

LAUREL POINT TOWNHOMES

Date July 31, 2024

To: Laurel Point Townhomes

From: Laurel Point Townhomes Board of Directors

RE: Proposed Election Rule Change – 28-day comment
Proposed Solar Energy Policy – 28-day comment

Dear Member:

The Board of Directors has proposed an update to the Laurel Point Townhomes Election Rules and Solar Energy System Application and Installation Policy, pursuant to their responsibility under the Associations Governing Documents and the California Civil Code. Please review the proposed Election Rules update and Solar Energy System Application and Installation Policy and send any comments to Revolve Property Management at 2013 E. Orangethorpe Avenue, Suite A, Placentia CA 92870, within twenty-eight (28) days of the date of this letter.

Please note this is a chance for you to provide your input to the Board for their consideration before they enact the enclosed Election Rule changes and the Solar Energy System Application and Installation Policy. The Board will meet at the September board meeting to consider all member comments and vote to adopt a final policy following the 28-day comment period.

On behalf of the
Laurel Point Townhomes
Board of Directors

Jen Parker CMCA, AMS
Senior Community Manager

(include comments on reserve side)

LAUREL POINT TOWNHOMES

Rule Changes

The Board of Directors has the responsibility to make and enforce Rules and Regulations consistent with law and the Association's Governing Documents, specifically including Election Rules and the Solar Energy System Application and Installation Policy that protect members of the community. Pursuant to such responsibility, and in accordance with Sections 4340 (b) of the California Civil Code, the Board of Directors hereby enacts the enclosed rules pertaining to; Laurel Point Townhomes Election Rules and Solar Energy System Application and Installation Policy.

Comments: _____

If you wish to comment, please do so in the area provided above and return to: Revolve Property Management, 2013 E. Orangethorpe Avenue, Suite A, Placentia CA, 92870. You may also email this completed comment sheet to Jen Parker, at jen@revolvepm.com.

LAUREL POINT TOWN HOMES ASSOCIATION
ELECTION RULES AND PROCEDURES

Adopted: _____, 2024

These Election Rules apply to all elections by the Members of the Laurel Point Town Homes Association ("Association"), and are adopted pursuant to the requirements of Civil Code section 5105. These Election Rules shall be effective on the date of adoption, shall supersede any other Association rules regarding voting or elections, and shall remain in effect until modified or replaced by the Board of Directors. All elections within the Association shall be governed by the following guidelines:

1. Election Campaigns

- a. The Association shall ensure that, if any candidate or Member advocating a point of view is provided access to Association media, newsletters, or internet websites during a campaign, for purposes that are reasonably related to that election, equal access shall be provided to all candidates and Members advocating a point of view, including those not endorsed by the Board, for purposes that are reasonably related to the election. The Association shall not edit or redact any content from these communications, but it may include a statement specifying that the candidate or Member, and not the Association, is responsible for the content.
- b. There shall be equal access afforded to common area meeting spaces during a campaign, at no cost, to all candidates, including those who are not incumbents, and to all Members advocating a point of view, including those not endorsed by the Board, for purposes reasonably related to the election.
- c. A meet-the-candidates event may be held where they will have equal opportunity to introduce themselves to the Members.
- d. Association funds may not be used for campaign purposes in connection with any Board election.
- e. Association funds will not be used for campaign purposes in connection with any other Association election, except to the extent necessary to comply with duties of the Association imposed by law. Campaign purposes include, but are not limited to, the following:
 - i. Expressly advocating the election or defeat of any candidate that is on the election ballot.
 - ii. Including the photograph or prominently featuring the name of any candidate on a communication from the Association or its Board, excepting the ballot and ballot materials provided that it is not a campaign purpose if the communication is one requiring that equal access be provided to another candidate or advocate.

2. Candidate Qualifications

- a. Candidates must be a Member of the Association at the time of nomination.
- b. Candidate must be a natural person, not a corporation or a trust. A corporation or trust may be represented by the appointment of a natural person. The appointment must be in writing with documentation confirming both the appointment and the authority to make such appointment.

