

APPLICATION FOR ARCHITECTURAL APPROVAL
SOLAR PANEL/SYSTEM INSTALLATION

PLEASE PRINT

1. OWNER'S NAME: _____ LOT/ACCOUNT # _____

UNIT ADDRESS: _____ PHONE # _____

I/We would like to request approval to install in my/our home a photovoltaic solar system.

I/We understand the attached Solar Installation Guidelines must be adhered to.

Please check one box below:

There will be no deviation from the attached guidelines.

I/We are requesting approval for the following deviation from the attached guidelines.

I/We understand that the Board of Directors must review & approve this application before installation, and that this application must be submitted to the Management Company at least 10 days prior to a scheduled meeting in order to be reviewed/approved at that meeting.

Copies of the plans/estimate for installation must accompany this application.

This page must be signed and each page of the attached guidelines must be initialed.

Homeowner signature: _____ Date _____

FOR OFFICE USE ONLY:

Approval: _____ Architectural Committee Chair. Date _____

PEPPER TOWNEHOMES ASSOCIATION
SOLAR ENERGY SYSTEM POLICY

This Solar Energy System Policy (“Policy”) is established in accordance with Civil Code §714, 714.1 and 4746 and the Association’s Declaration of Covenants, Conditions and Restrictions (“CC&Rs”), to govern the installation of Solar Energy systems, as defined below, within the Project and provide guidelines for Owners seeking approval from the Board of Directors (“Board”) for installation of a Solar Energy System. The Association is responsible for the maintenance, repair and replacement of all roofs within the Project. This Policy is intended to provide guidance to Owners who desire to install and maintain a solar energy system upon a Common Area roof within the Association. These guidelines are intended to allow energy-conserving systems that are aesthetically pleasing to all Owners and residents. Owners may only install Solar Energy Systems in compliance with the terms, conditions and restrictions set forth herein.

1. Definitions

- A. **“Solar Energy System” or “System” shall mean 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, electricity generation, or water heating.
- B. **“Owner” shall mean any person, firm, corporation,** or other entity which owns a fee simple interest in any Condominium, as recorded in the official records of San Diego County.

2. Association Approval Required

- A. Owners must obtain approval of the Solar Energy System by the Board prior to the installation and/or use of the Solar Energy System.
- B. These rules set forth the requirements for the installation or use of a rooftop Solar Energy System for household purposes on a multi-family common area roof shared by more than one Owner in which the applicant resides.

3. Application Process

- A. Owners shall submit an architectural application for approval by the Board for the proposed Solar Energy System.
- B. The request must address the items specified in the paragraphs below.
- C. The Board shall **respond, in writing, to the Owner’s request within 45 days from** the date of receipt of the request and may approve the installation conditionally imposing reasonable restrictions as permitted by Civil Code Sections §714.1 and 4746.
- D. Fees may be imposed to defray the costs of reviewing plan submittals as well as all costs associated with the preparation and recordation of the covenant agreement and any subsequent modifications.

4. Approval and Installation Requirements

- A. Applicants for Solar Energy Systems must notify each Owner of a Unit in the Condominium Building on which the installation will be located of the application to install a Solar Energy System. Evidence of such notification shall be provided to the Association in the form of a notification sheet signed by each Owner.
- B. Applicants for Solar Energy Systems must submit a solar site survey showing the placement of the Solar Energy System prepared by a licensed contractor or the **contractor's registered salesperson knowledgeable in the installation of solar energy systems** to determine usable solar roof area. (The survey and the cost of the survey are not included as part of the cost of the system as used in Civil Code section 714.) The site survey shall include a determination of an equitable allocation of the usable solar roof area among all Owners sharing the same roof. **In the event the survey cannot confirm that the requesting Owner's equitable allocation of the common area roof is sufficient for the installation of their System,** the request may be denied.
- C. Solar Energy System applications shall conform in all respects to the CC&Rs, the **Association's Rules & Regulations, Architectural Guidelines and any other** governing documents.
- D. Each applicant for a Solar Energy System must submit two (2) sets of plans, including engineering and construction plans, the solar site survey discussed in subsection (B) above, photographs, and specifications for the entire proposed Solar Energy System (such as details of size, design, color, and materials listed on each set of plans, and location of Solar Energy System on the exterior of the unit). All drawings must show affected elevations. If an application is incomplete, the Board or Architectural Control Committee ("ACC") may request additional documents and information. The ACC and/or Board may request other specifications from the Owner which it deems necessary to make an informed decision.
- E. Before the installation begins, applicants must provide evidence to the satisfaction of the Board that the Association has been named as an additional insured on the insurance policy **maintained by the installer covering applicant's obligations set forth herein as relates to damage to property that is the Association's obligation to** maintain, repair and/or replace.
- F. The Owner, and each successive Owner, must maintain a homeowner liability coverage policy at all times and provide the Association with the corresponding certificate of insurance within fourteen (14) days of approval of the application and annually thereafter.
- G. **As a condition of the Association's approval, each applicant must execute an Agreement Containing Covenants Affecting Real Property Regarding the Installation of a System ("Covenant"), in the form to be provided by the Association. The Covenant will be recorded with the San Diego County recorder's office and will run with the land and bind the applicant and applicant's successors** in interest unless it is later changed. The Covenant will require the applicant to (a) insure the System, (b) assume the costs for damage to the Common Area, Exclusive Use Common Area or Unit resulting from the installation, maintenance, repair,

