

MISSION HILLS PHASE V PROPERTY OWNERS ASSOCIATION SOLAR SYSTEM POLICY

Owners must comply with this Solar Energy Policy ("Policy") of the Mission Hills Phase V Property Owners Association ("Association") for any proposed installation of a solar energy system ("System").

Because the Association maintains the roofs and some homes have shared roofs and walls, this Policy is being adopted to allow owners to submit for installation of a System on their roofs with requirements per Civil Code section 4746 and in compliance with Civil Code sections 714 and 714.1.

1. APPLICATION REQUIREMENTS. Owners must submit an architectural application, including all plans and specifications, solar site survey, of the proposed system, name of contractor, including the following requirements and conditions:

a. Plans. Submit plans, including engineering and construction plans, the solar site survey discussed in Section 1.b below, photographs, and specifications for the entire proposed System, including, without limitation, details regarding size, design, color and materials listed on each set of plans, and the proposed location of the System and all component parts on the roof and exterior of the dwelling. All drawings must show elevations.

b. Solar Site Survey for Shared Roofs. Submit a solar site survey showing the placement of the 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 for any shared roofs. The site survey must include a determination of an equitable allocation of the usable solar roof area among all owners sharing the same roof. If the survey does not demonstrate that the applying owner's equitable allocation of the common area roof is sufficiently large for the installation of the owner's proposed System, the application may be denied. Neither the survey nor the costs to determine usable space are deemed as part of the cost of the System as used in Civil Code section 714.

c. Neighbor Notification. Notify each neighboring owner with a shared wall and roof. Evidence of such notification shall be provided to the Association in the form of a notification sheet signed by the neighboring owners.

d. Additional Insured. Provide evidence that the Association will be or has been named as an additional insured on the required insurance liability policy of the installing contractor.

e. Removal of Trees/Structures. The application cannot require the removal of any Association Property trees or structures removal will be permitted only with Landscape Committee and Board approval.

f. Insurance. All contractors installing, maintaining, repairing, removing, and/or replacing the solar system must carry commercial 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 insurance and/or bonding to the Association before the installation begins. The Board has the right to review the contract of any such contractor to confirm compliance.

g. 30 Day Response/Conditional Approval. The Association will respond in writing to an application within 30 days from the date of receipt of the request and may approve the installation conditionally with additional reasonable restrictions (including, but not limited to, restrictions to limit the System's visibility from the street and to match the conduits to the exterior color of the building) or request further information. An incomplete application or request for further information will trigger another 30 day response deadline.

2. MAINTENANCE AND INDEMNITY AGREEMENT. The owner will be required to pay a fee of \$500 and enter into a Maintenance and Indemnity Agreement in the form provided with this Policy and such agreement will be recorded against the owner's home.

3. INSTALLATION REQUIREMENTS

a. Licensed Contractor. The System must be installed by an actively licensed, insured and bonded contractor bearing a C-46 license from the Contractor's State License Board. The installation process must conform in all respects to the requirements of the Association's governing documents, including this policy. The Owner is responsible to ensure compliance by the contractor.

b. Permits. Before the installation begins, owner must obtain and provide copies to the Association of all necessary building or other permits as may be required by the State or local governments.

c. Compliance with Rules. All contractors must be notified of and must abide by the Association's governing documents and rules and restrictions, including, parking, construction hours and contractor rules.

d. Inspection. The Association reserves the right to conduct an inspection for purposes of inspecting the progress and completion of the System to assess whether the System was installed in substantial conformance with the approved application and whether any damage was caused to the roof, framing/structural components, roof covering, shingles, eaves, gutters and any other part of the building as a result of the installation of the System requiring corrective work. The Association will provide a written request to the Owner. Within 48 hours of such notice, Owner shall allow entry for purposes of inspection of the System. Entry will be at reasonable times agreed to by the parties, but Owner cannot unreasonably delay or withhold entry.

e. Other Legal Requirements. The System must meet all health and safety standards and requirements imposed by state and local permitting authorities, consistent with Section 65850.5 of the Government Code. 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.

