



DESERT PRINCESS PALM SPRINGS

HOMEOWNERS ASSOCIATION RULES & REGULATIONS

(Updated September, 2021)

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Foreword

The Desert Princess Homeowners Association exists to serve the Homeowners of the Desert Princess Resort and Country Club. As in any society, common rules of courtesy must be observed in order that the common good of all the residents is served.

The Rules and Regulations herein are intended to aid the residents, their families, renters, and guests in determining a reasonable standard of conduct and to provide information regarding the use of the services and facilities owned and utilized by the residents of the Association.

These Rules and Regulations are established by the Desert Princess Homeowners Association Board of Directors pursuant to Article III of the January 21, 2009 Restated Declaration of Covenants, Conditions, and Restrictions (CC&Rs) and Article VI of the January 21, 2009 Restated Bylaws.

These Rules and Regulations are intended to be changed or adjusted from time to time, as necessary to reflect the needs of the majority of the Members. If a Homeowner has any suggestions for adjustments to the Rules and Regulations, the matter should be brought to the attention of the Board of Directors in writing.

Every Homeowner in the Association is expected to read and understand these Rules and Regulations. In addition, Homeowners are responsible for ensuring that their family, renters, guests, and other invitees are aware of these Rules and Regulations and comply with them.

The Board of Directors of the Association is authorized to impose penalties or assessments ("fines") and to take any reasonable action required to ensure these Rules and Regulations are properly observed. All costs incurred in enforcing these Rules and Regulations may be charged against the individual Homeowner. In the event the Homeowner fails to pay for the costs incurred in enforcing these Rules and Regulations, the Board of Directors shall have the right to impose a Special Assessment on the Homeowner's unit.

Your assistance and cooperation in helping to make Desert Princess Resort and Country Club a safe and pleasant place are sincerely appreciated.

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A. Patrol Services General Property Rules

1. No excessive or unnecessary noise is permitted at any time. This includes, but is not limited to, boisterous conduct, pets, televisions, power tools, radios, loudspeakers, or any musical devices. Common courtesy shall be observed at all times with respect to other residents and guests. Regulations require quiet hours from 10:00 P.M. to 6:00 A.M.
2. Ingress and egress to the property is only through authorized entrances. Jumping over or climbing through fences or gates, or climbing over walls is not permitted.
3. Owners shall in all cases be responsible for the actions of their children, guests and pets, or for anyone on the premises by their instruction or permission.
4. Any damage to buildings, recreational facilities, equipment or any other common area property caused by an Owner, his/her children, his/her pets, his/her tenant(s), his/her guest(s) or an Owner's employee(s)/contractor(s) shall be considered the responsibility of the Owner, and all costs of resulting repair(s) and/or replacement(s) shall be borne by said Owner.
5. Each residence, including the garage, shall be used for residential purposes only. No trade or business of any kind may be conducted in or from a Unit or a garage except for one that is conducted solely through mail and/or electronic transactions (phone, fax, email, online) and does not require or permit customers, clients, or outside employees to enter the property to conduct business.
6. Occupancy is restricted according to square footage. Units that have less than 1500 square feet shall be limited to a maximum of eight (8) people and Units between 1500 square feet and 2500 square feet shall be limited to a maximum of ten (10) people.
7. An Owner or occupant shall not perform nor commence anything that will impair the structural integrity or soundness of another Unit/Villa, Common Area or any other area of the development.
8. No noxious, illegal or materially offensive activities shall be carried out or conducted within any Unit/Villa or Common Area or in any part of the development.
9. State and local ordinances must be observed when explosives or flammable liquids are brought into individual units. Gas powered vehicles or fuel tanks are prohibited inside units, except for garages.
10. No Owner shall permit anything to be done or kept within his or her Unit/Villa or within the Common Area which could cause any improvements to be uninsurable, canceled or suspended against loss by fire or casualty or which would increase the rate of insurance relating to any policy, maintained by the Association.
11. No Owner shall permit anything or condition to exist within his or her Unit or on the Common Area, which shall induce, breed or harbor infectious plant diseases, rodents, noxious insects or other pests.
12. Homeowners and their guest(s) and/or tenant(s) are to dispose of refuse only in enclosed containers or sealed trash bags. Condo residents shall dispose of their refuse in the provided

community dumpsters. Villa Owners shall be served by the City-provided trash pick-up service and shall dispose of their trash as required by the City. Villa Owners, who will not be home on days of scheduled trash pick-up, may use one of the community dumpsters located in the Villa sections.

13. Villa Owners must remove any trash containers from the street no later than 6:00 p.m. on the day of trash collection.
14. Trash cans are to be kept inside the units and out of view.
15. Obstruction of walkways and entryways is prohibited.
16. Outside laundry facilities are not permitted.
17. Homeowners and their guest(s) and/or tenant(s) are not permitted to borrow or remove any furniture, equipment, or other items from common areas.
18. No visible storage of an unsightly nature is permitted on patios or any other area visible from the golf course, street or common areas. This includes, but is not limited to, boxes, cleaning items, excess furniture, motorcycles, golf carts, bicycles, etc.
19. Access to the golf course is restricted to golfers and other individuals who have been authorized by the Golf Shop to be on the course, and employees of the managing agent. All golfers must check-in with the Golf Shop prior to beginning play. Walking, jogging, bicycling, or other activities other than sanctioned golf play are prohibited on any part of the golf course at all times. Only employees of the managing agent are allowed on the golf course during the hours of darkness.
20. Driving, chipping, or hitting of golf balls in any manner is not permitted on the common area of the Association except for authorized golfers on the golf course, driving range or putting greens. Balls hit out of bounds into the Association common area or private property shall not be hit back into play. "Drops" onto the golf course shall be taken in conformance with the accepted rules of golf. On those golf holes adjacent to single family villa units, the property beyond the out-of-bounds markers is the private property of the Villa Owner. Golfers should not go beyond the out-of-bounds markers to retrieve or hit balls.
21. Children between the ages of twelve (12) and sixteen (16) who are playing golf must be accompanied on the golf course by an adult. Children under the age of twelve (12) are not permitted on the golf course at any time unless specifically approved by the Head Golf Professional.
22. The lakes on the golf course property have been chemically treated and may contain substances harmful to your health. Any wading, swimming, fishing or other intrusion or use of the lakes is strictly forbidden.
23. Garage doors are to be kept closed except when moving vehicles or when continued access is required while work is being performed.
24. The DPHOA has installed an Electric Vehicle Charging Station for Community use at the tennis court parking lot. Condominium owners may install an electric vehicle charging station in their garage, within an exclusive use common area, or as otherwise approved by the ALC. All associated costs are the responsibility of the Homeowner, who must install an

electric submeter and provide a certification of insurance naming DPHOA as an additional insured. Garages are common area and all electricity is common area electricity. When electric vehicles are illegally charged within the garages, the GFI breaker shuts off, which turns off all garage and ground lighting in the area. The garages are not wired for electric vehicle charging. Additionally, plugging in of major household appliances (refrigerators, freezers, etc.) in the condo garages is prohibited.

