

SUMMER PLACE HOMEOWNERS ASSOCIATION

Solar Energy System Guidelines

These guidelines are designed to help assure continuity of design, to preserve and improve the appearance of the community, and be consistent with California Civil Code §714, §714.1 and §4746, which permits the Association to have reasonable restrictions on solar energy systems, that do not significantly increase the cost of the system or significantly decrease its efficiency or specified performance, or which allow for an alternative system of comparable costs, efficiency, and energy conservation benefits.

These guidelines also recognize that the costs for exterior maintenance of the Residential Lots, surface painting of the residential buildings and garages, as well as the maintenance of the roofs, are paid for by all the Owners in the Association as part of the assessments; and, it is also recognized that any roof warranty will likely be voided by the installation of a solar panels on a roof, and that roofs may need to be repaired or replaced requiring the removal of a solar panel system from the roof. Therefore, equity and fairness dictate that the membership should not incur costs for the maintenance, repair and replacement of these exterior areas as may be associated with an Owner's installation, maintenance and use of a solar energy system, including the cost to remove and replace a solar energy system to permit a roof to be repaired or replaced, building to be painted or to address exterior landscaping maintenance.

An Owner of a residence in the Association shall seek architectural approval from the Board of Directors for the installation of a solar energy system on the Owner's residential or garage roof, or anywhere on the exterior of the Owner's residence except for inside the enclosed patio area (unless the solar energy system would be visible from the common area, in which case architectural application is required), and shall obtain such approval, before the Owner has installed, and/or permits to be installed, maintained, repaired or replaces a solar energy system thereon. In addition to the within guidelines, the application for approval shall be processed and approved by the Board of Directors in a similar manner as an application for approval of a modification to the property as set forth in the CC&Rs and Architectural Policy, and shall not be willfully avoided or delayed. Solar energy systems shall not be installed, maintained, repaired or replaced by anyone other than a licensed installer pursuant to these guidelines and the architectural approval.

1. **Definition.** As used herein, a "solar energy system" means either of the following:
 - a. Any solar collector or other solar energy device whose primary purpose is to provide for the collection, storage, and distribution of solar energy for space heating, space cooling, electric generation, or water heating.
 - b. Any structural design feature of a building, whose primary purpose is to provide for the collection, storage, and distribution of solar energy for electricity generation, space heating or cooling, or for water heating.
2. **Prohibition on Common Area.** Owners may not place nor install any solar energy system on any part of the Common Area.

3. Architectural Application Required.

a. The Association's Declaration of Restrictions (the "CC&Rs") and architectural rules of the Association require Owners to seek approval for any construction, alteration, addition, or change of any improvements in the Project. Accordingly, an Owner of a resident in the Association shall seek approval from the Committee for the installation of a solar energy system and obtain such approval, pursuant to the CC&Rs, the Association's architectural rules, and these Guidelines before the Owner installs, and/or permits to be installed, maintains, repairs or replaces a solar energy system.

b. The application for permission to install a solar energy system shall be submitted by the Owner of the residence (the "applicant") for which the system will serve the "Owner's Lot". The application shall consist of full and complete plans and specifications and material samples, including, but not limited to professionally drawn plans depicting the dimensions, location, size, design, elevations, materials, color, measurements, assembly, and energy specifications for all elements of the system, and shall contain all the information, requirements and specifications for a "Complete Application" as set forth in these Guidelines. The system shall comply with all applicable codes and regulations, including but not limited to all health and safety standards and requirements imposed by state and local permitting authorities, and the applicant shall obtain all applicable permits. The Committee may request additional plans and specifications from the applicant, including but not limited to engineering and architectural specifications prepared by licensed civil engineers and/or architects.

3. Complete Application.

a. All applications must be complete upon submission for review. Incomplete applications will not be considered for approval. A Complete Application shall contain, provide for and show compliance with all of the following:

1) Full and complete plans and specifications and material samples, including, but not limited to professionally drawn plans depicting the dimensions, location, size, design, elevations, materials, color, measurements, assembly, and energy specifications for all elements of the system. If the system is to be placed on a flat roof, engineering details and certification shall be provided indicating that the system will not affect the structural integrity of the residence or the garage.

2) Compliance with applicable City, County, State, and Federal laws and all required certificates and standards thereby required.

3) If the Owner's roof is connected to another Residential Lot, the roof is considered a shared roof, and the applicant shall submit a solar site survey showing the placement of the proposed solar energy system which survey is prepared by a licensed contractor or the contractor's registered salesperson knowledgeable in the installation of solar energy systems to determine the usable solar roof area. This survey or the cost to determine useable space shall not be deemed as part of the cost of the system as used in Civil Code Section 714. The solar site survey shall also include determination of an equitable allocation of the usable solar roof area among the owners sharing the same roof.

