

HAGAR COURT

EXHIBIT FOURTH TO
Townhome Lot Lease

(ADOPTED BY THE HAGAR COURT HOMEOWNERS ASSOCIATION)

CARDIFF TERRACE
PROPERTY USE AND MAINTENANCE REGULATIONS
INCLUDING ARCHITECTURAL GUIDELINES AND STANDARDS

UNIVERSITY OF CALIFORNIA SANTA CRUZ

Cardiff Terrace Property Use and
Maintenance Regulations and Architectural Guidelines

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CARDIFF TERRACE PROPERTY USE
AND MAINTENANCE REGULATIONS

By purchasing a home through the UCSC Housing Program, each Home Owner has made a substantial investment in, and a commitment to the development of an on-campus community that will remain a pleasant and enjoyable place in which to live. The following Regulations are designed to ensure that Cardiff Terrace remains an aesthetically pleasing and attractive community and that property within the community is not used in any way that would adversely affect the quality of community life for all Home Owners. Most of these Regulations are administered by an Architectural Review Board appointed by the Chancellor of UCSC, although The Regents retain ultimate responsibility for enforcement of the Regulations.

ARTICLE I - DEFINITIONS

As used in these Regulations, all capitalized terms shall, unless otherwise indicated, have the same meanings as set forth in the Ground Lease. In addition:

- (1) "ARB" means the Architectural Review Board established pursuant to Section 5.01 of these Regulations;
- (2) "Architectural Guidelines" means the Architectural Guidelines from time to time issued or amended by the ARB as provided in Section 5.06 of these Regulations;
- (3) "Building Code" means the latest edition of Title 24 of the California Administrative Code, with such modifications, exclusions, or supplements/replacements as the ARB may, from time to time, permit or require;
- (4) "Custom Lot" means any Parcel assigned and transferred to a Home Owner for the construction of a custom housing unit, as such Parcel is designated in the Ground Lease;
- (5) "Ground Lease" means the form of ground lease pursuant to which the Home Owners acquired rights in their respective Parcels;
- (6) "Home Owner" means the lessee of any Parcel;
- (7) "Home Owner Association" means the nonprofit corporation, if any, established to administer the Common Areas established pursuant to the Covenants, conditions and Restrictions filed with the County Recorder of Santa Cruz County by UCSC as Declarant (the "CC&Rs")
- (8) "Leasehold Property" means all of the property subject to the lease by and between The Regents and Home Owners or a Home

Owner Association on the UCSC campus;

(9) "Parcel" means any parcel of the Leasehold property assigned and transferred to a Home Owner, as such Parcel is designated in a Ground lease;

(10) "Regents" means The Regents of the University of California;

(11) "Regulations" means these Cardiff Terrace Property Use and Maintenance Regulations including the Architectural Guidelines as defined above.

(12) "Statement of Compliance" means any Statement of Compliance issued by the ARB pursuant to the provisions of Section 2.06 of these Regulations;

(13) "Structure" means:

(i) Any thing or object the placement of which upon any Parcel may affect the appearance of such Parcel, including by way of illustration and not limitation any building or part thereof, garage, porch, shed, greenhouse or bathhouse, coop or cage, covered or uncovered patio, swimming pool, fence, curbing, paving, wall, sign, signboard, temporary or permanent living quarters (including any house trailer), or any other temporary or permanent improvement to such Parcel, and

(ii) Any excavation, grading, fill, ditch, diversion dam, or other thing or device which affects or alters the natural flow of surface waters from, upon, or across any Parcel, or which affects or alters the flow of any waters in any natural or artificial creek, stream, wash, or drainage channel from, upon, or across any Parcel; and

(14) "UCSC" means the University of California Santa Cruz.

ARTICLE II - RESTRICTIONS RESPECTING CONSTRUCTION AND IMPROVEMENTS

Section 2.01. Submission of Plans and Specifications.

(a) No Structure shall be commenced, erected, placed, moved onto, or permitted to remain on any Parcel (including without limitation any Custom Lot), nor shall any existing Structure upon any Parcel be altered in any which (i) affects the exterior appearance of any Structure or Parcel or (ii) affects the structural integrity of any Structure, or (iii) affects any utility system including electrical or gas distribution or other plumbing system, unless plans and specifications therefore shall have been submitted to and approved in writing by the ARB. Such plans and specifications shall be in such form and shall contain such information as may be reasonably required in the Architectural Guidelines.