- c. The Association shall disqualify candidates for election to the Board of Directors for any of the following reasons:
 - i. The nominee is not current in the payment of all regular and special assessments, excluding fines, fines renamed as Assessments, collection charges, late charges, or costs levied by a third party; provided, however, that a nominee shall not be disqualified for failure to be current in the payment of regular and special assessments if the nominee has paid the regular of special assessment under protest pursuant to California Civil Code Section 5658; entered into a payment plan pursuant to California Civil Code Section 5665; or the nominee has not been provided the opportunity to engage in internal dispute resolution pursuant to Sections 5900 - 5920 of the California Civil Code; and
 - ii. The nominee must not have a joint ownership interest in a separate interest with any other director on the Board.
- d. Only votes for nominated candidates who have accepted the nomination prior to the tabulation of votes shall be counted.
- e. All qualifications for a candidate for election to the Board of Directors shall also apply to directors on the Board of Directors.

3. Nomination Procedures

- a. The Association shall send candidate solicitation notices to the membership which shall include a deadline for the close of nominations. The deadline must be at least thirty (30) days after the solicitation notice has been sent.
- b. Completed candidate nomination forms may also include a candidate's statement or indicate that the candidate has declined to submit a statement. The Association shall distribute candidate statements as submitted and is not responsible for the content of any candidate statement submitted. If photographs are to be included, then equally sized photographs should be used for all candidates. Statements received must be no more than 500 words. Any statement longer than 500 words may be truncated following the 500th word.
- c. Any candidate nominated by another person will be contacted to confirm his or her consent to run for election to the Board.
- d. The Association shall provide a written or electronic communication within a reasonable time of receiving a nomination which approves or rejects the candidate's nomination to appear on the ballot. If the candidate's nomination is not accepted as a qualified candidate for the Board of Directors, the Association shall provide a basis for the disqualification, and the procedure following Civil Code section 5900 explaining how the nominee may appeal the disqualification. Completed statements received by the deadline will be forwarded to the Inspector of Elections for review at which time the Inspector of Elections will determine whether the candidate meets the qualifications for candidacy as set forth above.
- e. Qualified candidates will then be included on the Candidate Registration List and the ballot that is mailed to the membership.

- f. Completed candidate statements that are received by the deadline may be re-typed and included with the ballot that is mailed to the membership. Incumbents may be identified by an asterisk on the ballot mailed to the membership.
- g. Self-nominations can occur through the use of the returned candidate statement. The Association cannot accept any additional nominations after the close of nominations. Once nominations have been closed, no write-in candidates are allowed on ballots and floor nominations are not permitted.

4. Election Procedure

- a. The number of directors who are scheduled to be elected and their respective terms shall be determined in accordance with the Association's governing documents and stated in the solicitation materials for the election.
- b. If more than one owner is listed on title to a separate interest, only one owner of the separate interest may submit his or her signed envelope to vote.
- c. Unless a different record date is selected by the Board of Directors, the day before the day that the ballots are mailed to the membership shall be the record date for voting.
- d. Voting shall be by secret written ballot when required by law or as otherwise required in the governing documents.
- e. Cumulative voting is required for all elections in which two (2) or more positions are to be filled on the Board of Directors; provided, however, that no Member shall be entitled to cumulate votes for a candidate or candidates unless such candidate's or candidates' names have been placed in nomination prior to the voting. In such elections, all Members shall have the right to cumulate their votes based on the total number of votes to which said Member is entitled to cast multiplied by the number of directors to be elected and may cast all votes for one candidate or among several candidates as the Member may decide equal to the total number of votes to which said Member is entitled to cast.

5. Member Obligation to Verify Voter & Candidate Registration List, Corrections

- a. The Association shall maintain a Candidate Registration List and a voter list. The voter list shall include name, voting power, and either the physical address of the voter's separate interest, the parcel number, or both. The mailing address for the ballot shall be listed on the voter list if it differs from the physical address of the voter's separate interest or if only the parcel number is used.
- b. The Association shall permit Members to verify the accuracy of their individual information on the voter list and candidates on the Candidate Registration List at least 30 days before the ballots are distributed.
- c. The Members shall report any errors or omissions on the voter list and candidates on the Candidate Registration List, in writing, to the Inspector(s) of Elections, who shall make any corrections within two (2) business days of the date reported.