removal or replacement of the System, (c) assume the costs for the maintenance, repair, and replacement of the System until it has been removed and for the restoration of the Common Area, Exclusive Use Common Area or Unit after removal, (d) be responsible to disclose to prospective buyers the existence of any System of the Owner and the related responsibilities of the Owner with regards to the recorded Covenant, and (e) indemnify, defend and hold harmless the Association. Applicant will be responsible to reimburse the Association for the cost to prepare and record the Covenant. In the event an applicant does not sign and notarize the Covenant, the Association may initiate legal action against the applicant to cease the installation and/or cause its removal.

- H. **Before the installation begins, applicants must obtain (at applicant's expense)** all necessary building or other permits as may be required by the State or local governments. The Association reserves the right to request that the Owner furnish proof that all required progress and final inspections have been completed and signed-off by the City and/or any other governmental entity.
- I. **All contractors shall be notified of and abide by the Association's Rules & Regulations and/or Architectural Guidelines**, including, parking, construction hours and contractor rules.
- J. The Solar Energy System must meet all health and safety standards and requirements imposed by state and local permitting authorities, consistent with Government Code §65850.5. The System must meet all applicable safety and performance standards of the California Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories, such as Underwriters Laboratories. Where applicable, the System must comply with the rules of the Public Utilities Commission regarding safety and reliability. The Association and the Board shall not be responsible for non-compliance with any required law, ordinance, permit, etc. for items installed by an Owner pursuant to the required architectural approval.
- K. Owners must hire a California licensed contractor with a C46 license to install the Solar Energy System. The installing contractor shall carry comprehensive general liability insurance of at least \$1,000,000.00 and such workers compensation insurance as is required by law. All such contractors shall also be bonded to the extent required by the California State Contractors Licensing Board. All such contractors shall present proof of all such licensing, insurance and/or bonding to the Association before the installation begins. The Board shall have the right to review the contract of any such contractor to confirm compliance.
- L. The application must not call for any Common Area trees or structures to be moved or removed, and no such removal will be allowed or required, now or in the future.
- M. The System will at all times be owned by and remain the property of the record Owner(s) of the respective Unit. Each applicant will be solely responsible for the maintenance, repair and/or replacement of the System, during the period of his/her/their record ownership. At the sole expense of any Owner(s) of record, during their period of record ownership, the Association may require the System to be inspected and the Common Area roof water tested for leaks at any points where the system is attached to the roof. Any leaks discovered, and damage caused thereby, shall be immediately repaired by a qualified licensed, insured and bonded contractor, at the

sole expense of any Owner(s) of record, during his/her/their period of record ownership.