(b) All plans and specifications submitted pursuant to subsection (a) of this Section 2.01 shall be reviewed and accepted or rejected by the ARB in accordance with the procedures set forth in subsection (c) of Section 5.05 of these Regulations.

Section 2.02. Notices to Adjoining Home Owners. Although the approval of Home Owners holding adjoining Parcels is not required as a condition of approval by the ARB of particular plans and specifications submitted to it, such adjoining Home Owners must be advised of the proposed work for which ARB approval is sought and be given an adequate opportunity (within the time limits described in subsection (c) of Section 5.05 of these Regulations) to file comments with the ARB with respect to such work. No application for ARB approval shall be considered complete unless accompanied by evidence, in such form as the ARB finds acceptable, that adjoining Home Owners have been notified concerning the pending application.

Section 2.03. Approval of Plans and Specifications. Upon approval by the ARB of any plans and specifications submitted pursuant to these Regulations, a copy of such plans and specifications, as approved, shall be deposited for permanent record with the ARB, and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. Approval for use in connection with any Parcel or Structure of any plans and specifications shall not be deemed a waiver of the ARB's right, in its discretion, to disapprove similar plans and specifications or any of the features or elements included therein if such plans, specifications, features, or elements are subsequently submitted for use in connection with any other Parcel or Structure. Approval of any such plans and specifications relating to any Parcel or Structure, however, shall be final as that Parcel or Structure and such approval may not be revoked or rescinded thereafter, provided that there has been adherence to, and compliance with, such plans and specifications, as approved, and any conditions attached to any such approval.

Section 2.04. Disapproval of Plans and Specifications.

(a) Subject to the provisions of subsection (b) of this Section 2.04, the ARB shall have the right to disapprove any plans and specifications submitted pursuant to these Regulations because of any of the following:

(i) The failure to include information in such plans and specifications as may have been reasonably requested;

(ii) The failure of such plans and specifications to comply with the Building Code, these Regulations, or the Architectural Guidelines; or

(iii) Any other matter which, in the judgement of the ARB, would be likely to cause the proposed installation,

construction, or alteration of a Structure (A) to fail to be in harmony of external design and general quality with the existing Structures on the Leasehold Property or (B) as to location to be incompatible with topography, finished ground elevation, and surrounding Structures.

(b) All plans and specifications submitted for review by the ARB are also subject to review and approval by the Chancellor of UCSC. The Chancellor is not required to abide by the determination of the ARB. Accordingly, the ARB shall have the right to disapprove any plans and specifications submitted pursuant to these Regulations if such plans and specifications are disapproved by the Chancellor, regardless of the reasons for such disapproval by the Chancellor. There is no right to appeal to the Chancellor with respect to determinations of the ARB, appeals in such circumstances being governed exclusively by the provisions of Section 5.05(d) of these Regulations.

(c) In any case in which the ARB shall disapprove any plans and specifications submitted hereunder, or shall approve the same only as modified or upon specified conditions, such disapproval or qualified approval shall be accompanied by a statement of the grounds upon which such action was based. In any such case the ARB shall, if requested, make reasonable efforts to assist and advise the applicant in order that an acceptable proposal may be prepared and submitted for approval.

Section 2.05. Inspection Rights. To ascertain whether the installation, construction, alteration, or required maintenance of any Structure is in compliance with the provisions of these Regulations, as well as with any approvals or conditional approvals of the ARB, any employee or agent of the ARB may, after reasonable notice to the Home Owner concerned and at any reasonable time, enter upon any Parcel including the interior of any housing unit. Neither the ARB, The Regents, nor any employee or agent of The Regents shall be deemed to have committed a trespass or other wrongful act solely by reason of such entry or inspection, provided that such inspection is carried out in accordance with the terms of this Section 2.05.

Section 2.06. Statement of Compliance.

(a) Upon completion of the installation, construction, or alteration of any Structure in accordance with plans and specifications approved by the ARB, the ARB shall, upon written request of the Home Owner owning such Structure or upon the ARB's own initiative, issue a Statement of Compliance, identifying such Structure and the Parcel upon which such Structure is placed, and stating that the plans and specifications have been approved and that such Structure complies with such plans and specifications. A copy of said Statement of Compliance shall be filed for permanent record with the plans and specifications on file with the ARB.