25. Fireworks are not permitted to be used in or on any portion of the common area or golf course of Desert Princess.
26. Homeowners are required to ensure that the main water supply valve servicing their individual unit is shut off any time the unit will be unoccupied for a period of seven (7) consecutive days or longer. Failure of the Owner, any Member of his or her family, or any of his or her tenants, guests, servants, employees, licensees or invitees, to shut off the water supply to the unit as required by this rule shall be considered a negligent act or omission in accordance with the provisions of Article VII, Section 7.3 (c) and 7.4 (b) of the CC&Rs of the Desert Princess Homeowners Association. In the event that the water is not turned off in compliance with this Rule, and a water leak occurs, regardless of the location or cause of the leak, the Owner shall be responsible for all costs and expenses incurred (to the extent not compensated by insurance) for the repair and/or replacement of any portion of the Association common area or the common facilities, including any portion of the residence structure which the Association is obligated to repair and maintain. All such costs and expenses shall be assessed and charged solely to and against such Owner as a Special Individual / Reimbursement Assessment. Such assessment may not be levied until the Owner has been afforded the notice and hearing rights to which the Owner is entitled pursuant to the governing documents of the Association and State law. Nothing in this Rule is intended to interfere with an insurance company's rights of subrogation, if any.
27. Management staff and independent contractors serve the community in many areas, following policies established by the Board of Directors.
 - A. Management staff and independent contractors shall not be directed in their regular work efforts by Homeowners, residents, guests or invitees.
 - B. Management staff shall not perform personal duties (unless contracted through the Desert Princess Homeowners Association) for individual Homeowners or residents of the Association during their normal working hours.
 - C. All employees are managed by the Association's Management staff and any comments regarding their performance or demeanor should be directed to the Desert Princess CEO.
 - D. The Desert Princess Homeowners Association is committed to providing a work environment that is free of discrimination and unlawful harassment. Association policy prohibits sexual harassment, and harassment based on pregnancy, childbirth or related medical conditions, race, religious creed, color, national origin or ancestry, physical or mental disability, marital status, age, sexual orientation or any other basis protected by Federal, State, or local law, ordinance or regulation. All such harassment is unlawful. Unlawful harassment of employees, contractors, Directors, or volunteers will not be

tolerated. Incidences of unlawful harassment should be reported to the Desert Princess CEO.

28. Garage sales, rummage sales or any similar type of sale of goods to the general public are not permitted unless sanctioned by the Board of Directors.
29. All Homeowners should provide a personal password to the DPHOA Patrol Services Department, which is to be used as verification of valid authorization when calling Patrol Services for invited guests, vendors, emergencies, etc.
30. Smoking is prohibited under all exterior covered areas of the Clubhouse to include all forms of tobacco, marijuana and electronic/vaping devices.

B. Traffic Regulations

1. The Desert Princess HOA & Country Club assumes no responsibility for fire, theft or damage to vehicles parked in a garage, parking area, or any other location in the development. Vandalism to the common area and other Owner's property will be reported to the proper law enforcement agencies.
2. The Desert Princess HOA & Country Club hereby adopts all traffic laws, rules and regulations established by the California State Legislature and delineated in the California Vehicle Code. All individuals operating vehicles on Desert Princess property must comply with all posted traffic signs.
3. The speed limit is as posted. Maximum speed is 25 MPH unless otherwise posted.
4. No vehicle shall be operated in such a manner as to endanger persons or property.
5. All individuals operating vehicles within the boundaries of Desert Princess shall be required to maintain vehicle insurance as dictated by the Motor Vehicle Code of the State of California. This provision also extends to golf carts in terms of liability. The Desert Princess Homeowners Association assumes no liability for the acts or omissions of any individual operating a vehicle, including golf carts, on the Desert Princess property, whether or not the Owner or operator of the vehicle has liability insurance in effect.
6. No person may operate a motor vehicle or golf cart on a roadway in the Desert Princess property unless the person is licensed as an operator by the State of California, or possesses a valid license from another State or any other recognized issuing authority with licensing jurisdiction.
7. A person may not authorize or knowingly permit a motor vehicle or golf cart owned by him/her or under his/her control to be operated by a person in violation of this section.
8. Under no circumstances will anyone be allowed to operate any golf cart without a valid driver's license. Any golf cart operated on the residential property and/or the golf course must be registered with the Homeowners Association and display a valid registration sticker. Golf cart decals/stickers are to be located on a totally visible part of the golf cart on the driver's rear side of the cart.

9. Homeowners who permit their golf carts to be used by renters or other guests shall be held responsible for the actions of those renters or guests while operating the golf cart, including, but not limited to, any violations of the Rules and Regulations of the Association.
10. Blowing of horns, racing of engines, loud mufflers, loud car radios, or similar noise is not allowed.
11. No vehicle shall be driven or moved on any roadway of Desert Princess property unless its load or other contents are suitably fastened and/or secured as to prevent it from dropping, shifting, leaking or otherwise escaping there from.
12. Parking is not permitted in marked red "Fire Zones," in front of fire hydrants, or in any other area designated or marked as "No Parking."
13. No vehicle, including golf carts, shall be parked in such a manner as to impede or prevent access to another Owner's garage, access to driveways, or access to community trash dumpsters.
14. No dilapidated, inoperative or unlicensed vehicle, including golf carts, shall be stored or allowed to remain within the project, including on any public or private street in such a manner as to be visible from any other unit within the project.
15. Except for vehicles parked inside of a garage, no vehicle shall be parked on a permanent basis anywhere in the development. "Permanent" shall be defined as being left parked in any location more than fourteen (14) consecutive days unless registered with the Association as outlined below. The vehicle must be moved at least ten (10) feet in order to be considered parked in a different location.
16. Homeowners and residents may obtain a temporary "Parking Permit" from the Homeowners Association, which will allow a vehicle to remain parked in one location for a period not to exceed sixty (60) consecutive days. The permit must be displayed on the dash of the vehicle so as to be seen from the outside. In no instance will parking be permitted for a period in excess of sixty (60) days. Parking Permits are available only for Homeowners and residents. Guests, vendors and other non-residents are not eligible for this privilege. Vehicles must be properly licensed to be eligible for a parking permit.
17. The Association may cause the removal, at the Owner's expense, of improperly parked vehicles to the nearest public garage. Causes for a vehicle to be removed include, but are not limited to blocking an entrance or exit to the development; blocking access to the property of another; parked in a fire lane; parked in a handicap zone without displaying proper authorization; if the vehicle represents a traffic hazard; or if the vehicle is parked in violation of the Rules and Regulations of the Association. Vehicles will be removed in accordance with the provisions of the Association's Towing Policy found in Section "M" of this pamphlet.
18. No Motor homes, trailers, RVs, towed vehicles, "U-Haul" type trucks and trailers, nor any large commercial vehicles as defined by the California DMV and in excess of three-quarter tons may be allowed on property except to load and unload. No overnight parking is allowed unless authorized by the Desert Princess CEO or Assistant General Manager.