- 4) No applicant shall install a solar energy system on the roof of another residence or Owner, nor in the space otherwise allocated by the solar site survey for another owner's use, unless said owner gives written approval and notice to the Association and applicant agrees that the solar energy system subject to the terms of these Guidelines and the Deed Restriction.
- 5) The applicant shall provide a commitment letter from the applicant's homeowner insurance carrier, to provide a homeowner liability coverage policy covering the installation, placement, maintenance, repair, and use of the solar energy system. Applicant shall obtain such insurance coverage and provide the Association with the corresponding certificate of insurance within 14 day of approval of the application and annually thereafter.
- 6) All aluminum trim shall be anodized or otherwise color treated to be in harmony with roof materials and other dominate colors of the structures.
- 7) Solar units shall be constructed of ridged materials.
- 8) A solar energy system on a peaked or slanted roof shall be mounted below the peak line, and parallel with the roof plane surface and shall be mounted in the most obscure location upon the roof without reducing operating efficiency. Non-flat plane absorber style collector(s) (i.e., coiled tubing, parabolic reflectors and other type units) and any units mounted on racks not otherwise parallel with the roof, shall not be mounted on the roof. It is understood that a solar energy system on a flat roof will need to be tilted toward the sun; however, such a system shall not be mounted or placed above the surface of the flat roof more than 5 inches at its lowest point, nor more than 12 at its highest point of tilt, and in no event shall solar panels be tilted so as to cause direct reflection at a neighboring property.
- 9) All conduit, lines, pipes, tanks, and equipment shall be concealed from view, with their location and method of concealment, and installation shown and detailed on the application plans and specifications.
- 10) Panel material should be matte finish, dark in color.
- 11) No solar energy system shall be mounted on a railing or on any fences in the Project.
- 12) Calculations shall be provided verifying the number and area of solar panels required in applicant's allocated usable space.
- 13) Photographs, drawings and renderings shall be included with the Complete Application showing the location of the proposed solar units (panels and all related equipment) and their visibility from neighboring residences and the Common Area.
- 14) Neighbor Awareness Form. The Complete Application must also include a fully executed Neighbor Awareness form (the form to be provided by the Association), with signatures from the adjacent Owners sharing the same roof with the applicant, whereby said Owners sign that they have been given notice and afforded reasonable opportunity to review the Complete Application, including but not limited to the Solar Survey. After due diligence, if the applicant cannot obtain a signature from an adjacent Owner, then in place of such signature, the applicant shall send to said Owner, by certified return receipt first class mail, a copy of the Complete Application, and provide to the association, proof of such due diligence and certified mailing. The applicant must

sign the Neighbor Awareness form declaring compliance with these requirements. No solar easement (as the term "solar easement" is defined by Civil Code Section 801.5) is created or implied by the Neighbor Awareness form's use or signing thereof by an Owner.

15) Indemnity by Installer. The Complete Application must also include an agreement by the installer(s) of the solar energy system to indemnify and reimburse the Association and its members, for loss or damage caused by the installation, maintenance or use of the solar energy system. (California Civil Code Section 714.1.) This agreement shall be in a form approved by the Association. Note: this agreement will be eventually attached to the Deed Restriction recorded on the title to the Owner's Condominium.

16) The Complete Application must also include a fully executed Deed Restriction (in a form provided by the Association), setting forth terms and conditions for the approval, installation and maintenance of the system, which Deed Restriction will be recorded against the title to Owner's Lot as covenants, conditions, conditions, easements and licenses which shall run with the title to Owner's Lot and which shall be binding on all parties having or acquiring any right, title or interest in the Owner's Lot until such time as the system is permanently removed and the roof fully restored to new condition. The Deed Restriction shall include, but not limited to: Applicant and successors shall assume complete and full maintenance, repair, and replacement of the roof and other building components, the exterior area of the Owner's Lot, and all Common Area, Exclusive Use Common Area or other's separate property impacted by the system (California Civil Code §714.1) including indemnifying and holding the Association harmless; applicant and successors shall remove the solar energy system if attached to or set upon the roof or building to permit the Association to comply with its obligations, and if the applicant or successors fails to do so, the Association may remove the system at the then Owner's expense, and dispose of the system; applicant and successors shall provide and maintain casualty and liability insurance; and applicant and successors shall permit inspection by the Association's roofing contractor and, applicant shall make corrections and repairs as may be advised by the roofing contractor.

