

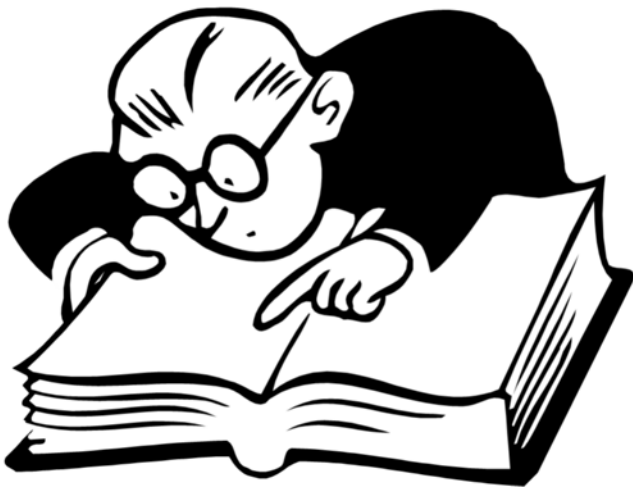
RULES AND REGULATIONS

FOR:

A SENIOR COMMUNITY

**OPERATED AS
A NON-PROFIT MUTUAL
BENEFIT CORPORATION**

**Desert Crest
Community
Association, Inc.**



For questions and other information
concerning these RULES AND REGULATIONS
contact any Board member of the
Desert Crest Community Association, Inc.

TABLE OF CONTENTS

DESERT CREST COMMUNITY ASSOCIATION

Rules and Regulations

Table of Contents.....	i, ii
	<u>Page</u>
Overview.....	1
<u>Article</u>	
I GENERAL	
1.01 Rules and Regulations.....	2
1.02 Objective.....	2
1.03 Compliance.....	2
1.04 Application of Rules and Regulations.....	2
1.05 Violation Report.....	2
1.06 Authority.....	2
II PROCEDURES.....	3
2.01 Application for Procedures for Maintenance.....	3
2.02 Enforcements Rights.....	4
2.03 Civil Action.....	4
2.04 Application of Procedures for Conduct or Behavior.....	4
III RULES OF ENFORCEMENT.....	5
3.01 Right of Enforcement.....	5
3.02 Suspensions.....	5
3.03 Disciplinary Action.....	5
3.04 Communication of Decision.....	5
3.05 Additional Legal Action.....	5
3.06 Administrative Assessments.....	5
3.07 Payment of Assessments.....	6
3.08 Assessment Guide.....	6
IV LOTS.....	6
4.01 Lot Maintenance.....	6
V STRUCTURE.....	6
5.01 Structure Maintenance.....	6
5.02 Storage of Equipment.....	7
5.03 Trash.....	7
5.04 Minimum Setback Requirements.....	7
5.05 Minimum Square Footage Requirements.....	7
5.06 Facilities of Mobile Homes.....	7

Article

VI	DRIVEWAYS, PARKING AND VEHICULAR.....	7
6.01	Parking Requirements.....	7
6.02	Driveway Maintenance.....	8
6.03	Driveway Specification.....	8
6.04	Jurisdiction of Streets.....	8
6.05	Inoperable Vehicles.....	8
6.06	Vehicle Disturbance.....	8
6.07	Golf Carts.....	8
6.08	Recreational Vehicles, Trailers, etc.....	8
VII	USE OF PROJECT AND RESTRICTIONS.....	8
7.01	The project is a Senior Housing Development.....	8
7.02	Use of Lots.....	13
7.03	Signs.....	13
7.04	Drilling and other Operations.....	13
7.05	Prohibition of Noxious Activities.....	13
7.06	Temporary Structures.....	13
7.07	Animals.....	13
7.08	Business Activities.....	13
7.09	Garbage.....	14
7.10	Storage.....	14
7.11	Clotheslines.....	14
7.12	Burning.....	14
7.13	Diseases and Pests.....	14
7.14	Antennas and Similar Devices.....	14
7.15	Restriction of Further Subdivision and	15
VIII	RENTAL NON-COMPLIANCE.....	16
8.01	Categories of Non-Compliance.....	16
8.02	Written complaints will be sent to the Rental Committee for Review and Action.....	16
8.03	Schedule of Fines for Non-Compliance.....	16

DESERT CREST COMMUNITY ASSOCIATION

Rules and Regulations

OVERVIEW

The Desert Crest Community Association was incorporated February 19, 1963, as a General California Corporation (For Profit) “To administrate, regulate, and control the Covenants, Conditions, and Restrictions of Desert Crest.” In addition, promote the general good and welfare of members and encourage close friendship and cooperation. On July 28, 2000 the Association was converted to a California Nonprofit Mutual Benefit Corporation.