19. Trailers, boats, campers, RVs, off-road vehicles or large commercial vehicles shall not be stored or allowed to remain within the project.
20. Performing work on cars, motorcycles, boats, golf carts, etc., is not permitted within the project.
21. Whenever it is deemed necessary because of construction, maintenance work, or due to an emergency, to suspend all or part of the travel on the roadway, the Patrol Services Department may restrict use of, or close such roadway or a portion thereof. Suitable barriers and notices are to be posted at the point where an alternate path or approach may be used and shall be adequately maintained and illuminated. No person shall willfully fail to observe, remove or deface any barricade, warning light, sign and cone or traffic control device.
22. Except as otherwise provided, no roadway on the Desert Princess property shall be dug up, excavated, nor any pole, pipeline, ditch, culvert, or any other structure or object of any kind placed or constructed or maintained within or on any roadway.

C. Pet Regulations

1. No animals, livestock, or poultry of any kind shall be raised, bred, or kept within any Unit/Villa, except for dog(s), cat(s) or other common household pets, provided they are not bred or maintained for any commercial purpose.
2. No pet shall be permitted to be kept within any portion of the property if it makes excessive noise or creates an unreasonable annoyance/nuisance to other Owners.
3. If any pet becomes a general nuisance, restrictive action will be taken.
4. A pet becomes a nuisance if not kept free of fleas and parasites to avoid infestation of units and common areas.
5. Pets must be kept on a leash whenever they are outside of a Unit/Villa. Pets are not allowed on the golf course or in pool areas at any time.
6. All animals are the responsibility of the Owner, and therefore, the Owner is responsible for immediately cleaning up any waste products.
7. Pets shall not be left outside unattended when Owners are away. They must be secured inside the unit.
8. Pet Owners shall keep current the required vaccinations and licenses as required by local authority and animal control.
9. The unit Owner is responsible for any visitor's pets and these pets are subject to the same rules.
10. Any dog which is off the premises of its Owner, custodian or caretaker must be under physical restraint by a six (6) foot leash of a material appropriate to the size and temperament of the dog and which is held by a person capable of restraining such a dog.
11. All dogs on the premises of its Owner, custodian or caretaker must be physically restrained in such a way that the animal may not leave the property of the Owner, and may not wander

into the common area or onto neighboring property without the expressed permission of the property Owner.

D. Pool Rules

1. All persons using the pools do so at their own risk. The Homeowners Association does not assume responsibility for accidents or injury. There is no lifeguard on duty.
2. Pool and spa hours are from 7:00 A.M. until 10:00 P.M. only.
3. The swimming pools and pool areas are for the use of the Owners and their invited guests.
4. No boisterous activity or rough play is permitted in the pool or pool areas. No running, diving, or other unsafe conduct is permitted.
5. Excessive noise will not be tolerated. Radios, CD players, tape players, etc. should be tuned for individual listening only. The use of headphones is encouraged.
6. No children under the age of fourteen (14) are permitted in the pool areas without adult supervision. No person shall be allowed in any pool or spa if their presence creates a health or safety problem. Any person having any apparent communicable disease shall not use the pool, i.e., skin disease, sores, inflamed eyes, cough, cold, nasal or ear discharges.
7. Drinks are allowed at poolside only if they are served in cans or in paper or plastic containers. Absolutely no glass allowed. No food is permitted in the pool areas.
8. Smoking of any kind, including all forms of tobacco, marijuana and electronic vaping devices, is prohibited in all Association pool areas.
9. Persons who leave personal articles unattended at the pool areas do so at their own risk.
10. Absolutely no pets are allowed in the pools, spas or pool areas.
11. Pool furniture must not be removed from the pool areas.
12. Proper attire befitting the facility is required. Nudity or indecent conduct is prohibited.

E. Selling, Renting or Leasing of Units

1. Homeowners must inform the Homeowners Association in writing when listing or offering their unit for sale and register the name and phone number of their sales agent(s).
2. Homeowners must inform the Homeowners Association in writing when unit is sold and whenever possible, provide the HOA with the new Owner's name(s) and phone number(s).
3. Homeowners have the right to lease or rent their condominium unit or villa and interest in the common area together, provided that such lease is in writing and provides that the tenant shall be bound by and obligated to the provisions of the CC&Rs, Bylaws, and Rules and Regulations set by the Board of Directors.

4. Homeowners or their property managers shall provide the HOA with a copy of their valid business license and if applicable, Short Term Vacation Rental (STVR) Permit. Homeowners or their property managers shall send a copy of each renewal to the HOA.
5. Homeowners shall comply with all Rules and Regulations stipulated by Cathedral City as they pertain to long-term and short-term rentals.
6. Homeowners or their property managers shall submit a completed Rental Information Form for each rental unit. This information shall be updated with the HOA annually or any time there is a change.
7. If a new tenant requests a transponder or discount card from the HOA, they shall be required to present a physical copy of their lease or agreement and a valid driver's license or government issued ID. If the tenant is not stated on the lease, the primary lessee shall accompany the non-stated tenant and provide his or her government issued ID for verification.
8. If an existing tenant or guest requests a transponder renewal from the HOA, they shall be required to present a physical copy of the lease extension or agreement stating their full name and new period of tenancy. Alternately, the Homeowner or property manager may send an email with this information from an email address the Association has on file, they may phone from a number the Association has on file, or they may accompany them in person to the HOA office. Month-to-month tenants may only extend for a maximum of six months before a new lease or Homeowner verification statement is required.
9. Homeowners are responsible for any renter's non-compliance with the Rules and Regulations of the Association. The Homeowner shall be responsible for providing their tenants with the Desert Princess Palm Springs Governing Documents. All communications regarding violations of the governing documents shall be to the Homeowner.
10. A \$200 service fee shall be instituted for rental properties where Desert Princess Patrol Services find it necessary to call Cathedral City Police or STVR Hotline to respond to a noise problem.
11. It is required that a submission of a copy of the "City of Cathedral City - Homeowner Application for Vacation Rental Permit" occur with the annual submission of the "HOA at Desert Princess - Rental Information Form."
12. There shall be an annual application fee due October 1 for each "HOA at Desert Princess – Rental Information Form" (one application per property). The cost of the application fee will be determined by the HOA Board of Directors. The registration year runs consistent with the HOA fiscal year, October 1 through September 30.
13. For all rental units, occupancy is restricted. The number of occupants allowed to occupy any given rental unit is limited as follows:

1 bedroom	2 max overnight	6 max during the day including overnight occupants
2 bedroom	4 max overnight	8 max during the day including overnight occupants
3 bedroom	6 max overnight	12 max during the day including overnight occupants

Overnight = 10:01pm – 6:59 am; daytime= 7am – 10pm

14. Density restrictions shall be as follows:
- No more than 180 units may be used as short-term rentals (STVR), that is with stays of 30 days or less; this represents roughly 15% of the units at Desert Princess.
 - No more than 300 units may be used as seasonal rentals, that is with stays from 31 days to less than 6 months; this represents roughly 25% of the units at Desert Princess.
 - Units will be classified under their shortest rental duration; thus, if a unit rents to both STVR and seasonal rentals, its density would count as short-term rental.
15. All short-term rentals at Desert Princess must have a 3-night/4-day stay requirement. Short-term rentals may have a higher minimum stay than 3 nights.
16. The Desert Princess Palm Springs institutes a color-coded pass system such that vacation rentals receive a pass that is visibly color highlighted.
17. The following Schedule of Fines applies to violations of the Short-Term Vacation Rentals (STVR) rules.