6. Inspectors of Election

- a. Inspector(s) of Election will be appointed annually by the Board at a Board meeting held prior to the distribution of election materials and shall serve as the Inspector of Elections for all elections until a new Inspector of Elections is appointed by the Board.
- b. If there is an election or vote between annual elections of the Board, the Board may retain the Inspector(s) from the last meeting, or the Board has the authority to appoint different Inspector(s) at the Board's discretion.
- c. The Board may remove and replace any Inspector prior to the tabulation of votes for any reason.
- d. There shall be one or three Inspectors for any election. If there are three Inspectors, the decision or act of a majority shall be effective in all respects as the decision or act of all.
- e. Inspector(s) may designate others, who meet the same qualifications as an Inspector, as assistants to facilitate the ballot counting process. Assistants will work under the direction of the Inspectors.
- f. Inspector(s) must be independent third parties who are not currently employed by or under contract to the Association for any compensable services other than serving as an Inspector.
- g. Inspector(s) or their designated assistants can be Members but cannot be a director or a candidate for director or be related to a director or a candidate for director.
- h. Inspector(s) determine the number of Members entitled to vote and the voting power of each.
- i. Inspector(s) determine the authenticity, validity, and effect of written proxies, if any, as provided for in the governing documents.
- j. The Inspector of Elections shall deliver or cause to be delivered within thirty days of an election the ballots and the current version of the Association's Election Rules. Ballots shall be delivered via Individual Delivery pursuant to Civil Code section 4040. The current Association Election Rules shall be delivered either via Individual Delivery pursuant to Civil Code Section 4040 or by posting the Election Rules to a website and including the web site address on the ballot with the phrase in 12-point font "The rules governing this election may be found here: _____."
- k. Unless the Inspector(s) designate a different location to receive ballots, the location to receive ballots will be the Association's management company's business office address.
- l. Inspector(s) hear and determine all challenges and questions in any way arising out of or in connection with the right to vote and the Inspectors' decision.
- m. Inspector(s) count and tabulate all votes. All votes shall be counted and tabulated by the Inspector(s) in public at a duly noticed Board or member meeting. Members who are not Inspectors can watch but cannot participate in such activities.
- n. Inspector(s) determine when the polls shall open and close.

- o. Inspector(s) determine and announce the results of the election.
- p. Inspector(s) must report the results of the election promptly to the Board, and the results are to be recorded in the next regular session Board meeting minutes.
- q. Inspector(s) shall perform any acts as may be proper to conduct the election with fairness to all Members in accordance with the governing documents.
- r. Inspector(s) shall perform all duties impartially, in good faith, to the best of his or her ability, and as expeditiously as is practical.

7. Ballot Requirements

- a. Each ballot shall contain the following:
 - i. In an election of directors, each candidate's name listed alphabetically or as drawn by lot. An incumbent may be identified as such on the ballot.
 - ii. The identification of any other matter that is the subject of a pending Member vote.
 - iii. A statement of the required quorum, if any.
 - iv. The deadline for submission of ballots. Notwithstanding the foregoing, Inspector(s), in their discretion, may accept ballots up to the time that counting of the ballots begins.
- b. Failure to include any of the above shall not invalidate the ballot.
- c. Once a ballot is received, it is deemed irrevocable, even if it is still in an unopened envelope.
- d. If a Member loses his or her ballot, a new one can be obtained from the Inspector(s) or from the Association's management company prior to the election deadline. However, if a ballot is already on file from that Member's separate interest, then no new ballot will be provided.
- e. A Member, who signs or otherwise marks his or her ballot with an identifying mark, waives his or her rights to secrecy. The Association is not responsible for redacting personal information that is added to the ballots by a Member.
- f. Unmarked ballots may be counted for quorum purposes only.
- g. The Inspector of Elections shall be prohibited from denying a ballot to a Member for any reason other than not being a Member at the time ballots are distributed. In addition, the Inspector of Elections shall be prohibited from denying a ballot to a person with a general power of attorney for a Member. The ballot of a person with a general power of attorney for a Member shall be counted if returned timely.