(b) Any Statement of Compliance issued in accordance with

the provisions of this Section 2.06 shall be prima facie evidence of the facts therein stated; and as to any purchaser or encumbrancer in good faith and for value, or as to any title insurer, such Statement of Compliance shall be conclusive evidence that all Structures on the Parcel comply with all the requirements of this Article II, provided that the Statement of Compliance shall in no way be construed to certify the acceptability, sufficiency, or approval by the ARB of the actual construction of Structures or of the workmanship pertaining thereto, or to represent or warrant to anyone the quality, function, or operation of the Structures or of any construction, workmanship, engineering, materials, or equipment related thereto.

Section 2.07. Fees. The ARB fees for review of building plans for the initial structure custom lots are included in the cost of the Custom Lot Lease, and include all inspection fees for the construction of the homes. The ARB may impose and collect reasonable and appropriate fees from each applicant seeking its approval pursuant to the provisions of these Regulations to cover the ARB's costs of operation, including but not limited to (i) the cost of examination of any plans and specifications submitted for approval pursuant to these Regulations, (ii) the cost of inspections or tests performed pursuant to Section 2.05 of these Regulations, and (iii) reimbursements to members of the ARB pursuant to Section 5.03 of these Regulations. Such fees shall be established from time to time by the ARB and published in the Architectural Guidelines.

Section 2.08. Increase in Base Price

The total amount of any improvement which costs the owner \$1,000.00 or more may be added to the base price of the townhome for the purpose of calculating the maximum sale price according to Article XII of the CC&R's.

ARTICLE III - RESTRICTIONS
RESPECTING USE AND MAINTENANCE

All restrictions set forth in this Article should be in addition to and not a replacement of any other restrictions in the CC&R's which may be applicable to a homeowner. In the case of a conflict between these Regulations and the CC&R's, the CC&R's shall control.

Section 3.01. Conformity to Building Code.

(a) Except to the extent expressly waived by the ARB, no construction may be undertaken and no Structure may be erected on any Parcel unless such construction and Structure conform to the requirements of the Building Code.

(b) To ensure compliance with the Building Code, all Structures on the Leasehold Property and all work related thereto

shall be subject to plan checks, inspections and tests by persons or entities as the ARB may designate, such plan checks, inspections and tests shall be paid for by the Homeowner concerned.

Section 3.02. Business Usage Prohibited. No Parcel or Residence shall be used except for residential purposes. No part of any residence shall be used except for residential purposes. No part of any residence shall ever be used or allowed, authorized or caused to be used in any way, directly or indirectly, for any business, commercial, manufacturing, merchantable, storage, or other nonresidential purpose, except for professional or academic endeavors not requiring the continuing presence of any employee or business invitee.

Section 3.03. Solid Waste

(a) No person shall dump or burn rubbish, garbage or any other form of solid waste on any Parcel or the Common Area.

(b) Except for building materials employed during the course of construction of any Structure approved by the ARB, no lumber, metals, bulk materials, or solid waste of any kind shall be kept, stored or allowed to accumulate on any Parcel or the Common Area unless such item is screened from view or otherwise handled in a manner approved by the ARB. During construction it shall be the responsibility of each Homeowner to ensure that the construction site is kept free of unsightly accumulations of rubbish and scrap materials, and the construction materials, trailers, shacks and the like are kept in a neat and orderly condition.

(c) Each Homeowner shall arrange for the regular removal of rubbish, garbage or other form of solid waste from the Residence or Parcel and shall ensure that all refuse, containers, wood piles and storage areas shall be obscured from the view of adjoining residences and streets by a fence or appropriate screen approved by the ARB. If rubbish, garbage or other form of solid waste is to be disposed of by a regular collection, containers may be placed in the open on any day that a pickup is to be made, in order to provide access to persons making such pickup. The ARB may make further guidelines relating to the type of containers permitted, the manner of storage, and the place of pickup.

