special Assessment must be made by written notification from the Board to the Member or Members against whom made.

18.8 Encroachment. If a Building is partially or totally destroyed and then rebuilt, Members agree that minor encroachments of the Common Area on Units or of Units on the Common Area or on other Units are permitted and that valid easements for the encroachments exist. Such encroachments are not considered to be encumbrances either on the Units or the Common Area.

ARTICLE 19: CONDEMNATION

ARTICLE 19: CONDEMNATION

19.1 Notice. Promptly upon learning of any potential condemnation or sale by eminent domain, the Board must notify all Members and First Mortgagees who have filed a written request for notice.

19.2 Payment for Common Area. When an action in eminent domain is brought to condemn all or any portion of the Common Areas, the Association must represent the Members in all proceedings, negotiations, or settlements. Awards for the acquisition of Common Area must be paid to the Board, as trustee, for deposit into the Association's Reserves unless a majority of the total Voting Power of the Association elects to distribute the award among the Members in accordance with their Percentage Interest.

19.3 Payment for Unit. When an action in eminent domain is brought to condemn all or any portion of one or more Units, the award made for such taking must be payable to the respective Owners of the Units, subject to: (i) the rights of Mortgagees holding Mortgages covering such Units; and (ii) all unpaid Assessments of each Member, taken together with interest and other pending charges. The Board of Directors has no responsibility for the restoration of a Member's personal or real property taken as a result of condemnation.

19.4 Revision of Documents. When any part of the Development is condemned, the Board must, as soon as practical, prepare, file, and/or record revised subdivision maps, Condominium Plan, or other documents, reports, schedules, or exhibits necessary to show the changed or altered status of the Development.

19.5 Status of Membership. If a Unit is taken in condemnation, the Unit ceases to be part of the Development, the Member ceases to be a Member of the Association, and the Percentage Interest in Common Area belonging to that Unit automatically become vested in the remaining Members, in proportion to their respective Percentage Interests in the Common Area.

ARTICLE 20: MISCELLANEOUS

ARTICLE 20: MISCELLANEOUS

20.1 Amendment or Restatement. Amendment or restatement of these CC&Rs is permitted by obtaining the affirmative vote of Members comprising more than fifty percent (50%) of the Voting Power of the Association or as provided for by law, unless a specific provision to be amended prescribes a higher required percentage for action to be taken under that provision. Any amendment or restatement enacted in compliance with this provision becomes effective when recorded in the Official Records of Monterey County.

20.2 Lender Approval. If a First Mortgagee is entitled, by the terms of these CC&Rs, to consent to, approve, disapprove, or object to a proposed amendment to or restatement of the CC&Rs, but fails to return a ballot, or other form providing written disapproval or objection within thirty (30) days of receipt, then such First Mortgagee is deemed to have consented to and approved the proposed amendment or restatement, provided the ballot, or other form permitting written disapproval or objection, was delivered by certified or registered mail with return receipt requested and the delivery signed for by a representative of the First Mortgagee.

20.3 Amendment to Conform to Statute. If a provision in these CC&Rs contradicts current law, according to a written opinion of the Association's legal counsel, then on the unanimous approval of the Board of Directors and without approval of the Members, the Board is authorized to amend that provision, but only to the extent necessary to render the provision compliant with applicable law. A resolution explaining the need for the change must be adopted by the Board in an open meeting of the Board and recorded in the minutes.

20.4 Term of CC&Rs. These CC&Rs continue in full force and effect for a term of sixty (60) years from the date of their recordation (the Renewal Date), after which time they are automatically extended for successive periods of twenty (20) years. The provisions of this Article are also subject to any prohibitions against partitioning the Common Area that might apply. These CC&Rs may be terminated if, within six (6) months prior to the Renewal Date of any twenty-year extension period, (i) at least seventy-five percent (75%) of the Members and seventy-five percent (75%) of the First Mortgagees approve by secret ballot circulated by the Association via its Board of Directors to terminate these CC&Rs, and (ii) an appropriate governmental agency has agreed in writing to assume the Association's Common Area maintenance, repair, and replacement obligations, and (iii) certification of the membership's and First Mortgagee's approval to terminate and the agency's agreement to assume maintenance duties are recorded with the Office of County Recorder in which the Development is situated, and (iv) the Association's contractual and other legal obligations are wound up, and (v) all required corporate filings, tax returns, and notices are filed with appropriate agencies to effectuate dissolution of the Association/corporation, and (vi) insurance tail coverage is purchased to cover any potential liability the Association may have until all applicable statutes of limitations have run their course.

20.5 Attorneys' Fees. In a lawsuit by the Association seeking the enforcement of the Governing Documents against a Member or to determine the rights or duties of the Member under the Governing Documents, the prevailing party may be awarded reasonable attorneys' fees and costs as permitted by law.

20.6 Notices. Any communication or notice of any kind permitted or required to be delivered pursuant to the Association's Governing Documents, or pursuant to the Davis-Stirling Act, must be in writing. Such delivery must be made as follows:

ARTICLE 20: MISCELLANEOUS

a. To the Association:

- i. Manner of Delivery. By electronic delivery (email, facsimile, or other electronic means), by personal delivery (for which a receipt must be provided), or by mail (first class, postage prepaid, registered or certified, express mail, or overnight delivery by an express service center). This provision consents to allow personal delivery and electronic delivery to the Association. However, the Association is permitted to withdraw such consent, in writing, as to any Member whose electronic communications or personal visits are abusive or harassing, and limit communications and notices from such Member to mail only.
- ii. Recipient of Delivery. The Person designated in the Association's annual policy statement to receive documents on behalf of the Association. If no Person has been designated to receive documents, the document must be delivered to the President or Secretary of the Association.