8. Election by Acclamation and Voting Procedure

Notwithstanding the secret balloting requirement in Civil Code Section 5100, or any contrary provision in the Association's governing documents, when, as of the published deadline for submitting nominations, the number of qualified candidates is not more than the number of vacancies to be elected, as determined by the Inspector or Inspectors of the Elections, the Association may, but is not

required to, consider the qualified candidates elected by acclamation if all of the following conditions have been met:

- a. The Association has held a regular election for the Directors in the last three years. The three-year time period shall be calculated from the date ballots were due in the last full election to the start of voting for the proposed election.
- b. The Association provided individual notice of the election and the procedure for nominating candidates as follows:
 - i. Initial notice at least ninety days before the deadline for submitting nominations. The initial notice for an election of the Board of Directors or recall election shall include all of the following:
 1. The number of Board positions that will be filled at the election.
 2. The deadline for submitting nominations.
 3. The manner in which nominations can be submitted.
 4. A statement informing Members that if, at the close of the time period for making nominations, there are the same number or fewer qualified candidates as there are Board positions to be filled, then the Board of directors may, after voting to do so, seat the qualified candidates by acclamation without balloting.
 - ii. A reminder notice provided via individual delivery between seven and thirty days before the deadline for submitting nominations that include all of the following:
 1. The number of Board positions that will be filled at the election.
 2. The deadline for submitting nominations.
 3. The manner in which nominations can be submitted.
 4. A list of the names of all of the qualified candidates to fill the Board positions as of the date of the reminder notice.
 5. A statement reminding Members that if, at the close of the time period for making nominations, there are the same number or fewer qualified candidates as there are Board positions to be filled, then the Board of directors may, after voting to do so, seat the qualified candidates by acclamation without balloting. This statement is not required if, at the time the reminder notice will be delivered, the number of qualified candidates already exceeds the number of Board positions to be filled.
- c. The Association provides, within seven business days of receiving a nomination, a written or electronic communication acknowledging the nomination to the Member who submitted the nomination.

- d. The Association provides, within seven business days of receiving a nomination, a written or electronic communication to the nominee, indicating either of the following:
 - i. The nominee is a qualified candidate for the Board of Directors.
 - ii. The nominee is not a qualified candidate for the Board of Directors, the basis for the disqualification, and the procedure by which the nominee may appeal the disqualification.
- e. The Association may combine the written or electronic communication described in Paragraphs 7(c) and 7(d) into a single written or electronic communication if the nominee and the nominator are the same person.
- f. The Association permits all candidates to run if nominated, except for nominees disqualified for running as allowed or required pursuant to Paragraph 2.
- g. The Board votes to consider the qualified candidates elected by acclamation at an open meeting for which the agenda item reflects the name of each qualified candidate that will be seated by acclamation if the item is approved.

9. Tabulation Rules

- a. Once returned, the sealed ballots shall be in the custody of the Inspector(s) or at a location designated by the Inspector(s) at all times.
- b. Any candidate or other Member of the Association may witness the counting and tabulation of the votes. Members, who are not Inspectors, must remain at least five feet away from the counting area.
- c. Inspector(s) can cause the removal of any observer who interferes with or disrupts the counting or tabulation process.
- d. Any election that results in a tie shall be determined by the flipping of a coin or drawing of straws.

10. Post-Election Rules

- a. The election results shall be recorded in the minutes of the meeting if conducted as part of a Board or Member meeting or if not then in the minutes of the next regular Board meeting.
- b. The Board shall publicize the tabulated results of the election in a general notice to all Members within fifteen days of a successful (quorum-achieved) election.
- c. After the tabulation of the votes, all election materials will remain in the custody of the Inspector of Election(s) and maintained in a secure place for no less than one year after the date of the election, after which custody shall be transferred to the Association.
- d. The Association shall retain the election materials for the current fiscal year and two prior fiscal years, after which they may be destroyed.

Laurel Point Town Homes Association Solar Energy System Application and Installation Policy