Section 3.04. Offensive Activities. No Homeowner will use or permit any Parcel of Residence to be used in a way which creates a nuisance or which interferes with the quiet enjoyment of other Homeowners, nor shall a Homeowner permit anything to be done or kept in or on his or her Parcel or in the Common Area which will increase the rate of insurance thereon or will obstruct or interfere with the rights of other Homeowners, their families, guests or invitees, nor annoy them by unreasonable noises, vibrations, bright or flashing lights, or otherwise.

Section 3.05. Children. Each Homeowner shall be accountable to the remaining Homeowners, their families, visitors, guests and invitees for the conduct and behavior of his or her children and any other children residing and/or visiting his or her Residence.

Section 3.06. Pets and Animals. No animals, including birds, insects and reptiles other than two usual and ordinary pets (exclusive of tropical fish but including caged birds) shall be permitted on any Parcel or in any Structure located thereon. No such animal shall be allowed to become a nuisance and such pets shall not be allowed in the Common Area except as permitted by the rules of the Association. No such animal shall be permitted on any part of the UCSC Campus property other than the Leasehold Property. Homeowners must comply with all provisions of campus policy when transporting pets to and from the project. Each Homeowner, shall be absolutely liable to each and all remaining Homeowners, their families, visitors, guests and invitees for any damage to person or property caused by any pet of a Homeowner or his family, guests, invitees or tenants. No Structure for the care, housing or confinement of any animal shall be constructed or altered on any Parcel unless plans and specifications for said Structure have been approved by the ARB.

Section 3.07. Signs.

(a) No signs whatsoever (including but not limited to commercial and similar signs) shall, without the ARB's prior written approval therefore, be installed, altered or maintained on any Parcel, or in any portion of any Structure visible from the exterior thereof, except:

(i) Such signs as may be required by legal proceedings;

(ii) A single "For-Sale" sign not larger than is reasonable and customary in the area; and

(iii) Directional signs for vehicular or pedestrian safety in accordance with plans and specifications approved by the ARB.

(b) During construction of any Structure, no more than one job identification sign shall be erected, and no "Sold" sign shall be installed or maintained on any Parcel or Structure.

(c) Exterior graphics which are incorporated into the design of any Structure shall require the prior written approval of the ARB.

Section 3.08. Setbacks. In approving plans and specifications for any proposed Structure, the ARB may establish setbacks for the location of the Structure. No Structure shall be erected or placed on any Parcel unless its location is consistent with such setbacks.

Section 3.09. Fences and Screens. No fences, awnings, ornamental screens, sunshades or walls of any nature shall be erected or maintained on or around any portion of a Parcel or Structure except those that are installed in accordance with plans and specifications which have received the prior written approval of the ARB.

Section 3.10. Drainage and Erosion Control.

(a) All water drainage and runoff from any Structure on a Parcel shall drain or flow only into adjacent streets or designated drainage areas and shall not be allowed to drain or flow upon, across or under, any other portion of the leased property unless an easement for such purpose has been granted.

(b) No activity which may create erosion or siltation problems shall be undertaken on any Parcel without the prior written approval of the ARB of plans and specifications for the prevention and control of such erosion or siltation. The ARB may, as a condition of approval of such plans and specifications, require the use of certain means of preventing or controlling such erosion or siltation, including, without limitation, physical devices for controlling runoff and drainage of water, special precautions in grading or otherwise changing the natural landscape, and required landscaping as provided in Section 3.11 of these Regulations.

Section 3.11. Landscaping.

(a) Each Custom Lot shall, within six (6) months after the initial purchase or completion of the housing unit by the Homeowner at all times thereafter, be landscaped, and such landscaping shall be in accordance with a landscaping plan approved by the ARB.

(b) No construction or alteration of any Structure shall be undertaken without the prior written approval by the ARB of plans and specifications for the landscaping and soil improvement to accompany such construction or alteration.

Section 3.12. Trees. No Homeowner shall cut, trim, prune, remove, replace or otherwise alter or affect the appearance or location of any tree, plant or other vegetation location in any portion of the Common Area without the prior written consent of the ARB. Except for trees planted by a Homeowner wishing to remove the same, and except as expressly permitted by the ARB, no tree having a diameter of six inches or more (measured from a point two feet above ground level) shall be removed from any Parcel unless such removal is in conformity with approved landscaping plans and specifications submitted pursuant to the provisions of Section 3.11 of these Regulations. The ARB may recover, on behalf of the Homeowner Association or The Regents, from any Homeowner violating this Section the cost of restoring and replacing any such tree.