Violation of any provision of Desert Princess Palm Springs Rules and Regulations for Rental Properties within a 12-month rolling year:

1. First Violation: \$1,000
2. Second Violation: \$3,000
3. Third Violation: \$5,000
4. Fourth Violation: Suspension of permit for 12 months

Any person who operates and/or advertises a STVR without a permit:

1. First Violation: \$5,000 and permanently ineligible to operate a STVR
2. Second Violation: \$10,000
3. Third Violation: \$15,000

Any Homeowner with a STVR permit, who advertises without the information required by STVR municipal code:

1. First Violation: \$2,500
2. Second Violation: \$5,000
3. Third Violation: \$7,500

Any Owner who is found to lodge a false complaint against another Homeowner regarding alleged violations of DPPS Rules and Regulations for Rental Properties:

1. First Violation: \$100
2. Second Violation: \$250
3. Third Violation: \$500

18. The following Noise Rules and Restrictions apply to all vacation rentals:
 - A. No radio receiver, musical instrument, phonograph, compact disc player, loudspeaker, karaoke machine, sound amplifier, or any machine, device or equipment that produces or reproduces any sound shall be used outside or be audible from the outside of any unit used as a vacation rental. Any machine, device or equipment that amplifies music inside any vacation rental shall not be heard beyond the property line of the vacation rental at all times.
 - B. All use of outdoor amenities and/or outdoor games or any outdoor activity that creates noise between the hours of 10:00 p.m. and 8:00 a.m. is prohibited.
19. The HOA will require the following information prior to any rental guest being admitted on property:
 - I. For the responsible person (renter):
 1. Name
 2. Address
 3. Contact Phone Number
 4. Type of Valid Government ID and Number (e.g., CA driver license number)
 - II. A list of names of all occupants of the rental unit
 - III. A list of all vehicle information and license plate numbers of the responsible person (renter), occupants and guests. If required, the license plate number can be collected at the Patrol Services gate.

This required information must be submitted electronically by the Homeowner (or his/her agent) via the online platform used by the HOA for registering guests and issuing parking passes (e.g., DwellingLive or its replacement.)

20. There shall be regular posting and updating on CondoCommunities (or similar community web-based platform) of a Master List of Desert Princess Rental Properties, which includes a listing of property addresses and category of registration.
21. There shall be no subleasing of any rented unit, including ADU and JADU.
22. There shall be no advertising and/or charging of a "resort fee" by owners renting their units.
23. Requirement to be an Owner in Good Standing: Should an Owner have any unpaid fines or special individual assessments on the Owner's account, the Association, may, subject to said Owner be provided prior notice and a hearing, suspend and/or not renew an Owner's HOA rental registration (i.e. registration to rent a Residence). By suspending or not renewing the HOA's rental registration, the Owner will not be able to rent their Residence in the community unless and until all fines and special individual assessments are no longer outstanding.

E-1 Renting or Leasing of Units – ADU’s/JADU’s

1. Until further guidance is issued by the Legislature or the courts, the Association will comply with the directives of Civil Code Section 4741, or a successor statute, and adopts the following operating rules in light of Section 4741(a):
 - The term “Lot-Type Villa” refers to a Villa built on individual lot zoned for single family residential use and not a built as condominium.¹
 - The terms “permitted accessory dwelling unit (ADU) or “permitted junior accessory dwelling unit (JADU) refer to an ADU or JADU that meets the requirements of Government Code sections 65852.2 or 65852.22 or any successor statute, has been permitted by the City of Cathedral City, and has been approved by the Association pursuant to the Association’s architectural review and review process.²
 - Garages may not be rented or leased separately by the owner, except for garages converted into permitted ADUs or permitted JADUs on Lot-Type Villas.
 - Except for the renting or leasing of a permitted ADU or permitted JADU on a Lot-Type Villa, no rental or lease shall be for less than the entire Residence including appurtenant rights to use the Common Facilities (except for voting rights in the Association that may not be transferred to a tenant or lessee).
 - Owner-lessors of Lot-Type Villas who are contemporaneously residing in a Lot-Type Villa, a permitted ADU, and/or permitted JADU, shall be entitled to use and enjoy the recreational Common Facilities of the Development along with their tenants.
 - If and to the extent it is determined, by any applicable law, including, but not limited to, court decisions or legislative guidance, that Article II, Section 2.4(a) and (b) of the Declaration conform with Civil Code section 4741, or successor statute, these rules will be rescinded automatically and the Association will enforce Article II, Section 2.4(a) and (b) of the Declaration as originally adopted, to the full extent permitted by law.
2. There shall be a rental period requirement of longer than 30 days for any ADU and/or JADU.

¹ Approximately three hundred and two (302) of the 531 Villas were built as condominiums. The remaining Villas were built on individual zoned lots for single-family use. If you have questions as to whether or not your Villa is a condominium, please contact the Association’s Management.

² Owners of Lot-type Villas may construct and use an accessory dwelling unit and/or junior accessory dwelling unit that meets the requirement of Government code sections 65852.2 or any successor statute, has been permitted by the City of Cathedral City, and has been approved by the Association’s architectural review and approval process.

3. There shall be an Owner-Occupancy requirement for all JADUs. Specifically, the owner must reside in either the remaining portion of the primary residence, or in the newly created JADU. (Gov. Code Section 65852.22, subd. (a)(2).)
4. The Association shall require an annual registration of all permitted ADUs and permitted JADUs, whether or not the units are used as rentals. There shall be an annual fee due October 1 for each ADU and JADU, with the fee to be determined by the HOA Board of Directors. The registration year runs consistent with the HOA fiscal year, October 1 – September 30.