Adopted: _____, 2024

1. Laurel Point Town Homes Association (“Association”) is supportive of measures aimed at protecting the environment and solar power generation and supports the proper installation and use of solar energy systems, including panels and all related equipment and component parts (“Solar Energy System”) as a way to produce clean energy and reduce dependence on other pollution-generating sources of power. However, these objectives must be balanced against reasonable community architectural and aesthetics standards and safety.
2. Once adopted by the Association’s Board of Directors, this Solar Energy System Application and Installation Policy (“Solar Policy”) will become part of the Association’s rules and regulations (“Rules”), which govern conduct within and use of the Project.
3. Unless otherwise defined herein, the capitalized terms used in this Solar Policy shall have the meaning set forth in the Association’s Declaration of Covenants, Conditions and Restrictions for Laurel Point Town Homes and any amendments thereto (“CC&Rs”).
4. A Solar Energy System must meet applicable health and safety standards imposed by state and local authorities. Moreover, an Owner’s installation of a Solar Energy System potentially impacts the Project, specifically the Dwelling roofs maintained by the Association, and could possibly lead to water intrusion or other types of damage to the Dwellings within the Project. Therefore, strict adherence to this Solar Policy is required prior to any Owner’s installation and use of a Solar Energy System.
5. All applications for installation of a Solar Energy System shall be reviewed in accordance with this Solar Policy and shall comply in all respects with California Civil Code sections 714, 714.1, and 4746 and the Association’s governing documents.
6. **Prior Approval Required**
 - (a) An Owner may not install or use a Solar Energy System until the plans and specifications have been submitted to and approved in writing by the Association’s Architectural Control Committee (“Committee”), if appointed, or the Board, in accordance with this Solar Policy and other Association governing documents, including, but not limited to the CC&Rs. Compliance with this Solar Policy and the governing documents is separate and apart from compliance with city or county building permit requirements.
 - (b) Approval by the Board or Committee of any Solar Energy System does not waive the necessity of obtaining any city and/or county permits and obtaining required city and/or county permits does not waive the need for Board or Committee approval.

7. Conditions of Approval

- (a) Any Owner applying for installation and use of a Solar Energy System must submit a report prepared by a qualified consultant, showing that the proposed installation site is suitable for the Solar Energy System, and that installation of same will not present a risk of damage to the Dwelling roof or any other areas maintained by the Association.
- (b) For installation on Dwelling roofs and/or other areas maintained by the Association, the Owner must also do the following:
- (1) Notify all Owners of Dwellings that share the same roof where the Solar Energy System is intended to be installed and used.
 - (2) Agree to maintain and provide proof of current homeowner's liability insurance coverage in a minimum amount of \$1,000,000.
 - (3) Submit a plan showing that placement of the Solar Energy System is only on the requesting Owner's portion of the shared roof.
 - (4) Provide for and ensure that installation of a Solar Energy System is completed by a state-licensed and properly insured installer, who is knowledgeable and experienced in the installation of a Solar Energy System. Prior to installation, the installer shall provide Owner with copies of certificates of insurance for the policies described below and endorsements naming the Association as an additional insured, and such insurance coverage must meet the following minimums:
 - Worker's compensation insurance with minimum coverage required by California law;
 - Contractor's general liability and property damage insurance with policy limits of at least \$1,000,000;
 - Such policy shall include coverage for services the installer performs in a common interest development and shall also include completed operations coverage.
 - (5) Assume sole responsibility for and pay the cost of all maintenance, repair, replacement, and/or removal of the Solar Energy System as well as the cost to restore the Dwelling roof and/or other areas maintained by the Association after removal.
 - (6) Assume sole responsibility for and pay the cost of removal and reinstallation of the Solar Energy System to allow for roof and roof-related maintenance, repair, or replacement by the Association.

- (7) Ensure that the Solar Energy System does not become a hazard or fall into disrepair. Owner shall assume sole responsibility for and pay the cost of correction of any safety hazards as well as repair and/or replacement of the Solar Energy System. Owner shall assume sole responsibility for and pay the cost of repainting or replacing the visible ancillary components of the Solar Energy System, such as conduits, connections, plumbing, electrical, wiring, and supports.
 - (8) Assume sole responsibility for and pay the cost of damage to the Dwelling roof and/or other areas maintained by the Association and/or any other affected area resulting from the installation, maintenance, repair, replacement, or removal of the Solar Energy System.
 - (9) Assume sole responsibility to disclose to prospective buyers the existence of the Solar Energy System, the Solar Energy System Installation, Maintenance, and Indemnification Agreement referenced below, and the responsibility for same. Assume sole responsibility to obtain written confirmation from prospective buyers that prospective buyers are aware of the existence of and their responsibility for the Solar Energy System. Owner's failure to do so does not invalidate this Solar Policy or in any way impact the Association's ability to enforce the Solar Policy against current Owners or subsequent Owners.
 - (10) Take all steps necessary to protect any existing roof warranty and assume sole responsibility for and pay the cost of damage to the Association as a result of a roof warranty voided by the Solar Energy System.
 - (11) Ensure that there shall be no exposed penetrations into building structures, materials, walls, and roofs, from the installation and operation of the Solar Energy System. Any penetrations for wiring or piping for the Solar Energy System shall be properly sealed and waterproofed in accordance with industry standards and building codes in order to prevent moisture penetration and resulting structural damage. The Association shall not be required to prune, trim, or remove trees and/or shrubs to accommodate the installation of a Solar Energy System.
- (c) To secure Owner's agreement and obligations associated with installation of the Solar Energy System in the Dwelling roof and/or other areas maintained by the Association, Owner shall execute a Solar Energy System Installation, Maintenance, and Indemnification Agreement ("Agreement") regarding installation of the Solar Energy System, which shall be recorded with the County Recorder's Office and remain with the Lot and shall be binding on all future owners of the Lot. Such Agreement shall contain the requirements identified in this Solar Policy and shall be substantially in the form and contain the provisions set forth in *Exhibit 1* attached hereto along with any other requirements the Association deems necessary and reasonable. The Agreement shall be prepared by Association legal counsel and paid for by Owner, including costs of recording.