4. OWNER OBLIGATIONS

a. Ownership. The System will be owned by and remain the property of the current and each successive owner. Owner(s) will be responsible for the maintenance, repair, replacement and/or removal of the System.

b. Maintenance and Damage. The owner is responsible to install, remove, repair, maintain, and replace the System. The owner is also liable for all costs of maintenance, repair, and replacement of any portion of the building or common areas damaged or affected by the installation, use, removal, repair, maintenance, and replacement use of the System: including, without limitation, (1) damage to the roof, framing/structural components, roof covering, shingles, eaves, gutters, and any other part of the building, (2) damage from water leaks and/or resulting mold that develops due to those leaks, (3) damage from any fires and/or (4) any other property damage or personal injury.

c. Water Leaks. Any leaks discovered, and damage caused thereby, will be immediately repaired by a qualified licensed, insured and bonded contractor, at the owner's expense.

d. Continuing Obligations. Any maintenance, repairs, removal or replacement of the System is subject to architectural approval by the Association and obligations of the governing documents. In the case of any emergency maintenance or repairs on the System, owners shall provide advanced written notification to the Association through its manager.

e. Indemnification. The owner will indemnify, reimburse, defend and hold harmless the Association, and its directors, officers, agents, assigns and insurers from any claims, legal actions, costs, expenses, or any other losses arising or resulting from the construction, installation, maintenance, removal, repair, replacement, existence or use of the System, or the Association's approval of the System, including, but not limited to, those involving real property damage, moisture intrusion, structural repairs, drywall repair, mold remediation, damage to the Association property or any lot, personal property of the Association, and any personal injuries.

f. Easement. The Association will be granted full easement rights beneath, over and around the System for the purposes of conducting any maintenance, repairs and replacement of the roof, roofing components, and/or any other portions of the building structure as required by the Association's CC&Rs and/or the law. If such maintenance, repairs and replacement cannot be undertaken or completed with the System in place, the owner will remove, or cause to be removed, the entire System, or any portion thereof necessary, within fifteen (15) days of receipt of the Association's demand for the same, to allow the Association to conduct such maintenance, repairs and replacement. The System may thereafter be replaced by the owner and such removal and/or replacement of the System as provided for in this paragraph shall be subject to and comply with all other conditions of this policy. All costs and expenses incurred in performing temporary removal, and subsequent re-installation, shall be borne by the owner, including any utility expenses and any repair costs for damage sustained as a result of the removal and/or re-installation.

g. Insurance. The owner must maintain a homeowner liability coverage policy and must add the Association and its management company as an additional insured. The Association may appoint a third-party vendor of its choosing to review and confirm the policy as well confirm the

insurer meets industry standards (licensed, bonded, rating, etc.). If at any time the Association discovers the Owner is not in compliance with the insurance requirements, the Association may purchase the required insurance on the Owner's behalf and reimbursed by the Owner by way of an assessment following proper notice and hearing.

h. Disclosure to Buyers. The Owner must disclose to prospective buyers the existence of the solar energy system of the Owner and the related responsibilities of the Owner under Civil Code §§ 1102 et seq., 4746 and, these rules.

i. Consulting Fees/Cost. If necessary, the Association may incur reasonable professional fees from an architect, engineer, or other professional to review and confirm findings of plan submittals and to perform inspections, as set forth at Section 3.d above, and reasonable legal fees. The owner will reimburse the Association for any review costs before construction is permitted to begin. If necessary, the Association is permitted to recover such costs via an assessment following proper notice and a hearing.

J. Warranty. The Owner will be responsible for any warranty on the roofs and System and making claims on the warranty.

5. SYSTEM REQUIREMENTS

- a.** The System must have all black panel and frame. If aluminum is used should be anodized black.
- b.** The System's rails should be black and cut ends should be repainted.
- c.** The System must be firmly secured to the roof in accordance with local building codes.
- d.** The layout of the array should have a design that is aesthetically pleasing, i.e. symmetrical, or basic shapes such as a stair case or pyramid. "Crossword puzzle" layouts with modules "all over the place" will be denied.
- e.** The conduit shall not be visible from the roof.
- f.** The junction boxes shall be mounted under the array.
- g.** There should be no visible conduit or panels on the side of the building unless required by building code. Any piping or wiring should match with exterior.
- h.** The Association may require specific roofing attachments needed to maintain the roofs warranty and Owner will agree to have such attachments installed at their expense.