F. Contractors and Workers Regulations

1. The word "contractor" is used for all workers.
2. Owners employing contractor(s) will be responsible for all loss or damage to the common area or other Owners' property caused by contractor and for any violations of the Rules and Regulations.
3. Homeowners or other residents will notify the Patrol Services Department prior to the contractor's arrival to authorize entry to the Homeowner's specific unit.
4. Contractors doing work on the Desert Princess property must carry State Worker's Compensation Insurance and a minimum of \$1,000,000 in Liability Insurance. Contractors doing work for the Association must provide a certificate of insurance naming the Homeowners Association as an "Additional Insured".
5. All contractors must meet all State and local requirements.
6. All contractors must comply with all State and local building codes.
7. Contractors will take all necessary precautions for the safety of all persons, materials and equipment on or adjacent to their worksite.
8. Noise-producing construction activities are prohibited on Sunday and are permitted from 7:00 A.M. to the earlier of 7:00 P.M. or dusk on Monday through Friday and from 9:00 A.M. to the earlier of 7:00 P.M. or dusk on Saturday.
9. All contractors must clean up, prior to the end of their working day, all debris, whether on private or common area property. Dumping of construction debris into HOA trash bins is strictly prohibited.
10. Contractors will be held responsible for any damage caused by their workers.
11. Traffic and speed regulations must be obeyed. Speeds in excess of 25 MPH will not be tolerated.
12. Blocking a driveway may result in the vehicle being towed away at the contractor's expense.
13. Homeowners shall not provide gate access transponders to any contractor/vendor (or guests/visitors). All contractors/vendors must enter the property through the entrance gate on Landau Blvd. from 7:00 am – 3:00 pm and receive a pass from Patrol Services. After 3:00 pm, contractors shall enter the property at the Vista Chino gate. The Association may issue

transponders to Association vendors or contractors (or guests/visitors) for a fee when it is in the best interest of the Association to do so.

14. The following conduct by any contractor or vendor is prohibited:
 - A. The presence of animals, children or unauthorized persons on site.
 - B. Loitering on adjacent residences, common areas or Country Club property.
 - C. Alcoholic beverages or drugs being kept or used on the property.
 - D. Foul language.
 - E. Fighting or causing deliberate injury to others.
 - F. Noise violations such as loud worker yelling, shouting or whistling, high volume radios, and/or vehicle noise.
 - G. Disobeying directives from Patrol Services Officers or other employees and/or agents of the Homeowners Association.

G. Transponder Rules

1. The Transponder is the property of Desert Princess Homeowners Association ("HOA") and shall be assigned to a specific person and vehicle.
2. The transponder shall not be given or loaned to anyone.
3. The transponder is not to be switched between different vehicles.
4. The Landau Gate is to be used by Homeowners, long-term renters, guests and vendors. This gate is staffed daily from 7:00am – 3:00pm. After 3:00pm, those without transponders must use the Vista Chino Gate.
5. The transponder cannot be used while in a taxi, by friends, or in a guest's vehicle for which it is not assigned.
6. The assigned person is responsible for the replacement cost for any transponder that is lost, stolen, or damaged through negligence or misuse.
7. Homeowners are allotted two (2) transponders per unit. The deposit for these has been funded by the HOA. Homeowners will be charged for additional transponders or for transponders which are lost or stolen.
8. Transponders may be issued to renters who comply with registration requirements and fees. Renters may obtain transponders from the HOA office.
9. Homeowners who designate one of their assigned transponders to a long-term Renter are liable for any misuse, neglect, and lost or stolen transponder. The transponder must be registered in the user's name and vehicle.
10. Transponder may not be assigned to "Various Vehicles". When a Homeowner does not have a local vehicle and uses different rental vehicles during their stay, they must obtain a vehicle pass from Patrol Services upon arrival, or, if using an issued transponder, provide accurate

and current vehicle description information to either the Patrol Services Department or the Association office.

11. The Desert Princess Patrol Services Department is to be notified immediately of any transponder that is lost or stolen by calling (760) 322-0441.
12. The Desert Princess HOA reserves the right to deactivate any transponder which it reasonably believes is being, or has been, used in violation of these rules. The Desert Princess HOA may suspend the privilege of transponder use as a result of intentional misuse or failure to abide by the above rules.

H. Architectural & Landscape Committee Rules

Please refer to the Architectural & Landscape Specifications and Guidelines which are available at the HOA Association office and on the community website.

I. Enforcement Policy & Fine Schedule

1. The purpose of the enforcement policy is to outline the actions that may be taken and the sanctions, which may be imposed, against an Owner by the Association to enforce the Governing Documents (CC&Rs, Bylaws and any Rules and Regulations).
2. When the Association receives a complaint as to a violation occurring within the development, or a violation is noted by Association staff, the enforcement process may be started against the offending party, as set forth below. However, nothing in this section shall obligate or require the Board, or any authorized committee, to take such action. Owners remain responsible, and liable, for the conduct of their family Members, tenants, guests, invitees, contractors and occupants of their unit.
3. Enforcement action taken, and/or sanction imposed, may vary from case to case depending upon the circumstances surrounding the violation, including the nature of the violation and the violation history of the Homeowner.
4. ACTIONS THAT MAY BE TAKEN:
 - A. Written warning.
 - B. Monetary penalty (fine), levied after due process.
 - C. Special individual assessment/reimbursement assessment for damage to the common area, or to reimburse the Association for costs incurred in bringing the Owner's residence into compliance with the governing documents, including legal fees, levied after due process.
 - D. Suspension of rights to use the common area facilities, after due process.
 - E. Instituting Internal Dispute Resolution (IDR) or Alternative Dispute Resolution (ADR).
 - F. Filing of a civil action (lawsuit).
 - G. Other sanctions or actions as permitted by law and/or the governing documents.

5. ENFORCEMENT GUIDELINES: Generally, though not necessarily, the Association will adhere to the following procedures:
 - A. Upon the first offense a warning letter and request to correct violation (if applicable) may be sent.
 - B. If the violation is not corrected, or the violation reoccurs, the Board of Directors may impose a fine or special individual/reimbursement assessment after due process.
 - C. If the violation is still not corrected, additional fines may be imposed after due process, or the matter may be sent to the Association's legal counsel for action. Any costs incurred, including attorney's fees, will be charged as a special individual/reimbursement assessment against the Owner, after due process.
 - D. If the violation continues, the Association may offer to submit the dispute to Alternative Dispute Resolution (ADR) pursuant to §1369.510 thru §1369.580 of the California Civil Code. Any costs incurred for the mediator or arbitrator is to be split among the parties.
 - E. The Association has the right to proceed with legal action to compel compliance with the documents. Such action may follow fines or other discipline, although the Association reserves the right to take immediate legal action if the Board of Directors deems it appropriate. The prevailing party of any dispute is entitled to recovery of attorney's fees and costs.
6. The actions taken may vary depending on the nature of the violation and other circumstances. Payment of an assessment or fine, or completion of a period of suspension, does not eliminate the Owner's obligation to correct the violation.
7. DUE PROCESS: Due Process consists of an opportunity for a hearing before the Board of Directors in accordance with the provisions of § 1363(h) of the California Civil Code, prior to the imposition of any disciplinary sanction.
8. FINE SCHEDULE: The presumptive fine schedule for violations is listed below. The Board may deviate from this schedule based on the nature and severity of the violation(s) pursuant to § 1363 (g) of the California Civil Code:
 - A. First offense—Warning, except for vehicle violation or speeding, which carries a fine of \$250.00 to \$500.00.
 - B. Second (or continuing) offense—\$500.00 to \$1000.00.
 - C. Third (or continuing) offense—\$1000.00 to \$2000.00.
 - D. Fourth (or continuing) offense—turned over to Legal counsel for action.