- N. Any removal or replacement of the System is subject to approval of the Board. Except in the case of an emergency, prior to any maintenance or repairs on the System, Owners of record shall provide written notification to the Association through its manager. If the installation, maintenance, repair, replacement and/or use of the System results in any damage to the roof, or any other building structure, the Owner(s) of record of the Unit, during his/her/their period of record ownership, shall indemnify, reimburse, defend and hold harmless the Association, and its directors, officers, committee members, agents, assigns and insurers, and/or any other Owner who is a member of the Association, from any claims, legal actions, costs, expenses, or any other losses arising or resulting from such roof or other building structure damage, including, but not limited to, those involving real property damage, damage resulting from moisture intrusion, structural repairs, drywall repair, mold remediation, damage to the Common Area or any Unit (as defined in the law and CC&Rs), damage to any personal property of the Association, and/or any Owner who is a member of the Association, and any personal injuries.
- O. The Association must be granted full access rights beneath, over and around the System for the purposes of conducting such maintenance, repairs and replacement as are required by the CC&Rs. In the event that such maintenance, repairs and replacement cannot be undertaken or completed with the System in place, the Owner(s) of record of the Unit, during their period of record ownership, at his/her/their sole expense, will remove, or cause to be removed, the entire System, or any portion thereof, to the extent necessary to allow the Association to conduct such maintenance, repairs and replacement. The System may be replaced by the Owner(s) of record, during his/her/their period of record ownership, at his/her/their sole expense. All such removal and/or replacement of the System as provided for in this section shall be subject to and comply with all other conditions of this approval.
- P. No leased solar systems shall be allowed.

5. Specific Guidelines

- A. The preferred roof location for all Systems is the one creating the least visual impact to Owners, and having the least destructive and/or intrusive impact to the Association's Common Area. A roof-mounted solar unit will be isolated to one **segregated roof area corresponding to the Owner's Unit footprint. The highest point of any roof-mounted solar panel should be lower than the ridge of the roof where it is attached, if possible, unless otherwise approved by the Board.** Solar Energy System must be firmly secured to the roof in accordance with local building codes.

No solar system may be installed without a full inspection of the roof, with a written report supplied. The Association will arrange for the inspection, and for any roof that has not been inspected with the last 18 months, the cost for the inspection will be paid by the Association. If the roof has been inspected within the previous eighteen (18) months, the cost for the inspection shall be paid by the Owner.

- B. Systems must be designed so that they are flush/parallel with the roofline and elevated no more than twelve (12) inches from roof surface to the top of the exposed surface of the panels. Any request for exceptions to this will be addressed on a case by case basis, at the sole discretion of the Board of Directors. The edges of any panels shall be subject to setbacks required by applicable codes. Panel module frames and voltaic array shall be bronze or black in finish. Natural aluminum is not permitted. Panels and equipment shall be screened as much as possible.
- C. The Board will approve the route for the conduit and location of all improvements, attachments, installation, etc. on a case-by-case basis, to minimize or eliminate impact to: (1) other Owners, (2) maintenance, and (3) aesthetics. Any exterior equipment and wiring shall be painted to match surrounding exterior stucco and/or trim color.
- D. Inverters must be located on the patio, at locations approved by the Board such as near ground level and screened with appropriate landscaping, so that such are not readily visible from surrounding Units, patios or the Common Area. Any underground electrical components shall meet all applicable codes and regulations. Applicant may be obligated to relocate the electrical meter, at applicant's expense, to mitigate or eliminate negative impact to adjacent residents. Any exterior electrical, plumbing, and/or other lines need to be run within the patio area and encased in conduit that is painted to match the color of the building.
- E. An unused or inoperable System must be removed by the Owner at the Owner's sole expense. If a System is subsequently removed, Owner shall be solely responsible to reimburse the Association for costs incurred in returning the roof to a condition that is acceptable to the Board.
- F. Installed Systems shall not substantially interfere with the use and enjoyment of other Owners' property or cause unreasonable annoyance to adjoining residents.
- G. Violations of this policy are subject to enforcement as provided in the governing documents. In addition to violation enforcement, the Covenant may be terminated/revoked for failing to abide by state law, the governing documents, and/or the Covenant.

6. Criteria

In addition to the criteria set forth in the specific guidelines above, the Board will consider the following criteria and objectives in reviewing the application to install a System:

- A. Review the System installation and location plans to determine whether such installation will have an unreasonable visual impact on the neighboring Units and Common Areas.
- B. Review the impact of the System installation and location of the solar panels to the Association's Common Areas.

- C. Consider the future and ongoing maintenance of affected portions of the Association's Common Area (e.g. additional roof maintenance, etc.).
- D. **Require submittal of any additional information necessary, in the Board's** discretion, to evaluate the application or any modifications thereto. Any deadline for a review decision shall not begin to run until all additional information requested is submitted and the application is deemed complete.