WHEN RECORDED, MAIL TO:)
)
Board of Directors)
Mission Hills Phase V Property Owners)
Association)
c/o)
Millennium Community Management)
4480I Village Court, Suite IO1)
Palm Desert, CA 92260)

Space above this line for recorder's use only

MAINTENANCE AND INDEMNITY AGREEMENT

This Maintenance and Indemnity Agreement ("Agreement") is entered between Mission Hills Phase V Property Owners Association ("Association") and _____ ("Owner"). The Association and Owner shall be referred to individually as "Party" and collectively as "Parties."

RECITALS

- A. The Association is a California nonprofit mutual benefit corporation established as a homeowner association to manage a residential development known as Mission Hills Phase V ("Development"), in Rancho Mirage, California.
- B. Owner is the record owner of a home within the Development, located at:

_____ ("Unit") and more particularly described as:

_____.
- C. The Unit is encumbered by the Association's governing documents, including the Second Restated Declaration of Covenants, Conditions and Restrictions for Mission Hills Phase V Property Owners' Association and all amendments thereto ("CC&Rs").
- D. Some units have connected and adjoining walls with a neighboring unit, and connected roofs.
- E. While the CC&Rs requires the Owner to maintain the interior of the Unit the Association is responsible for maintaining the exterior of the residential dwelling, including painting, repairing, replacing and caring for the roofs.
- F. The CC&Rs requires the Owner to submit plans for any modification to the Unit and structural components to building.
- G. Owner submitted plans to the Association to install a solar energy system ("System") for use by the Unit and Owner ("Work") on areas maintained by the Association.
- H. As part of the condition for approving the Work and System, Owner agrees to install and maintain the System per the terms and conditions of this Agreement.

NOW THEREFORE, for good and valuable consideration the receipt and sufficiency of which is acknowledged, the Parties wish to enter into this Maintenance and Indemnity Agreement which runs with the land and binds the Owner, the Unit, each of the successors and assigns to the Unit will inure to the benefit of the Parties, their respective successors and/or assigns and their respective real property. This Agreement is imposed upon the interests of the Unit and every part thereof as an equitable servitude in favor of the Association and its members.

TERMS AND CONDITIONS

1. **Recitals.** The recitals above are incorporated by this reference and made a part as though fully set forth again.

2. **The Work.**

a. Owner shall commence the Work only after this Agreement is recorded with the County of Riverside at the Owner's expense and after only complying with all pre-installation conditions required by the Association and its governing documents and architectural application approved, all made a part of this Agreement.

b. Owner will hire licensed and insured professionals and contractors to perform the Work after obtaining any required permits. Owner shall provide the Association with the names of all professionals and contractors hired to perform the Work. Such professionals and contractors will name the Association and its management company as additional insureds with primary coverage the same level as the named insured(s).

c. Owner shall submit for and obtain additional written approval from the Association for any variation or change to the plans for the Work and System originally submitted and approved. No variations or changes shall be allowed unless Owner has obtained written approval from the Association. Any changes not approved shall be a material breach of this Agreement and the Governing Documents. Any changes that have been approved shall be subject to this Agreement and Governing Documents.

d. Owner shall complete the Work within six (6) months of this Agreement, unless extended by written agreement of the Parties.

e. Owner shall provide written notice to the Association once the Work is completed.

3. **Inspection.**

a. The Association may inspect the progress and completion of the Work and System by providing written request to the Owner for purposes of assessing whether the System was installed in substantial conformance with the approved application and whether any damage was caused to the roof, framing/structural components, roof covering, shingles, eaves, gutters and any other part of the building as a result of the installation of the System requiring corrective work. Within 48 hours of such notice, Owner will allow entry into the Unit to inspect the Work and System. Entry will be at reasonable times agreed to by the Parties, but Owner cannot unreasonably delay or withhold entry into the Unit.

b. If an emergency occurs, the Association's rights of entry shall be immediate and without prior notice.

c. Owner shall reimburse the Association's costs for any professional or expert, e.g., architect, engineer and/or attorney, necessary to review and inspect the Work and System to ensure

its compliance with the approved plans, governing documents, this Agreement, building codes, and applicable laws and ordinances and assess whether any damage was caused to the roof, framing/structural components, roof covering, shingles, eaves, gutters and any other part of the building as a result of the installation of the System requiring corrective work.