4. Deemed Received. A Complete Application is deemed received by the Architectural Committee upon delivery to and receipt by the community manager on behalf of the Association, or delivery to and receipt by the Committee or the Board at a regularly scheduled board or Committee meeting of the Association.

5. Permits. All applicable permits shall be obtained and copies provided to the Association within 5-days of issuance; and a copy of the sign-off(s) provided to the Association within 10 days of the sign-off(s).

6. No Solar Easement. No solar easement (as the term "solar easement" is defined by Civil Code Section 801.5) is created or implied by the approval of the Complete Application or by any of the provisions of these Solar Energy System Guidelines.

7. Completion Within Six Months. The approved installation shall be completed within 6 months of the architectural approval or any extension thereof issued in writing by the Association. If the Owner, who has been given architectural approval for the system, should sell or otherwise convey voluntarily or involuntarily any interest in the Owner's Lot before installation is commenced, the architectural approval is deemed void and of no effect. Installation is said to be commenced upon the permanent placement of a material and significant part of the System on the Owner's Lot pursuant to the Approval.

8. **Revocation of Approval.** If before installation of the System is commenced, Owner sells or otherwise conveys any interest in the Owner's Lot or if a party holding a secured interest against the Owner's Lot forecloses, then the Approval is deemed revoked, no System may be installed on the Owner's Lot pursuant to the Approval, and the Deed Restriction is deemed terminated. Installation is said to be commenced upon the permanent placement of a material and significant part of the System on the Owner's Lot pursuant to the Approval.

9. An Owner of an installed System is legally responsible to disclose to and inform prospective buyers of the existing solar energy system of the related responsibilities of the Owner under these Guidelines and the Deed Restriction.

EXHIBIT AC@

INDEMNITY AGREEMENT

(By Installer of Solar Energy System)

In accordance with California Civil Code Section 714.1, _____
(name of installer) whose address is _____, with license
number _____ (herein referred to as the AInstaller@) is installing of a Solar Energy System
for _____ on their property at _____,
and Installer hereby agrees to indemnify, defend, and hold harmless
_____ (herein referred to as the AAssociation@), and its officers,
directors, committee members, management companies, managers, agents, employees,
contractors, insurers, attorneys, representatives, and its members, from any and all liability,
actions, claims, demands, damages, debts, losses, obligations, suits, judgments, mediations,
arbitrations, costs and expenses (including attorney fees and costs) of whatever nature, character
or description, whether known or unknown, suspected or unsuspected, anticipated or
unanticipated, arising from or related in any manner or way to the installation and use of the
Solar Energy System for _____ on their property at _____.
The Association shall have the right to assume the defense of and control the disposition of any
such claim or litigation, whether by compromise, settlement or other resolution, and the Installer
shall fully cooperate with requests of the Association to such end.

License No. _____

Print Name of Company Installing Solar Energy System

Date: _____

By: _____
Signature of Individual Signing for Company

Print Name of Individual Signing for Company

Recording Requested by:

and when recorded mail to:

SUMMER PLACE
HOMEOWNERS ASSOCIATION
c/o Coastal Resource Community Mgmt
32332 Camino Capistrano Suite 104
San Juan Capistrano, CA 92675

APN:

DEED RESTRICTION

WHEREAS, _____ and his/her/their successors and assignees, (herein referred to as "Owner") are the recorded owner(s) of the real property at _____ legally described as:

Unit ____, as shown and described on a Condominium Plan recorded April 3, 1973 in Book 10626, at Page 601, and an undivided ____ common interest in and to Lot 1 of Tract 7925 as per Map recorded in Book 318, Pages 30-31, inclusive of Maps of the Office of the County Recorder of the County of Orange, California.

(herein referred to as the "Property"), and located in the common interest subdivision known as Summer Place Homeowners Association (herein referred to as the "Association") in California; and,

WHEREAS, the Property is subject to the Declaration of Covenants, Conditions, and Restrictions for the Association, recorded on April 3, 1973 as instrument number 2305, in Book 10626, Page 624 et seq, in the office of the county recorder of Orange County, California, and any amendments thereto, (hereinafter all referred to as the "CC&Rs"); and the Property is subject to the architectural rules of the Association as is adopted from time to time, as well as the Solar Energy System Guidelines of the Association (hereinafter referred to as the "Guidelines"); and,

WHEREAS, the CC&Rs and architectural rules require the Owner of the Property to seek and obtain approval from the Board of Directors of the Association (hereinafter referred to as the "Board") for any construction, alteration, addition, or change of an improvement in the Project; and,