J. HOA Collection Policy

1. Assessments are due and payable on the first day of the month (e.g., January 1st). Any Regular Assessment not paid by the fifteenth (15th) day of the month is considered delinquent.

2. Any Special Assessment, including Special Individual Assessments, is due 30 days after the Association mails to the membership notice of the Special Assessment. Any Special Assessment levied shall be delinquent if not paid fifteen (15) days after the due date.
3. In addition to electronic funds transfer, payments can be mailed, overnight expressed (normal business hours, 8:00 a.m. to 4 p.m. Monday through Friday, except holidays) or hand delivered to the Association's office at 28-211 Desert Princess Dr., Cathedral City, CA 92234 ("HOA Office"). An assessment is considered paid the day the payment is received by the Association at the HOA Office. Postmarks are not considered. Receipt of payment is available upon written request from the Homeowner to the HOA Office.
4. If the entire balance is not received in the HOA Office by 4 p.m., on the sixteenth day after the date payment is due, a \$10 processing fee **and** a late charge of 10% of the unpaid balance will be levied. A "PAST DUE" notice may be sent requesting immediate payment. In certain cases where the amount past due is less than an entire payment, you may not receive a "PAST DUE" notice. This does not relieve you of your obligation to pay any late charges and fees.
5. If the past due account balance is still not received by the last business day of the month for which the payment was due (e.g., last business day of January), the account may be subject to reasonable collection costs. Your account will continue to incur processing fees and late charges for each month you are delinquent.
6. If the past due account balance is not received by the first day of the following month (e.g., February 1st), a "WARNING NOTICE" may be sent demanding immediate payment of the past due amount including any late charges and processing fees. The "Warning Notice" will outline the costs and consequences of failure to pay and may include a notification of hearing before the Board of Directors or its designated Board Hearing Panel for suspension of Association and Country Club membership privileges, including, but not limited to use of the community pools, golf, tennis, fitness, Country Club charging privileges, transponder privileges, etc. Continued nonpayment may result in referral of the delinquent account to a third party for collections. **A LIEN MAY BE PLACED ON YOUR PROPERTY AND THE FORECLOSURE PROCESS MAY COMMENCE.**
7. The Association may bring legal action directly against the owner for breach of the owner's personal obligation to pay the assessments, including Country Club proprietary dues which are included as part of the Association's regular assessments, and in such action shall be entitled to recover the delinquent assessment or assessments, accompanying late charges, interest, costs of collection, and reasonable attorney fees.
8. The collection of Regular Assessments in installments is provided for the convenience of the Association only. The annual Regular Assessment is levied as of

the commencement of the Association's fiscal year (October 1) and in the event of a default in the payment of any installment, the Association may declare the entire balance of the Regular Assessment to be in default and pursue the remedies set forth in Section 4.10 of the CC&Rs. (See Section 4.2 (f) of the Second Restated Declaration of Covenants, Conditions and Restrictions (CC&Rs) of Desert Princess Homeowners Association.)

9. A member may submit a written request to meet with the Board of Directors, or a committee appointed by the Board, to discuss a payment plan for the debt owed. The Association's standard payment plan allows a homeowner sixty (60) days to satisfy the outstanding balance due. A member may dispute the debt by submitting a written explanation to the Board of the reasons for such dispute.
10. A NSF (non-sufficient funds) fee will be charged on all payments returned and/or refused from the bank. This amount will be charged to the member's account and is due and payable immediately to the HOA Office. Post-dated checks will not be accepted. If an excessive number of payments are returned, the member's account will be placed on a cash or certified check payment status only.
11. Upon receipt of a written request by an owner identifying a secondary address for purposes of collection notices, the Association shall send additional copies of any such notices required by Civil Code Sections 5660(a)-(f), 5675 and 5710(b) to the secondary address provided. The owner's request shall be in writing and shall be mailed to the Association in a manner that shall indicate the Association has received it. The owner may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, the Association shall be required to send notices to the indicated secondary address from the point the Association receives this address.
12. Please see the "Notice Assessments and Foreclosure" notice below which outlines a member's rights and responsibilities in common interest developments regarding assessment collection and lien foreclosure.
13. In general, the Association's Board intends to take whatever actions are authorized by law and the Association's governing documents to collect assessments. If the Board elects to use practices, procedures or notices which exceed those required by law or under the governing documents, it does so without waiving the Association's right to exercise collection remedies to the fullest extent permissible. Any additional notices or time periods the Association might use are extended solely as a courtesy. No owner shall be entitled to expect longer time limits or notices other than those which are required by law or the governing documents. Billing statements are a courtesy. Owners are responsible for making payments on time, whether or not a statement is received.

NOTICE
ASSESSMENTS AND FORECLOSURE

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

ASSESSMENTS AND FORECLOSURE

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive)

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common area damaged by a member or a member's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)

The association must comply with the requirements of Article 2 (commencing with Section 5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 5675 of the Civil Code)

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code)

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 5685 of the Civil Code)

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

PAYMENTS

When an owner makes a payment, the owner may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code)

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 5685 of the Civil Code)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share interest may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exists. (Section 5665 of the Civil Code)

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code).

K. Inspection of Association Records

1. ASSOCIATION RECORDS DEFINED

- A. The records available for inspection and copying are those designated in Civil Code sections 1362.5 and 1363, and Corporations Code sections 8330 and 8333, as amended from time to time. The right to view documents pertaining to less than the entire community, and specifically to lots or residences other than those of the applicant, shall

be limited, as mandated by the Owners' reasonable expectations of privacy as to such documents.

B. The Board of Directors may withhold from inspection any records that in its reasonable business judgment would:

1. Constitute an unwarranted invasion of privacy;
2. Constitute privileged information under the attorney-client privilege;
3. Involve pending or anticipated litigation or contract negotiations; and/or
4. Involve the discipline or dismissal of a specific Board Member or matters concerning an employee of the Management company except as otherwise mandated by law to be produced.

2. ACCESS TO MEMBERSHIP LISTS:

If a Member requests to inspect and/or copy the record of all Members' names and addresses, that list shall be provided on the following conditions: the Member requesting the list shall state the purpose for which the list is requested, which purpose shall be reasonably related to the requester's interest as a Member. If the Association reasonably believes that the information in the list will be used for another purpose, it may deny the Member access to the list. Further, any Member of the Association may opt out of the sharing of his/her name, property address, and mailing address, by notifying the Association in writing that he or she prefers to be contacted by the alternative process set forth in Corporations Code section 8330. This opt-out shall remain in effect until changed by the Member.

3. PERSONS ENTITLED TO INSPECT OR COPY ASSOCIATION RECORDS: Every Member of the Association shall have the right to inspect or copy the Association's records in compliance with State law and the rules and procedures contained in this policy. A Member may authorize, in writing, an attorney or other designated representative to conduct the inspection as specified herein.