4. **Roof Maintenance and Repair Duties.** The Association will continue to perform all maintenance and repairs of the roof, roofing components, and/or any other portions of the building structure as required by the Association's CC&Rs and/or the law. The Association will be granted full easement rights beneath, over and around the System for the purposes of conducting any necessary maintenance or repairs.

5. **System Ownership and Maintenance.**

a. The System will be owned by and remain the property of the owner(s) of the Unit. Any owner(s) of the Unit, including the Owner, and successors, will be responsible for the installation, maintenance, repair, replacement and removal of the System, and all related costs and expenses to the System and Work, including damage from golf balls which must be immediately repaired.

b. Any damage, or leaks, or damage caused by the leaks, resulting from the installation, maintenance, repair, replacement, removal, use or presence of the System will be immediately repaired by the Association, at the Owner's expense, by a qualified licensed, insured and bonded contractor. The costs and expenses to repair any damage resulting from the installation, maintenance, repair, replacement, removal, use or presence of the System will be assessed against the Owner's account, after proper notice and hearing.

c. The System must meet all health and safety standards and requirements imposed by state and local permitting authorities, consistent with Section 65850.5 of the Government Code and successor statute and other applicable law; and 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.

6. **Continuing Obligations with Governing Documents.** The Work, during its progress and completion, shall be part of the Unit and all requirements, covenants, conditions, and restrictions within the Association governing documents and as adopted or amended shall be in effect and shall apply to the Work, System, and Unit, including, but not limited to Owner's duties to pay any assessments, maintain and repair the Unit and System, insurance requirements, and Owner's and Association's respective easement rights.

7. **Owner's Obligations.** The Owner's failure to satisfy any of the requirements set forth herein and to provide satisfactory evidence of the same constitutes a material breach of this Agreement. Any monetary burdens borne by the Association as a result of such breach by the Owner may be recovered by the Association through an assessment against the Owner, in addition to and/or in lieu of any other rights and remedies the Association may have against the Owner.

8. **Owner's Breach.** If Owner breaches any term or condition of this Agreement, said breach shall, at the Association's election, and after giving the Owner notice and a reasonable period of

time to cure the breach, operate to relinquish any approval for the System. The Association may thereafter pursue any and all recourse, claims and causes of action against the Owner as provided for in the Governing Documents relating to enforcement of unapproved or nonconforming architectural improvements, including but not limited to, the removal of the System and the restoration of the Roof. Payment of all costs and expenses incurred by the Association in connection with such efforts shall be the responsibility of the Owner and may be recovered by the Association through a special reimbursement assessment against the Owner, in addition to and/or in lieu of any other rights and remedies the Association may have against Owner.

9. **The Association's Rights.** The Association is granted full right of access beneath, over and around the System to conduct its maintenance, repairs and replacement duties required by the CC&Rs. If such maintenance, repairs and replacement cannot safely be undertaken or completed with the System in place, Owner will disable, disconnect or remove the entire System, or any portion thereof, within fifteen (15) days of receipt of the Association's demand for the same, necessary to allow the Association to conduct its maintenance, repairs and replacement. Any removal or replacement of the System will be subject to and comply with all other conditions of this Agreement. All costs and expenses incurred in performing temporary removal, and subsequent re-installation, including any utility expenses and any repair costs for damage sustained as a result of the removal and/or re-installation, shall be borne by the owner, including any utility expenses and any repair costs for damage sustained as a result of the removal and/or re-installation. If the System is permanently removed from the Unit, Owner will restore the area to its original condition subject to architectural approval required by the Association.

10. **Agreement Prevails.** Notwithstanding anything to the contrary, this Agreement shall prevail over any inconsistent or contrary terms within the Governing Documents.

11. **Release.** Owner, successors, heirs, and assigns to the Unit, including representatives, agents, partners, contractors, subcontractors, employees, attorneys, and insurers, agree to fully release, waive, and discharge the Association and its members, directors, officers, representatives, administrators, agents, partners, employees, attorneys, insurers, successors and assigns, FROM ANY AND ALL PAST, PRESENT OR FUTURE CLAIMS, LOSSES, DAMAGES, ACTION AND CAUSES OF ACTION, OF WHATEVER KIND OR NATURE, WHETHER KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, INCLUDING, BUT NOT LIMITED TO CLAIMS BASED ON THE ACTIVE OR PASSIVE NEGLIGENCE OF THE ASSOCIATION, LOSS OR DAMAGE TO REAL OR PERSONAL PROPERTY, AND/OR WRONGFUL DEATH, based on or relating to this Agreement, the Association's approval of the Work and System, the Work and System, changes to the Work and System, Owner's maintenance requirements and duties, and the Unit and System.