8. Application Process

- (a) Owners shall submit all applications for installation and use of a Solar Energy System to the Association care of the Association's manager. Each application must be complete at the time of submission to the Association, and shall include the following:
 - (1) A sketch, drawing, or architectural plans detailing the location and dimensions of the installation of the Solar Energy System, including, to the extent possible, photographs depicting the Solar Energy System as proposed to be installed. The application shall identify the manufacturer and model number of the Solar Energy System proposed to be installed.
 - (2) The name and license number of the installer(s) performing the work.
 - (3) Detailed specifications for the Solar Energy System.
 - (4) Photographs of the entire area on which the Solar Energy System is to be installed, including roof tiles and material, to show pre-installation condition of the roof.
 - (5) Proof of notification to all Owners whose Dwellings are adjacent to the structure where the Solar Energy System is intended to be installed.
 - (6) A non-refundable deposit in the amount of Six Hundred Dollars (\$600.00), which shall cover costs of preparing and recording the Agreement by Association's legal counsel.
 - (7) Should any Owner fail to commence installation of the Solar Energy System within six (6) months of the Association's approval, the approval shall be deemed revoked and Owner must submit a new application for approval prior to commencement of any installation.

9. Enforcement

- (a) Upon approval by the Association and completion of installation of the Solar Energy System, Owner shall submit a Notice of Completion to the Association's manager.
- (b) Owner shall further provide the Association with photographs depicting the Solar Energy System as installed as well as photographs of the entire roof on which the Solar Energy System is installed, including all roof tiles and materials, to show location and post-installation condition of the roof.
- (c) Failure to obtain the necessary approval from the Association prior to installation will constitute a violation of the Association's governing documents and may require removal of the Solar Energy System at Owner's sole expense. The Association has

the authority to commence legal action to restrain any threatened breach of this Solar Policy or the governing documents and to enforce all their provisions, which provide for reimbursement to the Association of attorney fees and costs incurred by the Association to enforce compliance.

Please contact the Association’s Community Manager, Jen Parker of Revolve Property Management, at (714) 845-7959 or jen@revolvepm.com with any questions.

Solar Energy System Policy - PD dpb 01302024

Exhibit 1

(See Attached)

**RECORDING REQUESTED BY
AND, WHEN RECORDED, MAIL TO:**

Laurel Point Town Homes Association
c/o Revolve Property Management Company
2013 E. Orangethorpe Avenue Suite #A
Placentia, CA 92870

(Space Above for Recorder's Use)

Solar Energy System Installation, Maintenance, and Indemnification Agreement

This Solar Energy System Installation, Maintenance, and Indemnification Agreement (“Agreement”) dated _____, 20__ (“Effective Date”) is entered into by and between Laurel Point Town Homes Association (“Association”) and _____ (collectively “Owner”), who may hereafter be referred to individually as a “Party” and collectively as the “Parties.” For valuable consideration, the receipt of which is hereby affirmed, the Parties agree as follows:

1. Owner is the record owner of the real property commonly known as _____, Costa Mesa, CA 92627 (“Lot”).
2. The Lot is located within the planned development known as “Laurel Point” in the City of Costa Mesa, County of Orange, California (“Project”), and is more particularly described in *Exhibit A*, attached hereto and incorporated herein by this reference.
3. Owner, the Lot, and the Association are subject to the Declaration of Covenants, Conditions and Restrictions for Laurel Point Town Homes, recorded in the County of Orange Recorder’s Office on June 8, 1979, in Book 13177, Page 1865, and any amendments thereto (“CC&Rs”), as well as the Articles of Incorporation, Bylaws, rules and regulations, and other Association policies.
4. Owner has requested permission from the Association to install a solar energy system, including panels and all related equipment and component parts (“Solar Energy System”) on the roof of the Owner’s Dwelling and/or other areas maintained by the Association. In its Solar Energy System Application and Installation Policy (“Solar Policy”), adopted _____, 2024, the Association sets forth certain provisions regarding the installation and use of a Solar Energy System in compliance with Public Resource Code section 25982, Civil Code section 714, Civil Code section 714.1, and Civil Code section 4746, which impose reasonable conditions for the approval of such applications.
5. This Agreement shall be binding upon Owner and all successor owners of the Lot and shall put all potential and successor owners of the Lot on notice of the terms and obligations imposed herein.

6. Owner covenants, warrants, promises, and agrees that the Solar Energy System will be installed in accordance with the manufacturer's instructions and all applicable building codes and regulations.

7. Owner assumes all liability for damage or injury in the Association, including, but not limited to, the Dwelling roof and/or other areas maintained by the Association, Owner's Lot, and other Lots in the Project and to persons, which is caused or contributed to by the installation, maintenance, use, and/or removal of the Solar Energy System.

8. Owner shall comply with all applicable governmental laws, regulations, and procedures, and shall obtain all required City of Costa Mesa and/or County of Orange permits and authorizations before installing the Solar Energy System. The Solar Energy System shall meet all applicable governmental and industry safety standards and local permitting requirements.

9. Owner shall comply with all requirements of the Association's governing documents, including, but not limited to, the CC&Rs, Bylaws, Solar Policy, and any other Association rules and regulations.

10. Owner shall be responsible, at Owner's sole cost and expense, to maintain a homeowners' liability insurance policy providing One Million Dollars (\$1,000,000) in coverage, which names the Association as an additional insured under the policy with a right to notice of cancellation, as well as a worker's compensation insurance policy with minimum coverage required by California law.

11. Owner shall maintain the Solar Energy System and any portion of the Dwelling affected by the installation, maintenance, use, and/or removal of the Solar Energy System, including, but not limited to any required repairs in and around the area of the installation of the Solar Energy System.

12. Owner understands and agrees that the Solar Energy System shall be used by Owner only for the purpose of generating electricity for use by Owner's Lot. Failure to abide by this provision shall constitute a breach of this Agreement.

13. Owner understands and agrees to have sole responsibility to disclose to prospective buyers the existence of the Solar Energy System and this Agreement, and the responsibility for same. Owner further understands and agrees to obtain written confirmation from prospective buyers that prospective buyers are aware of the existence of and their responsibility for the Solar Energy System. Owner further understands and agrees that failure to do so does not invalidate the Solar Policy or this Agreement or in any way impact the Association's ability to enforce the Solar Policy or this Agreement against current Owner or subsequent owners.

14. At such time as this Agreement ceases or is terminated, or at such earlier time as Owner removes the Solar Energy System, Owner shall, at Owner's sole expense, restore the affected area of Owner's Lot, including but not limited to, any building, roof and roof system, to its condition prior to the installation.

15. Owner understands and agrees that, at any time the Association requires the Solar Energy System to be removed to allow the Association access to the area under, adjacent, or in any way near the location where the Solar Energy System is installed, Owner shall remove the Solar Energy

System within 10 days' notice at Owner's sole cost and expense. If the Solar Energy System is not removed within 10 days' notice, the Association may remove it, and specially assess Owner for all costs associated with the removal. Owner understands and agrees that such a special assessment shall be subject to enforcement and lien pursuant to the CC&Rs and applicable Civil Code provisions. Owner shall be responsible to restore the Solar Energy System once the Association has determined it may be restored to its prior and previously approved location. Any work performed by or on behalf of Owner for the removal and restoration of the Solar Energy System shall be subject to the same conditions required of initial installation as set forth in the Solar Policy.