Section 3.13. Chemical Fertilizers, Herbicides and Pesticides. No chemical fertilizers, herbicides or pesticides shall be used on any part of the Leasehold Property, except for products which are available for consumer use through retail sources, or approved by the appropriate federal, state and local government agencies, and are used in conformity with the manufacturer's directions and for the purposes approved by such governmental agencies.

Section 3.14. Antenna and Other Equipment. No television or radio poles, antenna, satellite transmission or reception equipment, flagpoles, air conditioning or heating units, clothesline or external fixtures, other than those installed by The Regents or approved by the ARB and any replacements thereto shall be constructed, erected or maintained on or within any part of the Leasehold Property. Each Homeowner shall have the right to maintain television or radio antennae within enclosed or completely screened portions of his or her Residence. The location of common antennae or connection facilities for cable television shall be solely as designated by the ARB.

Section 3.15. Parking, Storage and Repair of Vehicles.

(a) The ARB shall have the right to regulate overnight parking of motor vehicles on streets within the Leasehold Property, as well as the parking or storage of any boat, trailer, recreational vehicle, camper, motorhome, truck, commercial vehicle or any other vehicle too large to fit in a normal residential garage. No such vehicle shall be used as a living area while located within the Leasehold Property. Such a vehicle may not be stored within the Leasehold Property unless it is the Homeowner's principal means of transportation.

(b) No vehicle repairs other than oil changes, minor tune-ups or simple repairs that could be completed within one or two hours shall be commenced upon any driveway, parking area or other visible place within the Leasehold Property. No waste fluids, parts or other materials shall be dumped or drained on or into any part of the Leasehold Property. No vehicle that is not in good working order shall remain for more than seventy-two (72) hours on any part of the Common Area, parking areas or driveways.

Section 3.16. Mailboxes. No exterior mailbox or other receptacle for the delivery or dispatch of mail, packages, newspapers, periodicals or similar matter shall be constructed or altered upon any Residence or Parcel without the prior written approval of the ARB.

section 3.17. Outside Storage. No Homeowner shall park or store machinery, equipment, baby carriages, playpens, bicycles, wagons, benches or chairs on any part of the Common Area or on any Parcel unless screened by enclosures, fences or other devices in a manner approved by the ARB. Such personal property may be used for its ordinary purpose in the Common Area or on a Parcel,

and it may be stored in storage areas, if any, and may be designated by the Homeowner's Association or the ARB for that purpose.

Section 3.18. Exterior Lighting. Erection or alteration of any exterior lighting on any Parcel or Structure shall be subject to the prior written approval of the ARB of plans and specifications for such lighting, including the design, location and direction thereof.

Section 3.19. Poles and Wires. All wires for the transmission of electricity, telephone messages, cable television or the like shall be installed below the surface of the ground and no poles and above ground wires therefore shall be installed on any Parcel or any Structure or except on a temporary basis as approved by the ARB.

Section 3.20. Window Coverings. Windows and any Structure on any Parcel may be covered only by drapes, shades, blinds or shutters and may not be painted or covered by aluminum foil, cardboard or any other material not approved by the ARB.

Section 3.21. Pests. No Homeowner shall permit any condition to exist on his Parcel which shall induce, breed, or harbor infectious plant diseases or noxious insects or vermin.

Section 3.22. Alterations. No Homeowner shall make any alterations or modifications to the exterior of any Structure or to any fence, railing or wall situated upon a Parcel without the prior written consent of the ARB. Any structural, plumbing or electrical modification, alteration or addition to or of a Structure shall require the prior written consent of the ARB.

Section 3.23. Maintenance. Except as provided in the CC&R's with respect to maintenance by the Homeowner Association, each Homeowner shall keep and maintain each Parcel and Structure owned by him or her, as well as all landscaping located thereon, in good condition and repaired, including but not limited to (i) the repairing and repainting (or other appropriate external care) of all Structures; (ii) the seating, watering and mowing of all lawns; and (iii) the pruning and trimming of all trees, hedges, and shrubbery so that they do not obstruct the view or right of way of motorists or pedestrians.