12. **Indemnity.** Owner shall indemnify, defend, and hold harmless the Association, its directors, officers, representatives, administrators, agents, partners, employees, attorneys, insurers, successors and assigns, FROM ANY AND ALL CLAIMS, DAMAGES, ACTIONS, CAUSES OF ACTION, LIABILITIES, LOSSES, COSTS, ATTORNEYS' FEES AND ANY OTHER EXPENSES, based on or relating to the Association's approval of the Work and System, this

Agreement, Owner's maintenance requirements and duties, the Work, System, and the Unit ("Released Claims"), including payment of all costs, associated with or for any claim or damage to Association's property, maintenance areas, common area, other Units, or other such damage, including property damage, moisture intrusion, structural repairs, drywall repairs, mold remediation, damage to Association property or any lot or personal injury, related to or arising out of the Released Claims.

13. Mechanic's Liens. The Association and all their properties shall be free of mechanics liens related to the Work and System. Filing a lien against the Association or their properties shall constitute a material default by Owner. Owner shall take immediate action to cure any such lien. The Association may take action to resolve any lien related to the Work and System, upon twenty (20) days prior written notice, and Owner shall be liable for all costs and fees incurred by the Association related to such action via an assessment after proper notice and hearing.

14. Insurance. Owner will maintain general liability insurance covering person and property related to the Work, System, and Unit. Owner shall provide the Association with a Certificate of insurance or other evidence of Owner's insurance policies and agrees to add the Association, and its management company as an additional insured with primary coverage the same level of insurance as the named insured(s), and to provide the Association with at least thirty (30) days prior cancellation notice, and to further ensure said policy excludes no claims filed within a multi-family residential dwelling or homeowners association.

15. Attorneys' Fees. In any action to enforce this Agreement or action arising from the Work or System, the prevailing party shall recover its reasonable attorneys' fees and costs including all expenses related to alternative dispute resolution, mitigation expenses, and repair costs.

16. Legal Advice. The Association has provided no legal advice to Owner concerning this Agreement and Owner has obtained its own legal counsel and contracts with full acknowledge and understanding of its terms, provisions, and effect.

17. Notice. Any notice required or permitted under this Agreement shall be in writing given by certified mail, return receipt requested, personally, or by a nationally recognized overnight courier, at the addresses provided above. The Parties may update the above listed contacts for notice by providing the other Party written notice under the terms herein this paragraph. The Parties may also agree in writing to receiving notice by email.

18. Strict Liability. Owner will be strictly liable for all damages, claims, issues, and consequences which relate in any way to the Work and System and neither the Association nor their Board of Directors, officers, manager or their employees or agents will be liable to the Owner, or any other person, for injury, damage or loss to the Owner, any of Owner's property including the Work, the System, or any other persons or property, resulting from any casualty, or from any water, rain, dust, sand, or any other element which may leak or flow from outside of any unit or the Work or the System from any other place or cause. The Association's non- responsibility for consequential damages, includes, but is not limited to, fixtures, cabinets, paint, wall coverings, window coverings and floor coverings, costs to test for mold, abate the same, and reconstruct the

Unit or any Work or System damaged.

19. Covenants to Run with the Land. The covenants, conditions and restrictions of this Agreement shall run with and bind the Unit and all those taking an interest in it as covenants running with the land and as equitable servitudes. The covenants, conditions and restrictions in this Agreement shall inure to the benefit of and be enforceable by the Parties hereto, their respective heirs, Boards, legal representatives, successors and assigns. Owner is responsible for informing successive owners of this Agreement and its obligations.

20. Non-Severability. Invalidation of any one or a portion of these covenants, conditions or restrictions by judgment or court order shall not terminate the entire Agreement or any other part unless all Parties agree to termination.

21. Representations of Signer. The persons executing this Agreement warrant their authority to do so, and that such authority has been duly and validly conferred.

22. Venue. This Agreement shall be governed under the laws of the State of California and venue shall be Riverside County Superior Court.