The Board will consider the following criteria and objectives in reviewing the roofing plans, if any:

- 1) Whether the System installation and location, as defined in the plans, complies with existing architectural guidelines (e.g. consistent with color, design, harmony, etc.).
 - 2) The impact of the System installation and location of the proposed System to the Association's Common Areas.
 - 3) The longevity of and maintenance requirements of the proposed System.
- E. Deposit

Prior to receiving final approval of an application for a solar system, the Owner must submit a deposit in the amount of **\$395.00** (subject to change) for the projected costs to prepare and record the Covenant (see section 4.G). Any unused funds will be refunded to the owner. If costs in excess of **\$395.00** are incurred, the owner will be billed for the additional costs. Failure to submit the deposit will be considered failure to obtain architectural approval for the installation, and the owner may be subject to fines, per the Association Enforcement Policy.

PEPPER TOWNEHOMES HOMEOWNERS ASSOCIATION
Application for Solar Installation Addendum

CONDITIONS OF APPROVAL:

The unit owners agree to the following conditions and associated costs:

- A pre-inspection and approval by the Association's Electrical Contractor of the solar electrical plan for a cost of \$100.00.
- A pre-installation inspection of the roof by the Association's Roof Contractor for a cost of \$147.50.
- A post-installation inspection of the roof and solar attachments by the Association's Roof Contractor for a cost of \$147.50.

The owners acknowledge that the costs listed above will be billed to and paid by the unit owners. Please note that these costs are **in addition** to the \$395.00 deposit required for the costs of the Covenant preparation & recording.

_____ Rancho Fanita Drive
Santee, CA 92071

Print Name

Date

Signature

The following “**MAINTENANCE AND INDEMNITY AGREEMENT**” must be signed by the owner and notarized before returning it to the Management office.

The application will not be considered complete without the notarized document and will not be submitted to the Board of Directors for review.

Additionally, the application will not be considered complete without the submission of the \$395.00 deposit.

MAINTENANCE AND INDEMNITY AGREEMENT
PURSUANT TO PEPPER TOWNEHOMES ASSOCIATION'S
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This agreement and covenant (Running with the Land) (hereinafter "Covenant") is made on this ____ day of _____, between Pepper Townehomes Association (hereinafter called the "Association"), and _____ (hereinafter called the "Owner"). Both Association and Owner may sometimes be collectively referred to as the "Parties.

RECITALS:

A. Owner owns the real property commonly known as _____, Unit ____ in the City of Santee, County of San Diego, State of California (the "Subject Property"), more particularly described in the Condominium Plan attached hereto as Exhibit "A," which is incorporated herein by this reference. Owner has the authority to record the instant restrictive covenant against the Subject Property, which is part of the Association.

B. The Subject Property is encumbered by and subject to the Association's Governing Documents, as defined in California Civil Code Section 4150, including the Declaration of Restrictions of Pepper Hill Townehomes Association filed in the San Diego County Recorder's office on June 9, 1972 as File/Page No. 147241, Book 1972, in addition to the Amendments to the Declaration of Restrictions of Pepper Hill Townehomes filed in the San Diego County Recorder's office on February 18, 1977 as File/Page No. 062591, Book 1977 (hereinafter collectively called the "CC&Rs").

C. The Association is a non-profit mutual benefit corporation organized and existing under the laws of the State of California, established and incorporated as part of a general plan to provide for the management, protection, maintenance, preservation, operation, development and control of the real property (the "Common Area"), the Subject Property and other Living Units located in the Pepper Townehomes community.

D. The Association maintains and controls areas within the development, hereinafter referred to as the "Common Area," such as defined in the CC&Rs at Restriction 1, paragraph (f) as "all portions of the Real Property not located within a Living Unit."

E. Pursuant to Restriction 4, paragraph (b) of the CC&Rs, the Association "shall have the sole and exclusive right and duty to manage, operate, control, repair, replace or restore all of the Common Area or any portion thereof," including the roof and other exterior portions of the building(s).

F. Pursuant to the Amendment to Restriction 2 of the CC&Rs and Restriction 3, paragraph (l) of the CC&Rs, no Owner shall make any alteration or improvement to the Common Area, or remove any planting, structure, furnishing or other object therefrom except with the written consent of the Board of Directors of the Corporation and the Architectural Committee.