ARTICLE IV - PARTY WALLS AND COMMON ROOF AREAS

All matters or disputes involving a wall which is built as part of the original construction of a Structure and which is on the dividing line between two Parcels under different ownership ("Party Wall"), or each roof area which covers portions of one Structure located on two or more Parcels under different ownership ("Common Roof Area") shall be governed first by Article X of the CC&R's and to the extent not inconsistent therewith by the general rules of California law regarding party walls and common roof areas.

ARTICLE V - ARCHITECTURAL REVIEW BOARD

Section 5.01. Establishment and Composition.

(a) The Architectural Review Board (ARB) will be composed of five members. Three members will be appointed by the Chancellor of UCSC. Once it is formed, the Cardiff Terrace Home Owners Association (HOA) of the project may appoint two representatives as full voting members. The quorum required for any decisions of the ARB is 3 members.

(b) Members of the ARB appointed by the Chancellor of UCSC can be appointed or removed at the will of the Chancellor. The Home Owners Association will establish their own criteria for the replacement of their two members.

Section 5.02. Vacancies. If any vacancy shall occur in the membership of the ARB by reason of death, resignation, removal, or otherwise, the remaining members shall continue to act for 60 days. Within that 60 days, the Chancellor or the Home Owners Association shall appoint a successor to fill the vacancy. Any member may resign at any time by written notice to the Chancellor of UCSC, and such resignation shall take effect upon receipt thereof by the Chancellor unless the notice sooner itself specified some other effective date.

Section 5.03. Officers and Compensation.

(a) The members of the ARB shall appoint a Chairman from among their number.

(b) The members of the ARB shall serve without compensation, provided that the Chancellor may reimburse the members for reasonable out-of-pocket expenses incurred in the performance of their duties as members to the extent that such expenses are not reimbursed by the ARB from the fees charged for its services pursuant to Section 2.07 of these Regulations.

Section 5.04. Conflicts of Interest. No member of the ARB may participate in any decision of the ARB on a matter in which he has a direct or indirect financial or professional interest, or on a matter in which he or any firm with which he is associated has provided professional consultative services for a fee to any party whose application is before the ARB, provided that if two (2) or more members may not participate in the making of a decision because of disqualification as provided herein, the Chancellor or the Home Owner Association, as the case may require, shall name a substitute member to act only on the matter resulting in the disqualification. For a period of one (1) year after his service on the ARB, no former member may represent any person before the ARB where that a former member has previously participated in decisions affecting such person. Each member of the ARB shall inform the ARB in writing of any direct or indirect financial or familial relationship which he may have with any

applicant within the Leasehold Property or with such applicant's builder or architect. Such disclosure shall be made within fifteen (15) days of any action by an applicant which makes the disclosure relevant.

Section 5.05. Operations of the ARB.

(a) The ARB shall maintain both a record of votes and minutes for each of its meetings. The ARB shall routinely forward copies of such records and minutes to the Chancellor and the Home Owner Association and shall, additionally, make them available at reasonable places and times for inspection by each Home Owner.

(b) In carrying out its functions under these Regulations, the ARB shall be governed by the Architectural Guidelines described in Section 5.06 of these Regulations. In applying such Architectural Guidelines, the ARB shall, as required, make findings, determinations, rulings, and orders with respect to the conformity with such Guidelines of plans and specifications submitted for approval to the ARB pursuant to the provisions of these Regulations. The ARB shall, as required, issue permits, authorizations, or approvals, which may include specified requirements or conditions, pursuant to the provisions of these Regulations.

(c) The decision of a majority of the members of the ARB with respect to any application or request pending before the ARB shall be final and binding upon the person making such request or application. The ARB shall be required to render decisions on matters pending before it within forty-five (45) days after the receipt by the ARB of a request or application submitted by a Home Owner or prospective Home Owner, which request or application is complete in all respects under the requirements of these Regulations and the Architectural Guidelines. If the ARB fails to act upon any request or application within the above-stated time period, such request or application shall be deemed approved.

(d) The ARB may, from time to time, prepare and recommend for approval to the Chancellor of UCSC amendments to the Architectural Guidelines which the ARB believes necessary or desirable to implement the provisions of these Regulations.

Section 5.06. Architectural Guidelines.