4. INSPECTION RULES

A. All inspections shall take place at the Association's office or at such other location as the Association designates. No Member shall remove original records from the location where the inspection is taking place.

B. Members shall not alter the records in any way.

C. The Association shall make financial records available within ten (10) business days of actual receipt of the written inspection request for records pertaining to the current fiscal year, or within thirty (30) days for records pertaining to the two (2) prior fiscal years. Minutes (draft or summary minutes) of the Board shall be made generally available within thirty (30) days of the date of the meeting, and copies within ten (10) days of the date of the request for same. Minutes for committees with decision making authority shall be made available within fifteen (15) calendar days after approval of the minutes, and copies within ten (10) days of the date of the request for same. This time frame may be extended upon the Member's written request, or by the Association if the records requested are so voluminous or otherwise in such condition as to render this timeframe

unreasonable. The Association shall notify the Member in writing that the records are available, and specify the time, date and place for the inspection.

D. Inspections shall be by appointment only, during the normal business hours of the Association's office.

5. COPYING RULES

A. If a Member wants a copy of any record, the Member shall designate in writing the record(s) desired, using the form provided by the Association. Any written request shall designate the specific record or portion thereof.

B. During an inspection, the Member may designate such record by use of a tab or clip on the page(s) desired.

C. Copies shall be available within ten (10) days of receipt of the request.

A Member shall pay 25¢ per page for regular or legal sized photocopies, payable in cash, personal check, credit card or Member charge, at the time the copies are delivered, however, the Association may require advance payment in appropriate circumstances, at his or her discretion.

6. MANNER OF INSPECTION OR COPYING

A. Members shall not exercise their inspection or copying rights in order to harass any Member, resident, Director, employee, vendor or contractor. The accounting books and records and minutes, and any other information from such documents, may not be sold, used for a commercial purpose, or used for any other purpose not reasonably related to a Member's interest as a Member.

B. All individuals inspecting or requesting copies of records shall conduct themselves in a businesslike manner and shall not interfere with the operation of the Association's office or other location where the inspection or copying is taking place. The Association shall assign one staff person to assist in the inspection. All requests for further assistance and copying during an inspection shall be directed only to that staff person.

C. The Association shall maintain a log detailing:

1. The date the written request was received;
2. The name of the requesting party;
3. A list of the requested records;
4. The date the Association notified the Member that the records were available;
5. The date the records were made available;
6. The date of the actual inspection or copying; and
7. The signature of the Member or their representative acknowledging access to the records or receipt of the requested copies.

7. ENFORCEMENT OF INSPECTION AND COPYING RULES

A. Any violation of these rules shall cause the immediate suspension of the inspection or copying until the violator agrees in writing to comply herewith.

- B. All requests for inspection and/or copying shall be in writing and shall comply with this policy.
- C. The Association's Board may take any available legal action to enforce these rules.

L. Insurance

1. The Desert Princess Homeowners Association maintains property damage insurance, general liability insurance, directors and officers liability insurance, fidelity insurance and excess liability insurance. Information as to coverage limits or other details may be obtained by contacting the Association office.
2. The Association's liability insurance coverage extends to each Member of the Association for liability arising out of the ownership, maintenance, or use of the common area.
3. The Association's property damage insurance provides coverage for all common area elements, including, but not limited to, the structural components of the condominium units. Property damage insurance coverage extends to the structure of villa units as well. More detailed information on insurance coverage is available from the Association.
4. The Association's insurance policies do not provide coverage for the personal property of Homeowners, residents, or guests, nor for any part of a condominium unit Owner's separate interest. It does not provide individual liability protection for Owners. All Homeowners are urged to contact a licensed insurance representative to obtain appropriate insurance coverage for personal property and personal liability.
5. The Association purchases earthquake and flood insurance for the common area facilities.
6. Insurance Deductible Policy
 - A. The purpose of this policy is to establish a procedure for determining who shall be responsible for the deductible portion of any claim against the Association's master fire and casualty insurance policy.
 - B. The party whose acts or omissions are responsible for an insured loss shall pay the full insurance deductible.
 - C. If the resulting damage arises out of a given component or the failure of a component (such as a broken pipe, leaking roof, overflowing sink, water heater failure, and the like), but the failure cannot be attributed to the act or omission of any particular party, the party who owns or is responsible for maintaining that component shall pay the full insurance deductible.
 - D. If the acts or omissions are caused by a tenant, guest or occupant of an Owner's unit, or the component that fails is owned or maintained by a tenant, guest or occupant of an Owner's unit, the Owner of that unit shall be responsible for paying the deductible. This rule is not intended to preclude the Owner from seeking to recover the amount of the deductible from a tenant, guest or occupant.
 - E. The above rules apply only to determining who is responsible for paying a deductible, when an insured claim is paid under the Association's master fire and casualty policy or when the total claim is less than or equal to the deductible. It does not address any issue

concerning who is responsible for paying a deductible under an Owner's or tenant's insurance policy.

- F. The Board of Directors may impose a Special Individual Reimbursement Assessment against an Owner to enforce collection of a deductible.
 - G. Because the current policy has a \$25,000 deductible for property damage, and the Association is providing only a "bare walls" policy, an Owner could be responsible for payment of the full \$25,000 deductible to the Owner's losses of personal property and fixtures that are not covered under the Association's policy. Thus, the Association strongly urges Owners to obtain appropriate insurance, as suggested by Article X, Section 10.1 of the Association's Second Restated Declaration of Covenants, Conditions and Restrictions ("CC&Rs") recorded January 21, 2009 as Riverside County Document No. 2009-002810.
7. Each Owner upon renting and/or leasing a Unit/Villa to a third party must name the Desert Princess Homeowners Association as additionally insured on the Owner's appropriate liability insurance and a current Certificate of Liability Insurance must be on file with the HOA prior to renting and/or leasing.

M. Towing Policy

1. California Vehicle Code § 22658 (L) (2) provides that a Homeowners Association may cause the removal of a vehicle parked on the property to the nearest public garage. The purpose of this policy is to set forth reasonable guidelines for the removal of vehicles parked on Desert Princess property in violation of the Rules and Regulations of Desert Princess as promulgated by the Board of Directors in accordance with the provisions of Article VIII, Section 8.16 (g) of the Second Restated Declaration of Covenants, Conditions and Restrictions ("CC&Rs") and Article VII, Section, 7.1, of the Second Restated Bylaws of Desert Princess Homeowners Association ("bylaws") recorded on January 21, 2009.
2. The Association may cause vehicles to be removed from the Desert Princess property only upon the specific written authorization of the President of the Board, the CEO or the Assistant General Manager.
3. Any vehicle parked in violation of the Rules and Regulations of the Desert Princess Homeowners Association may be removed from the Desert Princess property. Prior to removal of a vehicle, the vehicle shall be posted with a clearly visible notice advising the Owner or operator of the vehicle of the nature of the violation and notice that the vehicle will be subject to removal from the property 96 hours from the date and time on the notice. The Association may, but shall not be required to, cause the removal of the vehicle from the property at any time after the 96-hour notice period if the vehicle is still parked in violation of the Rules and Regulations.
4. In accordance with the provisions of California Vehicle Code § 22658 (b), the Association may cause the removal without notice of any vehicle parked in a marked fire lane, within 15 feet of a fire hydrant, in a parking space designated for handicapped without proper authority, or in a manner which interferes with any entrance to, or exit from, the Desert

Princess property or any separate interest therein, including, but not limited to, garages and driveways.