G. Owner wishes to install solar energy panels (hereinafter referred to as the

“Improvement”) on the roof of the Subject Property pursuant to the architectural application submitted to and approved by the Association’s architectural review committee in accordance with Amendment to Restriction 2 of the CC&Rs, Restriction 3, paragraph (l) of the CC&Rs and Article VI, Section 3, subsection (b) and Section 5, subsection (e)(1) of the Association’s Bylaws.

H. The Association has agreed that Owner shall be granted permission to install the Improvement and have exclusive use of a portion of the Common Area for purposes of the installation and use of the Improvement, subject to the agreement to assume in perpetuity all maintenance responsibilities for the Improvement pursuant to the terms and conditions contained in this Covenant. The Association is making this grant of exclusive use pursuant to Cal. Civil Code Section 4600(b)(3)(E).

I. The Association will retain control and responsibility for the maintenance and/or repair of the portion of the Common Area (i.e., roof) upon which the Improvement is installed pursuant to the terms and conditions contained in this Covenant.

J. Owner and Association intend to fix and determine the rights and obligations of the parties and their successors-in-interest with respect to the design, construction, installation, maintenance, use, and repair of the Improvement, and in consideration thereof have entered into this Covenant.

K. Owner and Association intend that this Covenant be made and entered into pursuant to the provisions of Cal. Civil Code Section 1468, in effect as of the effective date of this Covenant, and that this Covenant shall run with the land of Owner and that it shall be binding upon each successive owner of the Subject Property during their ownership of any portion of the land affected hereby, and upon each person having any interest in the land derived through any owner thereof.

NOW, THEREFORE, in consideration of the terms and conditions herein, Owners and Association hereby agree as follows:

1. Pursuant to the Articles of Incorporation, CC&Rs and Bylaws (“Governing Documents”) for the Association, Owner desires to obtain permission from the Board of Directors and Architectural Committee for the Association for installation of solar energy panels on the roof of the Subject Property (Common Area) as more particularly set forth in the approved application which is attached hereto as Exhibit “B” to this Covenant. The Association agrees to grant such approval and exclusive use of the Common Area, consistent with the terms and conditions set forth herein and Exhibit “B.” The Association’s grant of exclusive use of the Common Area is made per Cal. Civil Code Section 4600(b)(3)(E) on the basis that this portion of the Common Area is inaccessible and not of use to other Owners.

2. Owner further agrees that the covenants provided herein shall run with both the land owned by Owner and shall be binding upon each successive owner, during such successor's ownership of any portion of the land affected by this Covenant, and upon each person having any interest in such land and derived through any owner thereof; further, that the successive owners of the land are to be bound by the covenants provided herein.

3. Owner, on behalf of his heirs, successors in interest, guardians, executors, devisees, administrators, lessees, tenants, invitees, guests, encumbrances, donees, grantees, mortgagees,

licensors and assignees, hereby agrees to maintain, remove and make necessary repairs to said Improvement as dictated and at the sole discretion of the Association. Owner shall require approval from the Association for any alteration to the Improvement, including expansion. Owner agrees to assume this maintenance and repair responsibility in perpetuity, and this Covenant shall be appurtenant to and pass with legal title for the Subject Property. The Association shall be released from any obligations relating to the installation, maintenance or use of the Improvement. Owner shall have the sole obligation to disclose the existence of this Covenant and its terms to any successor. Owner further agrees to be responsible for obtaining or failing to obtain, any necessary licenses and permits and for complying or failing to comply, with any applicable Federal, State, County and Municipal laws, codes and regulations in connection with the installation, maintenance, use and/or repair of the Improvement.

4. Owner shall defend, indemnify and hold harmless the Association, its Directors, Officers, Members, Committee Members, Managers and Agents from any liabilities, claims, demands or legal action of any kind, including but not limited to property damage and/or personal injury, which arises out of or relates in any manner to the construction, removal, maintenance and/or use of the subject Improvement and the portion of the Common Area on which the Improvement exists if such liabilities, claims, demands or legal actions are related to the installation, maintenance, use, repair and/or removal of the Improvement. This indemnification shall survive the termination of this Covenant.

5. Owner further agrees and acknowledges that by granting approval of the Improvement, the Association has no responsibility or liability for maintenance or repair of the Improvement and that Owner shall have full responsibility and liability for the proper installation, maintenance, use, repair and removal of the Improvement. The Association's Governing Documents will continue to apply in full force and effect to the portion of the Common Area occupied by the Improvement, and Owner shall further be required to abide by the Association's Governing Documents in all respects.