16. Owner agrees to ensure that the Solar Energy System is regularly maintained and in good repair. If Owner fails to comply with any of the obligations under this Agreement, after 10 days' written notice, the Association may cause the removal of the Solar Energy System and restoration of the Dwelling roof and/or other affected areas. The Association shall specially assess Owner for any and all costs associated with the removal and restoration. Owner understands and agrees that such a special assessment shall be subject to enforcement and lien pursuant to the CC&Rs and applicable Civil Code provisions.

17. Owner's right to maintain the Solar Energy System may be terminated 10 days after the Association issues written notice of Owner's breach of this Agreement, if said breach is still not corrected by the tenth day after issuance of the notice.

18. Owner understands and agrees that the Association shall have no liability or responsibility to Owner arising out of the approval of any plan, drawing, and/or design. Moreover, by approving Owner's application, the Association shall have no liability or responsibility arising out of: (1) the safety, structural integrity, workmanship, engineering, and/or the soundness of the plan, drawing, and/or design in the application itself or the work performed pursuant thereto; and/or (2) the compliance with health and safety or other building codes or other laws or ordinances applicable to the proposed plan, drawing or design.

19. Owner shall be responsible for all costs to repair any damage to the Lot and Association property, specifically including the Dwelling roof and/or other areas maintained by the Association and/or any other property damage or personal injury resulting from the installation, maintenance, repair, replacement, use, removal, and/or reinstallation of the Solar Energy System, including, but not limited to, roof leaks and damage caused by roof leaks which are the result of the installation, maintenance, repair, replacement, use, removal, and/or reinstallation of the Solar Energy System.

20. Owner shall be responsible for all costs for the installation, maintenance, use, repair, removal, replacement, and/or reinstallation of the Solar Energy System until it has been permanently removed and for the restoration of the Dwelling roof and/or other areas maintained by the Association and/or other affected property or Lots after the permanent removal of the Solar Energy System.

21. The Association shall not be responsible for any accidents or incidents that may occur during installation, maintenance, repair, replacement, use, removal, and/or reinstallation of the Solar Energy System. Additionally, the Association shall not be responsible for the installation, maintenance, repair, replacement, use, removal, and/or reinstallation of the Solar Energy System.

22. Owner agrees to defend, indemnify and hold harmless the Association, its members, officers, directors, managing agents, attorneys, and employees as well as any other owner or resident in the Association from and against all losses, claims, expenses, causes of action, costs, demands, damages, expenses, judgment or liabilities, arising out of or relating in any way to the installation, maintenance, repair, replacement, use, removal, and/or reinstallation of the Solar Energy System.

23. Owner agrees to take all steps necessary to protect any existing roof warranty and assume sole responsibility and pay the cost for damage to the Association as a result of a roof warranty voided by the Solar Energy System. Owner further agrees to defend, indemnify and hold harmless the Association for any economic damage the Association suffers, including the voiding of any roof warranty, as a result of the installation, maintenance, repair, replacement, use, removal, and/or reinstallation of the Solar Energy System.

24. The Association shall be entitled to recover from Owner all costs, including reasonable attorney fees, necessary to enforce the provisions of this Agreement. In the event of any litigation, arbitration, mediation, or other legal proceeding arising out of this Agreement, the prevailing party shall be entitled to recover its attorney fees and costs expended as a result.

25. This Agreement and each covenant contained herein shall run with the land and shall be binding on and inure to the benefit of the Parties and their successors-in-interest, including any future owners, purchasers, and transferees of the Lot.

26. This Agreement may be executed in counterparts by the Parties hereto and shall be effective when all Parties have executed this Agreement. Each counterpart will constitute an original.

27. The Parties agree that this Agreement shall be recorded in the Official Records of the County of Orange, State of California, and agree to take such further actions and execute such additional documents as are reasonably necessary to effectuate recording of this Agreement.

[Signatures on Next Page]

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT AS OF THE EFFECTIVE DATE.

Dated: _____, 20__

Laurel Point Town Homes Association

By: _____

Name: _____

Its: _____

Dated: _____, 20__

Dated: _____, 20__

EXHIBIT A
Legal Description

[insert legal description of the Lot]

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 _____

On _____, before me, _____, Notary Public, personally appeared, _____, 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 _____ (Seal)

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 _____

On _____, before me, _____, Notary Public, personally appeared, _____, 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 _____

(Seal)

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 _____

On _____, before me, _____, Notary Public, personally appeared, _____, 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 _____

(Seal)