5. Causing the removal of a vehicle from the property in accordance with the provisions of the California Vehicle Code and this Policy is not considered a disciplinary matter and is not subject to the provisions of California Civil Code § 1363 as it relates to discipline of a Member.

N. Rules Regarding Use of Drones

1. A “drone” is defined as an unpiloted aircraft without a human pilot on board, including, but not limited to, model or remote-control airplanes, helicopters and similar aircraft.
2. No Homeowner, resident, guest or invitee may use a drone on or in the Common Area, or otherwise enter into the airspace above any portion of the Common Area with a drone without first obtaining prior written authorization from the Association’s Board of Directors. This includes, but is not limited to, the recreational/hobby use of a drone in the Common Area private streets, golf course, and recreational areas, and authorizing/allowing/hiring a realtor/photographer to use a drone to take, from the Common Area, marketing photos for sale or lease.
3. No Homeowner, resident, guest or invitee may operate or authorize the operation of a drone in the airspace above any Residence, Lot, or exclusive use common area within the Association in such a way as to invade the privacy of Association Homeowners, residents, guests, or vendors, whether or not the drone is equipped with a camera. No Homeowner, resident, guest or invitee may operate or authorize the operation of a drone that would otherwise violate the law.
4. Any damage caused to Common Area, a Residence, or other property by a drone shall be the responsibility of the Owner of the Residence or Lot where the drone flight originated.
5. The Association is allowed to use drones in the Association community if the use of a drone is related to the Association’s maintenance, repair or replacement obligations, or for building inspections by the Association.
6. To the extent that the requirements of any Federal, State or local law or regulation should supersede these rules, those provisions of these rules not in conflict with those laws or regulations shall remain in effect.

O. Common Area Use Policy

The Association has adopted a Common Area Use Policy. Any Homeowner wishing to utilize the common area for the approved purposes can obtain a copy of the policy and the Application for Use of Common Area Facility at the HOA office.

P. Rules and Procedures for Elections

All Desert Princess Palm Springs elections are governed by existing California law and Desert Princess governing documents including written approved policies. Where there is a conflict between these two, State law and civil code prevails. These guidelines, rules and procedures

shall apply to all items legally requiring a vote of the Membership and such other votes as the Board determines should be conducted by secret ballot.

The Association has adopted Election Guidelines, Rules and Procedures. Any Homeowner can obtain a copy of these guidelines, rules and procedures at the HOA office.

Q. Real Estate Signage

Except as outlined below, no other sign or advertising devices are permitted in or on any portion of the common area, as well as the exterior walls of the villas, condos and front gates without prior written approval from the ALC.

1. Real Estate Signs - No nameplates, signs, posters, billboards, advertising devices, or other displays of any kind are permitted, except signs advertising a home for sale, rent or lease, unless approved by the ALC.
 - a. Villa Owners may advertise a villa with a total of one (1) standard real estate sign no larger than 18" X 24". The sign may be displayed within the front planter area located between the villa and front walkway, in any window, on the garage door of the villa residence or in the rear yard of the villa residence within the property line.
 - b. Condo Owners may advertise a condo with a total of one (1) standard real estate sign no larger than 18" X 24". The sign may be displayed within the front planter area adjacent to the exterior of the courtyard wall, in any window, on the garage door or in the rear yard of the condo within one (1) foot of the edge of the patio concrete slab.
 - c. When listing a home for sale, it is the responsibility of the actual Homeowner to inform the realtor of the Association's sign ordinance.
 - d. No sign posts are permitted.
 - e. Any brochure display must be part of the for sale, rent or lease sign.
2. Open House Signs - Only one (1) "Open House" sign may be displayed near the street adjacent to the unit (in addition to the main sign) when an open house is held, with an additional directional sign. Open house and directional signs must be removed before sunset.
3. Security Signs - Two (2) small security signs (1 front yard and 1 rear yard) are permitted per lot within 2 feet of the home. Small security system or neighborhood watch decals may be placed in the lower corner of the windows.

R. Arroyos Walking Paths

The use of golf carts is prohibited on the Pedestrian Walkways in Arroyos.

S. Internal Dispute Resolution (IDR) Policy

1. The IDR process may be initiated by either party involved in the dispute. The request to meet and confer shall be made in writing. If the Member initiates the IDR process, the Association may not decline but must participate. If the Association initiates the IDR process, the Member may decline to participate. If the Member does not respond within fifteen (15) business days after receiving the written request from the Association, the Association shall consider the request rejected by the Member and may proceed with other options available for resolving the dispute.
2. The Member shall not be charged any fee to participate in the IDR process with the Association.
3. The Association shall respond within thirty (30) business days from receipt of the Member's written request. In the Association's response, either (a) two Directors from the Board or (b) one Director from the Board and one representative from Management staff shall be identified to represent the Association in the IDR.
4. The Association's response shall also include a suggested meeting place and at least two (2) suggested dates within the next sixty (60) calendar days for the IDR to occur. The date and location of the IDR meeting shall be established by mutual agreement between the parties. However, the IDR shall take place within ninety (90) days from the date of the Association's receipt of the Member's written request.
5. Both parties will meet at the mutually agreeable time and place. The parties will discuss their respective positions with each other, confer in good faith, and attempt to resolve the dispute. If desired, either party may be assisted by an attorney or another person at their own cost. If the Member will have an attorney present at the proceeding, the Member shall inform the Association in writing at least five (5) business days prior to the IDR meeting. Failure to provide such notice shall result in the meeting being cancelled and rescheduled as mutually agreed upon by the parties.
6. Unless the Association's representatives have prior written settlement authority pertaining to the dispute from the Board of Directors, any resolution acceptable to the Association's representatives must be presented to the Board and must be ratified in writing by the Board in order to be binding on the Association.
7. Any settlement or resolution to the dispute must be recorded in writing and must be signed by both parties to the dispute. Details of the proceedings shall be confidential. The settlement/agreement shall be judicially enforceable if it is not in conflict with the laws or the Association's governing documents and if it is within the authority granted to the Association's representatives or ratified in writing by the Board. If the dispute is not resolved to the satisfaction of the Member, the Member shall have the right to appeal the results before the Board of Directors.
8. No Member may request more than two IDR's on the same subject in any calendar year.

T. Bulletin Board Capability

The use of the Desert Princess Palm Springs HOA Bulletin Board capability shall be restricted to Homeowners acting personally. It shall not be available for use by non-residents or Commercial Enterprises.