WHEREAS, the Owner of the Property is required to seek approval from the Board for the installation of a solar energy system on the Property and obtain such approval, pursuant to the CC&Rs, the Association's architectural rules, and Guidelines before the Owner installs, and/or permits to be installed, maintained, repaired or replaces a solar energy system on the Property; and,

WHEREAS, the CC&Rs, architectural rules and Guidelines help assure continuity of design which will help preserve and improve the appearance of the community, and the Guidelines are consistent with California Civil Code Sections 714 and 714.1 which permit the Association to have reasonable restrictions on the installation of solar energy systems that do not significantly increase the cost of the system or significantly decrease its efficiency or specified performance, or which allow for an alternative system of comparable costs, efficiency, and energy conservation benefits; and,

WHEREAS, pursuant to the CC&Rs, architectural rules and Guidelines, the Owners applied to the Board for approval to install a solar energy system (hereinafter referred to as the "System") on the Property, including solar panels on the Property (hereinafter referred to as the "Application"); and,

WHEREAS, on _____ the Board for the Association approved the Application, which approval is attached hereto as Exhibit "A", hereinafter referred to as the "Approval"; and,

NOW, THEREFORE, in consideration of the issuance of the Approval the Owner hereby covenants with the Association that the conditions set forth in the Approval and the following additional conditions shall at all times on and after the date of which this Deed Restriction is recorded constitute for all purposes covenants, conditions and restrictions on the use and enjoyment of the Property, and shall bind Owner and all parties having or acquiring any right, title or interest in or to any part of the Property.

1. ADDITIONAL CONDITIONS.

- a) Copies of issued permits and approvals for Owner's System shall be provided to the Association within five (5) days of issuance; and, a copy of the sign-off(s) from governmental agencies of completion or final approval of the installation of the System shall be provided to the Association within 10-days of issuance.
- b) Owner shall cause the installer of the System to indemnify and hold harmless the Association, its officers, directors, managers, agents, contractors, and its members, from any and all liability, actions, claims, demands, damages, losses, judgments, mediations, arbitrations, expenses including but not limited to attorney fees, or charge caused by or arising from the installation, maintenance or use of the System. A copy is attached hereto as Exhibit "B". The Association shall have the right to assume the defense of and control the disposition of any such claim or litigation, whether by compromise, settlement or other resolution, and the Owner and installer shall fully cooperate with requests of the Association to such end. The expiration or termination of this Deed Restriction shall not affect the continuing obligations of the Owner, installer and the rights of the Association under this paragraph.
- c) Owner shall comply with the CC&Rs, the architectural rules, and the Guidelines.

- d) Owner assumes all responsibility and liability for the condition of the Property, including but not limited to the condition of the residential roof or building upon which the System is installed.
- e) Owner shall maintain and repair the System in good and attractive condition in compliance with the CC&Rs and the architectural rules.
- f) Owner shall maintain, repair, and replace the roof of the building upon which the System is installed or set upon, and other building components impacted by the System. This includes, but is not limited to the duty of the Owner to make roof and building repairs, as well as repairs to the interior of any residence damaged by water intrusion or other damages caused by or in any manner related to the System. Other than the obligations of the Owner to maintain, repair and replace as set forth in this Agreement, where the System is placed on a shared roof, should the neighbor sharing the roof upon which the System is placed, determine it necessary to maintain, repair or replace any component of the neighbor's residential building for which the adjacent neighbor is responsible, the Owner shall remove the System at Owner's expense within 15 days of a written demand by the adjacent neighbor. In the event Owner fails to comply with this requirement to remove the System, (or if the Board of Directors determines that the Owner is not complying with Owner's obligation to maintain, repair and replace the System and/or Property, and determines to perform the work as permitted by the CC&Rs), the adjacent neighbor sharing the roof upon which the System is placed, may enter the Property and cause removal of the system, or the Board of Directors of the Association and agents, may enter the Property, and cause removal of the System, all at the Owner's expense, and may dispose of or otherwise get rid of the System in the sole discretion of the adjacent neighbor or the Board of Directors of the Association, and Owner agrees he/she/they have no right to compensation for any loss of the System or otherwise. If the Owner removes the System as provided in the paragraph, the Owner may have the same system re-installed in the same location and manner within 10 days of notice from the Association
- g) Owner will at all times, carry insurance coverage for loss or damage to the System, the Property and any affected areas including Common Area, the shared roof and adjacent neighbor's property, and for resulting property damage and/or bodily injury related to the System, and such other insurance as the Association may deem reasonably necessary to protect the adjacent neighbor's property and the Association from risks related to the System.
- h) Owner shall indemnify, defend, and hold harmless the adjacent neighbor and the Association, its members, officers, directors, managers, agents, contractors, attorneys and insurance carrier, from any and all liability, actions, claims, demands, damages, losses, judgments, mediations, arbitrations, expenses including but not limited to attorney's fees, arising out of or related in any manner to the System. The Association shall have the right to assume the defense of and control the disposition of any such claim or litigation in which it is involved,