Mission Hills Phase V Property Owners Association

Date: _____

By [Print name]: _____

Signature: _____

Title: _____

[Owner]

Date: _____

By [Print name]: _____

Signature: _____

Date: _____

By [Print name]: _____

Signature: _____

PLEASE COMPLETE THIS
INFORMATION RECORDING
REQUESTING BY:

X
X
X

APN: XXXXXXXXXX

SPACE ABOVE THIS LINE FOR RECORDER'S USE

MAINTENANCE AND INDEMNITY AGREEMENT
FOR SOLAR PANELS

MAINTENANCE AND INDEMNITY AGREEMENT

This Maintenance and Indemnity Agreement ("Agreement") is made this day of XXXXXXXX, by and between MISSION HILLS PHASE V PROPERTY OWNERS ASSOCIATION, hereinafter referred to as "Association," and XXX Desert West Drive, hereinafter referred to, as "Owner."

RECITALS

WHEREAS, Association is a nonprofit mutual benefit corporation, incorporated under the laws of the State of California for the purpose of carrying out the functions as set forth in the Second Restated Declaration of Covenants, Conditions and Restrictions for Mission Hills Phase V Property Owners Association ("CC&Rs"), recorded February 15, 2018, as Instrument No. 2018-0057196 in the Official Records of the County of Riverside, State of California.

WHEREAS, the CC&Rs provide for the establishment of the Mission Hills Phase V Property Owners Association and a Board of Directors ("Board") whose function is to manage and maintain the Common Area and carry out Association maintenance responsibilities in connection with the dwellings located on the residential Lots.

WHEREAS, Article 6 of the CC&Rs sets forth the exterior maintenance responsibilities, and the Association is obligated to maintain all external surfaces, including, but not limited to, the exterior walls and roofs of the dwellings located on the residential Lots.

WHEREAS, Owner holds the sublease hold interest in a Lot within the Mission Hills Phase V community described as XXX Desert West Dr., Rancho Mirage, California 92270 ("Lot") and which is legally described in Exhibit "A" attached hereto, and is authorized to make legal and binding agreements affecting the Lot.

WHERE, AS, Owner desires to install solar panels on a portion of the roof of the dwelling ("Dwelling") located on the Lot. The solar panels and all related wiring and equipment will be collectively referred to as the "Improvements." A schematic depiction of the roof and location of the Improvements is attached hereto as Exhibit "B."

WHEREAS, Owner has obtained written approval from the Association for the solar installation subject to certain conditions, including, but not limited to, entering into this Agreement.

NOW, THEREFORE, Association and Owner agree as follows:

I. TERM OF AGREEMENT

This Agreement shall continue until terminated in accordance with section II.

II. TERMINATION OF AGREEMENT

This Agreement shall terminate if any of the following occurs:

A. Destruction. The existing Dwelling is removed and/or destroyed and not replaced, and/or the Improvements are removed and the roof has been restored to its original condition to the Association's satisfaction.

B. Mutual Agreement. Mutual Agreement between Association and Owner or their successor in interest. For the purpose of this Agreement, the term "Owner" shall mean the then existing Owner of the Lot set forth in Exhibit "A."

C. Board Action/Court Order. Two-thirds (2/3) of the Board of Directors passes a resolution terminating this Agreement. The Board of Directors shall only exercise this provision for "Good Cause." For the purpose of this section, the term "Good Cause" shall mean the failure to comply with this Agreement hereunder, and the Board of Directors determines it is in the best interest of the Association to terminate this Agreement. Notwithstanding the foregoing, this Agreement shall not terminate until Association gives Owner thirty (30) days prior written notice. This Agreement shall also be canceled upon a Court order terminating same.

III. SALE, TRANSFER OR CONVEYANCE OF TITLE

In the event Owner sells, transfers or otherwise conveys the Dwelling, Owner shall immediately notify the Association of the sale, transfer or conveyance and provide the Association with a copy of the relevant deed(s) or other documentation.

Upon said conveyance, this Agreement shall automatically transfer to the new owner and subsequent owner, and the current owner or former owner for the Dwelling shall have: no further responsibility under this Agreement. Owner and the Association agree that the actions required of Owner under this Agreement run with and are for the benefit of the land.

IV. CONSIDERATION FOR AGREEMENT

Valuable consideration has been offered and accepted by the parties to this Agreement. In addition, Owner shall be responsible to pay any and all attorneys' fees in connection with the drafting of this Agreement and recording costs.