b. To the Members:

- i. Manner of Delivery. For communications and notices subject to the Davis-Stirling Act, in the manner required therein, including individual notice or delivery, general notice or delivery, electronic delivery (with consent), or otherwise. For other communications and notices not subject to the Davis-Stirling Act, by electronic delivery (email, facsimile, or other electronic means), by personal delivery, or by mail (first class, postage prepaid, registered or certified, express mail, or overnight delivery by an express service center).
- ii. Location of Delivery by Mail or Email. Delivery must be made according to the Member's preferred delivery method, or if no method is selected, as otherwise determined by the Davis-Stirling Act (Civil Code section 4041), and as further provided for in the Davis-Stirling Act (Civil Code section 4040 (individual delivery) and Civil Code section 4045 (general delivery)).

c. When Notice Deemed Delivered.

- i. By Mail. If a document is to be delivered by the United States Postal Service (USPS), then delivery is deemed to be complete on deposit into the USPS mail.
- ii. By Electronic Means. If a document is delivered by electronic means, then delivery is complete at the time of transmission.

20.7 Headings and Titles. The headings and titles contained in these CC&Rs are for convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction of any term or provision of these CC&Rs.

ARTICLE 20: MISCELLANEOUS

20.8 Liberal Construction. The provisions of the Governing Documents must be liberally construed to effectuate their purpose of creating a uniform plan for the use, operation and maintenance of the Development.

20.9 Number and Gender. Words used herein regardless of the number and gender specifically used, are deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.

20.10 Severability. The provisions of these CC&Rs and any other Governing Document are deemed independent and severable and the invalidity, partial invalidity, or unenforceability of any one provision has no effect on the validity or enforceability of any other provision.

20.11 No Public Rights. Nothing contained in these CC&Rs is a gift or dedication of all or any portion of the Development to the general public or for any public use or purpose whatsoever.

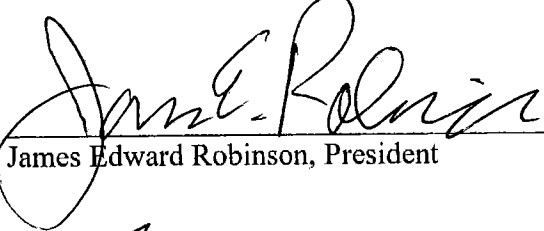
20.12 Successor Association. If the Association, as a corporate entity, is dissolved, then a nonprofit, unincorporated association, without further action, automatically succeeds to all the rights and duties of the corporation. The affairs of the unincorporated association continue to be governed by these CC&Rs, the Bylaws, architectural style, and the Ground Rules, as well as any applicable law.

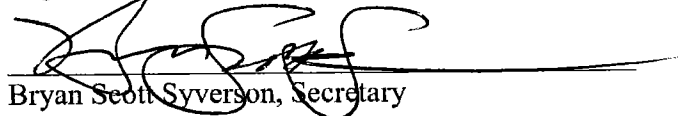
20.13 Conflicting Provisions. When a conflict exists between these CC&Rs and the Articles of Incorporation or the Bylaws, these CC&Rs control. When a conflict exists between the Articles of Incorporation and the Bylaws, the Articles of Incorporation control.

CERTIFICATION

WE CERTIFY this 26th day of September, 2024 that this 2024 Restated Declaration of Covenants, Conditions and Restrictions has been duly approved and adopted by the affirmative vote of at least a majority of the Owners of Del Mesa Carmel Community Association.

DEL MESA CARMEL COMMUNITY ASSOCIATION, INC.


James Edward Robinson, President


Bryan Scott Syverson, Secretary

***See Attached
for Notary***

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Monterey)

On September 26, 2024 before me, Lorraine Moniz-Norris Notary Public
(insert name and title of the officer)

personally appeared James Edward Robinson, Bryan Scott Silverson,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature] (Seal)

EXHIBIT "A"
LEGAL DESCRIPTION

All that real property lying within the exterior boundaries of Tract No. 558 Resubdivision of Del Mesa Carmel, as designated and defined on that Map filed for records on October 18, 1967 in Volume 9 of Cities and Towns, at page 36, Official Records of Monterey County, California, EXCEPTING, however, therefrom those certain Parcels "A-1", "B", and "C-1", as said parcels are shown on the Map of Tract No. 558.

Units 151 through 205, inclusive, as shown on that amending Map filed December 4, 1970 in Volume 10 of Maps, Cities and Towns, at Page 43, Records of the County Recorder, Monterey County, California, being an amendment to that Map of Tract No. 604, Resubdivision of Del Mesa Carmel Unit No. 2, filed December 17, 1969, in Volume 10 of Maps, Cities and Towns on Page 23, Records of the County Recorder, Monterey County, California.

Units 206 through 227, inclusive and Units 229 through 242, inclusive as shown on the Second Amending Map of Tract 604, filed August 18, 1971 in Volume 11 of Maps, Cities and Towns, on Page 12, Records of the County Recorder of Monterey County.

Unit 228 and Units 243 through 289, inclusive as shown on the Map of Tract No. 671 being a resubdivision of Tract No. 604 Del Mesa Carmel No. 2, filed August 9, 1972 in Volume 11 of Maps, Cities and Towns, on Page 49, Records of the County Recorder, Monterey County, California.

EXHIBIT "B"
ALLOCATION SCHEDULE FOR ASSESSMENTS

Type of Unit	Units of this Type at DMC	Assessment %, as a function of Unit Type
A	74	0.3241%
B	88	0.3615%
C	51	0.4060%
D	34	0.2461%
E	9	0.3469%
F	33	0.3642%
Totals	289	