whether by compromise, settlement or other resolution, and the Owner shall fully cooperate with requests of the Association to such end. The expiration or termination of this Deed Restriction shall not affect the continuing obligations of the Owner and the rights of the adjacent neighbor and the Association set forth in this paragraph.

2. **REMEDIES.** Any act, conveyance, contract, or authorization, whether written or oral which uses or would cause to be used or would permit use of the Property contrary to the terms of this Deed Restriction will be deemed a violation and a breach of this Deed Restriction. Upon breach, termination for any reason of this terms herein, or if this Deed Restriction is determined to be void or unenforceable by court order, the Association may upon the sole discretion of the Board, require mitigation by Owner or direct that the System be removed from the Property, and the Property, and other affected real and personal property to be restored at the sole cost and expense of the Owner. If Owner fails to remove the System and/or restore as herein required, the adjacent neighbor and/or the Association's Board of Directors and agents may enter the Property and may elect to cause the removal of the System at the Owner's expense, and may dispose of or otherwise get rid of the System in the sole discretion of the adjacent neighbor or Board of Directors of the Association, and Owner agrees he/she/they have no right to compensation for any loss of the System or otherwise. Owner may not re-install the System. Further, the Owner shall reimburse the adjacent neighbor and/or the Association for any costs or fees, including attorney, contractor, engineer, permits, or expert costs or fees incurred in enforcing this Deed Restriction, and the same may be a Special Assessment levied by the Association for the benefit of the Association, against the Owner and Property, and the subject of a lien against the Property, and collected pursuant to the CC&Rs and applicable law.

If before installation of the System is commenced, Owner sells or otherwise conveys any interest in the Property or if a party holding a secured interest against the Property forecloses upon the Property, then the Approval is deemed revoked, no System may be installed on the Property pursuant to the Approval, and this Deed Restriction is deemed terminated. Installation is said to be commenced upon the permanent placement of a material and significant part of the System on the Property pursuant to the Approval.

The Association, adjacent neighbor, and Owner may pursue any and all available legal and/or equitable remedies to enforce the terms, covenants, conditions and restrictions of this Deed Restriction. In the event of a breach, any forbearance on the part of Owner or the Association to enforce the terms, covenants, conditions, and restrictions of this Deed Restriction shall not be deemed a waiver of enforcement rights.

3. **NO REPRESENTATIONS OR WARRANTY.** The Association, its directors, officers, managers, agents, attorneys, and contractors, make no representation, warrantee or guarantee as to the permitted or intended use of the System, the placement of the System, and compliance with any building codes or laws. Further, The Association, its directors, officers, managers, agents, attorneys, contractors, and members make no representation, warrantee or guarantee as to the condition of the Property, including but not limited to the Common Area, residential roof and compliance with any building codes or laws.

4. **CONFLICTS.** This Deed Restriction is in addition to the CC&Rs.

5. **ATTORNEY FEES.** In the event that legal proceedings are required to enforce any of the terms, provisions, covenants, conditions, or restrictions of this Deed Restriction, the prevailing party shall be entitled to recover its costs and reasonable attorney's fees.

6. CONSTRUCTION. This Deed Restriction shall be construed as if both the Association and Owner jointly prepared this document and any uncertainty and ambiguity shall not be interpreted against any one party. In the event any of the terms, conditions or covenants contained in this document are held to be invalid, then any such invalidity shall not affect any other term, covenant, condition, or restriction contained herein, which terms, covenants, conditions and restrictions shall remain in full force and effect. This document cannot be amended, modified or supplemented except by a writing signed by the affected parties.

7. REPRESENTATION BY OWNER. The Owner, _____, has presented to the Association that he/she/they are the sole owner(s) of the Property at the time of Owner's signature to this Agreement.

"Association"

DATED: _____

SUMMER PLACE HOMEOWNERS ASSOCIATION

By: _____
_____ President

"Owner"

DATED: _____

[Print] [Signature(s)]

DATED: _____

[Print] [Signature(s)]

(Sign in the presence of a notary; attach notary acknowledgment forms hereto).