V. MAINTENANCE RESPONSIBILITIES

Owner, by and through its agent(s) and/or contractor(s), shall install, maintain, repair, and replace the Improvements (and any related wiring and equipment) and that portion of the roof located underneath the solar panels and within two feet (2') on all sides of the solar panels, in a first class, safe and operable condition, and maintain same in good repair, solely at Owner's expense, and in accordance with any and all conditions, guidelines, standards, and regulations established by the Architectural Committee or Board in connection with the approval of this application or otherwise; Owner shall be responsible for the adequacy, proper function and maintenance of the Improvements and the Exhibit "B" Property. Owner agrees and acknowledges that the installation of the Improvements shall meet all standards of applicable governmental authorities, such as the City of Rancho Mirage.

The Association shall have no maintenance, repair or replacement responsibilities in relation to the Improvements. The Association shall continue to maintain, repair and replace those portions of the roof located outside the scope of the Owner's maintenance responsibility described above.

Notwithstanding anything to the contrary herein, in the event that the Association replaces the roofs throughout the community due to regular wear and tear, the Association will be responsible for the costs of replacing the roof. If, however, the roof requires replacing because of damages incurred by the solar system installation, it will be the responsibility of Owner to cover the cost of such roof replacement. In either event, any costs incurred for removing and replacing the solar panels will be the responsibility of the Owner.

Association shall have the right to inspect the Exhibit "B" Property at any time during the term of this Agreement. Association may engage appropriate professionals, at Owner's expense, to verify that the solar installation meets the above referenced standards. Owner shall be required to submit proof of certification, insurance and licenses for any contractors/subcontractors used to install

and construct the Improvements.

Owner shall immediately remove any inoperable or non-functioning Improvements from the roof. In the event Owner discontinues use of the Improvements, Owner shall remove the Improvements within thirty (30) days of non-use. If the Improvements are removed, Owner shall repair, to Association's satisfaction, any damage to the Exhibit "B" Property caused by the Improvements. The obligation to remove the Improvement, and make necessary repairs to the Exhibit "B" Property shall survive the termination of this Agreement.

Should Owner fail to maintain, repair or replace the Improvements and/or Exhibit "B" Property, or remove the Improvements in accordance with this Agreements in accordance with the CC&Rs, or any amendments thereto, or Architectural Guidelines established by the Association, the Association may notify Owner of repairs, maintenance or other action needed in order to bring the Lot into compliance, and request that the work be performed within a reasonable time of such request, as determined by the Board.

If the work is not performed within a reasonable time, the Association has the right, but not the obligation, to perform such work at Owner's expense. Owner shall reimburse the Association for such work within fifteen (15) days of the Association's written request. In the event Owner fails to reimburse Association within such time, Association shall be entitled to collect such charges as a Reimbursement Assessment.

In the event that the Association requires access to the Exhibit "B" Property to fulfill its obligations pursuant to the CC&Rs or successor declarations, and upon reasonable notice by the Association, Owner shall temporarily move the Improvements to a different location and return them upon notification by the Association.

VI. RESPONSIBILITY FOR DAMAGE TO COMMON AREA, RESIDENCES, AND ASSOCIATION MAINTAINED AREAS

Owner shall be responsible for the cost of any additional maintenance, repair or replacement of the Common Area, Association- maintained areas or items, and other Lots, as well as personal property/improvements of other Owner's residence, or any damage or destruction to same, which results or is made necessary due to, or is in any manner connected with the construction, maintenance, repair or replacement of the Improvements or Exhibit "B" Property. Owner shall also be responsible to the Association and any affected Owners for disruptions in telephone/cable services or other utilities which result or are due to, or are in any manner connected with, the construction, maintenance, repair or replacement of the Improvements.

VII. EXCULPATION, INDEMNITY AND INSURANCE

Owner agrees, on behalf of Owner and its assigns, heirs and successors to indemnify Association and its agents, officers, directors, employees and representatives (hereinafter the

"Released Parties") and defend and hold the Released Parties harmless against any and all claims, including, but not limited to, claims for injury or damage, whether known or unknown, or presently existing or to exist in the future, and whether or not asserted in a lawsuit, which may arise in connection with this Agreement or with the solar installation depicted in Exhibit "B," including, but not limited to, attorneys' fees and costs, and expert fees.