6. The Association shall retain control and responsibility for the portion of the Common Area (i.e. roof) upon which the Improvement is installed. The Association agrees to maintain and make necessary repairs of this portion of the Common Area at the sole discretion of the Association. Owner shall be responsible for and bear all costs and expenses associated with the proper removal, storage and re-installation, if appropriate, of the Improvement, should the portion of the Common Area affected by the Improvement require maintenance or repair by the Association. In the event the Association is required to undertake such maintenance and/or repair of the Common Area affected by the Improvement, the Association, through its Board of Directors or authorized Agent, shall provide Owner with thirty (30) days' written notice of the required maintenance and/or repair, unless such maintenance or repair is an emergency, within such time Owner has the sole responsibility and obligation to properly remove and store the Improvement. Owner agrees and acknowledges the Association has no responsibility or liability for any incidental costs, expenses or other burdens realized by the Owner during such time the Improvement is removed and the Common Area is maintained and/or repaired.

7. Owner shall reimburse the Association upon demand for any damages, losses, costs and judgments, including all increased insurance costs to the Association, resulting to the Association from the design, construction, installation, maintenance, use, or repair of the Improvement.

8. Owner shall be responsible for the quality and frequency of said maintenance of the Improvement. The Association through its Board of Directors and Architectural Control Committee shall have the power to tell Owner to undertake maintenance and/or repairs and/or removal if in their opinion such maintenance and/or repairs and/or removal are required. In the event Owner receives a written request from the Board of Directors, or its authorized Agent, to perform repairs, maintenance or removal, such work must be completed within sixty (60) days of receipt of such request. Owner shall bear all costs and expenses associated with the maintenance, repair and removal of the Improvement. If this work is not timely performed, or if the work is not performed in a reasonable manner such that it addresses all of the deficiencies noted, the Association shall have the right to demand the immediate and complete removal, at any time, at the sole expense of Owner, of the Improvement and declare the approval granted herein to be completely rescinded and of no further force and effect.

9. This Covenant may be amended only by a writing signed by all parties. In the event that any party to this Covenant shall be required to commence any action against any other party by reason of any breach of any provision of this Covenant, or to seek a judicial declaration of rights hereunder, the party prevailing in such action shall be entitled to recover from the other party the prevailing party's actual attorney's fees and costs, whether or not the proceeding or action proceeds to judgment. Compliance with California Civil Code Section 5925, *et seq.* shall NOT be a condition precedent to initiating any lawsuit under this Covenant. Any action to enforce this Covenant shall be maintained in San Diego Superior Court.

10. This document shall be recorded and is intended to be appurtenant to legal title for the Subject Property. Owner agrees to fully and expressly disclose this Covenant as part of any transfer prior to the close of escrow.

11. Owner acknowledges and agrees that this Covenant shall not serve to transfer or convey to Owner sole fee ownership of any portion of the Common Area, rather this Covenant is granting a right of exclusive use over a portion of the Common Area.

12. Owner agrees to cooperate in the recordation of this Covenant and assist the Association in processing any additional changes to this Covenant in order to properly record this Covenant with the County of San Diego.

13. The covenants contained in this Covenant shall be deemed separate, distinct and severable covenants between Owner and Association as to the Subject Property.

14. If any provision or part of this Covenant is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

15. Any and all damages, costs, judgments, attorneys' fees and expenses incurred by Association as a result of the design, construction, installation, maintenance, use, or repair of the Improvement by Owner, or Owner's failure to comply with any of Owner's obligations under this Covenant, may be assessed against the Subject Property by levy of a Special Assessment by Association solely for this purpose in the manner provided by the CC&Rs, which is incorporated herein by reference.

16. This Covenant is made in, and shall be construed in accordance with, the laws of the State of

California.

17. This Covenant may be executed in counterparts, and shall have the same force and effect as though it had been executed as one original signature page.

18. This Covenant shall be effective upon its execution by Owner and the Association and its recordation in the Office of the County Recorder, County of San Diego, State of California.

IN WITNESS WHEREOF, the undersigned have executed this Covenant on the date above first written.

OWNER

By: _____ Date: _____

By: _____ Date: _____

PEPPER TOWNEHOMES ASSOCIATION

By: _____ Date: _____

Its: _____

By: _____ Date: _____

Its: _____