(a) The Chancellor of UCSC has approved and adopted and may, from time to time upon recommendation of the ARB or in his or her own discretion, amend the Architectural Guidelines attached hereto for the purpose of:

(i) Governing the form and content of plans and specifications to be submitted for approval pursuant to the provisions of these Regulations;

(ii) Governing the procedure for such submission of plans and specifications; and

(iii) Establishing guidelines with respect to the approval and disapproval of design features, architectural styles, exterior colors and materials, details of construction, location and size of Structures, and all other matters that require approval by the ARB pursuant to these Regulations.

(b) Subject to the provisions of Section 2.04 of these Regulations, the Architectural Guidelines, as approved or amended by the Chancellor of UCSC, shall be binding upon the ARB and shall be used by the ARB in making decisions as described in subsection (b) of Section 5.05 of these Regulations. The ARB shall make a published copy of the current Architectural Guidelines readily available to all applicants seeking the ARB's approval and to each Home Owner.

(c) The Arhitectural Guidelines as approved by the Chancellor of UCSC and published by the ARB are hereby made a part of these Regulations. The ARB will mail new copies of these guidelines seperately to each homeonwer whenever revisions are made.

ARTICLE VI - ENFORCEMENT

Section 6.01. Right of Enforcement. The Chancellor of UCSC, and The Regents, acting upon the recommendation of the ARB, shall have the right to enforce the provisions of these Regulations by appropriate judicial proceedings, including actions for damages, injunction, or specific performance, as well as any other relief to which The Regents may be entitled at law or in equity. Such right of enforcement shall be in addition and supplemental to any right which The Regents may have to declare a Home Owner in default under the Ground Lease as a result of the Home Owner's violation of the provisions of these Regulations.

Section 6.02. No Waiver. The failure of The Regents or the ARB to enforce any provision of these Regulations in one or more instances shall not be considered a waiver of the right to do so thereafter, as to the same violation or breach or as to any violation or breach occurring prior or subsequent thereto.

Section 6.03. Right of Abatement.

(a) In the event of a violation or breach of any provision of these Regulations, the ARB may give written notice by certified mail to the Home Owner setting forth in reasonable detail the nature of such violation or breach and the specific action or actions needed to be taken to remedy such violation or breach. If the Home Owner shall fail to take reasonable steps to remedy such violation or breach within thirty (30) days after the mailing of such written notice, then The Regents, acting on the recommendation of the ARB, shall have the right of abatement in

subsection (b) of this Section 6.03.

(b) The right of abatement, as used in this Section 6.03, means the right of The Regents, through its agents and employees, to enter at reasonable times upon any Parcel or Structure, as to which a violation, breach, or other condition to be remedied exists, and to take the actions specified in the notice to the Home Owner to abate, extinguish, remove, or repair such violation, breach, or other condition which may exist thereon contrary to the provisions of these Regulations, without being deemed to have committed a trespass or wrongful act solely by reason of such entry and such actions; provided that such entry and such actions are carried out in accordance with the provisions of this Section 6.03.

(c) All reasonable costs incurred by The ARB or The Regents in exercising its right of abatement as provided in this Section 6.03 shall be chargeable to the Home Owner with respect to whose Parcel such actions in abatement are taken, and such charges shall be regarded as additional rent which such Home Owner is obligated to pay under the terms of the Ground lease. Such charges shall be due and payable thirty (30) days after a statement therefore has been rendered by The Regents to the Home Owner unless The Regents in its sole discretion, agrees to a more extended repayment period.

ARTICLE VII - AMENDMENTS AND CONFLICTS

Section 7.01. Amendments. The provisions of these Regulations may not be amended in any respect except by an amendment (i) proposed by The Regents in a written notice to all Home Owners and (ii) approved by Home Owners holding leasehold interests in more than 50 percent of the Parcels in a referendum held for such purpose no sooner than fourteen (14) days after the giving of such written notice by The Regents. For purposes of this Article VII, the term "Home Owner" shall be deemed to include any lawful successor or assignee of a Home Owner, including without limitation any lender, or The Regents.

Section 7.02. Conflicts. In the event of any conflict between the provisions of these Regulations and the provisions of the Architectural Guidelines, the provisions of these Regulations shall govern. In the event of any conflict between the provisions of these Regulations or the Architectural Guidelines and the provisions of the Ground Lease or the CC&R's, the provisions of the Ground Lease or the CC&R's shall govern.