This foregoing indemnity obligation shall include costs, attorneys' fees, general and special damages, consequential and incidental damages, or other expenses incurred by such parties. Owner's obligation to indemnify, defend and hold harmless shall also apply to any actions, lawsuits or proceedings brought against the Association as a result of mechanics' liens or similar instruments filed against the Lot and/or Dwellings and Owner agrees to promptly pay any such judgment or lien resulting from any such actions, lawsuits or proceedings.

Owner further agrees to indemnify the Association as to any injury or damage claimed by persons, including contractors, subcontractors or employees of same brought against the Released Parties, arising out of the Improvements.

Owner shall obtain and maintain personal liability and property damages liability insurance in relation to the Improvements and the Exhibit "B" Property.

VIII. RESTORATION OF PROPERTY

In the event this Agreement is terminated for any reason, the Association shall have the right to require Owner to restore the Lot to its original condition, in whole or in part, to the Association's satisfaction and at the sole expense of Owner.

IX. EXPENDITURES IN RELIANCE OF THIS AGREEMENT

It is understood that Owner may expend or already have expended considerable time and money in reliance on this Agreement. Regardless of said expenditures, it is expressly agreed that this Agreement may be terminated or not renewed in accordance with the provisions of the Agreement.

X. CITY APPROVAL/NONAPPROVAL

Owner agrees and represents that Owner will comply with all applicable federal, state, county and city laws and ordinances and has obtained all necessary permits in connection with the solar installation. Owner further agrees to furnish evidence of permits at the Association's request.

XI. ENTIRE AGREEMENT

This Agreement contains the entire agreement of the parties, and may not be amended except in writing signed by all parties hereto.

XII. GOVERNING LAW

This Agreement, and all matters relating to this Agreement, shall be governed by the laws of the State of California in force at the time such matters relating to this Agreement arise.

XIII. PREVAILING PARTY'S CLAUSE

Should legal action commence to enforce or interpret any provisions of this Agreement or otherwise as to this Agreement, the prevailing party therein shall be entitled to an award of attorneys' fees, costs of suit, and any other costs the court adjudges as proper.

Each party signing below represents that he/she has the authority to sign an Agreement in connection with the Exhibit "B" Property.

EXECUTED by the respective parties on the date(s) indicated below:

MISSION HILLS PHASE V PROPERTY OWNERS
ASSOCIATION

Dated _____

By _____

Print Name _____

Its: _____

Dated _____

Homeowner _____

Print Name _____

Dated _____

Homeowner _____

Print Name _____

EXHIBIT "A"

LEGAL DESCRIPTION OF LOT

A LEASEHOLD ESTATE AS CREATED BY THAT CERT. IN LEASE DATED JUNE 15, 1978, EXECUTED BY MISSION HILLS PROPERTY CORPORATION, A DELAWARE CORPORATION, AS LESSOR, AND RECORDED ON OCTOBER 30, 1978, IS INSTRUMENT NO. 1978-227825, OF THE OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, SUBJECT TO THE TERMS, CONDITIONS AND PROVISIONS AS CONTAINED THEREIN.

LOT 56 MB 099/029 TR 9635 & TNT in Common Areas IN THE CITY OF RANCHO MIRAGE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

APN 009-604-777, tax area 017008,

NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS, AND SUPPORT THROUGHOUT AND OVER: LOTS A AND B OF TRACT 9535 IN THE CITY OF RANCHO MIRAGE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA. AS PER-AMENDED MAP RECORDED IN BOOK 99, PAGES 29 TO 35, BOTH INCLUSIVE OF MAPS, LOT A OF TRACT 7081, IN THE CITY OF RANCHO MIRAGE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 88, PAGES 91 TO 92, INCLUSIVE OF MAPS, LOT A OF TRACT 6818, IN THE CITY OF RANCHO MIRAGE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 85, PAGES 65 TO 67, INCLUSIVE OF MAPS, LOT A OF TRACT 6579 IN THE CITY OF RANCHO MIRAGE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 82, PAGES 78-82 INCLUSIVE OF MAPS, LOT A OF TRACT 3986 IN THE CITY OF RANCHO MIRAGE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 66, PAGES 45-47, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDED OF SAID COUNTY.

EXHIBIT "B"

DEPICTION OF SOLAR INSTALLATION

(SEE ATTACHED)