A seven (7) member Board of Directors that is elected by the property owners runs the business of the Corporation/Association. The Association and its Board are given authority from the Governing Documents that require approval of a majority of the property owners to develop and modify. These documents consist of the following:

1. Articles of Incorporation
2. Declaration of Restrictions
3. Association Bylaws

Desert Crest Country Club was developed in three (3) sections over a period of approximately fifteen (15) years. The first Tract 2431, Section 1, was recorded in 1963 and consisted of two hundred and eighty-one (281) residential lots and three (3) parcels containing the recreational facilities, (golf course, club house, pools and other amenities). In 1965 tract 3068, section II, was recorded with one hundred and forty-seven (147) residential lots, and finally in 1971, Tract 4064, Section III was developed with one hundred and fifty-four (154) residential lots for a total of five hundred and eighty-two (582) residential lots.

To meet the objectives of the governing documents, it is necessary for the Association to clarify some of the Covenants, Conditions, and Restrictions (CC&R's) by establishing Rules and Regulations from time to time and to also develop a procedure for enforcement in a fair and consistent manner.

The following Rules and Regulations, Procedures, and Appeal process attempts to provide the necessary guidelines to meet this objective.

Desert Crest Community Association

Rules and Regulations

March 2002 Articles II & III revised Nov 2015

ARTICLE I **GENERAL**

1.01 Rules and Regulations

The Board of Directors as a supplement to the Declarations of Restrictions, Articles of Incorporation, and Bylaws has adopted these Rules and Regulations for Desert Crest Community Association. (Governing Documents).

1.02 Objective

The objective of the rules is to protect each Owner/Member's property value and enhance the peaceful co-existence of all residents in the community.

1.03 Compliance

Compliance with the Rules and Regulations is mandatory. The Board is empowered to levy administrative assessments and/or pursue other legal action to ensure compliance with the Rules and Regulations.

1.04 Application of Rules and Regulations

The Rules and Regulations apply to all Owners, their tenants, and guests. In all cases the owner of the property is solely responsible for compliance for all Rules and Regulations.

1.05 Violation Report

Any Owner, Board Member, or Committee Member who identifies a violation in direct conflict with the Governing Documents and/or the Rules and Regulations may file a "Violation Report". The Board of Directors will make the sole determination as to what action should be taken, if any, to correct a violation. Such action may include issuing citations, assessments, suspension of membership and/or placement of liens upon their property if payment is not made. All Owners are entitled to a hearing by the Board prior to any suspension of Membership, assessment of fees, and/or liens being levied.

1.06 Authority

These Rules and Regulations are designed to change and grow with the Association, and can generally be adopted, amended, or repealed by the Board of Directors, so long as they are consistent with other Governing Documents

ARTICLE II
PROCEDURES
Revised 12/2015

2.01 Application of Procedures for Maintenance

In the event any lot or mobile home is not maintained or kept clean as outlined in these Rules, the following procedures will be applicable:

- A) The Association shall notify the owners of the subject lot by First Class mail of the infraction. This notice will cite the rule or regulation and indicate what action is necessary to remedy the condition.
- B) The owner shall be given thirty (30) days from the date of the notice (unless the infraction is of such urgency that the safety or welfare of others are affected), to take corrective action on the cited condition.
- C) Should the lot owner feel that he/she has been unfairly discriminated against, that this requirement will create an undue hardship, or the specified time limits cannot be met, the owner should immediately write a letter to the President of the Association outlining their situation and request a hearing at a Board of Directors meeting, either a regular Board meeting, or a special meeting called for such purpose. A meeting will be scheduled within fifteen (15) to thirty (30) days or a time extension will be granted.
 - 1. The owner(s) shall present their case to the Board with any supporting documentation. (See Article III for procedure.) Should the Board deny the appeal; the owner(s) will be given a minimum of two (2) additional weeks to remedy the default condition(s).
 - 2. After two (2) weeks if the corrections have not been made, the Association shall notify the owner(s) by registered mail that an administrative fee of \$200 has been levied. Also, the Association at its sole discretion has the right to enter upon said lot, either by itself or through any appointed person(s) or contractor(s), to furnish the necessary labor and/or materials to bring said lot, structure, driveway, and/or landscaping up to standards of these Rules and Regulations.
 - 3. In the event any such action described in (2.01) above is necessary, the owner(s) shall be notified by registered mail (return receipt requested) that he/she shall pay to the Association an amount equal to all direct and indirect costs and/or expenses incurred by the Association in furnishing the labor and/or materials or having the same be furnished, plus fifty percent (50%) of the total assessed cost, plus an additional administrative fee of \$400. The amount the owner(s) are obligated to pay herein shall be due and payable within ten (15) days after the charge is made. Non-payment may result in court action and may constitute a lien on such lot
- D) Should the owner not take corrective action and not request a hearing, the owner(s) will be given two (2) additional weeks to remedy the default condition(s)
 - 1. After two (2) weeks if the corrections have not been made, the Association shall notify the owner(s) by registered mail that an administrative fee of \$200 has been levied. Also, the Association at its sole discretion has the right to enter upon said lot, either by itself or through any appointed person(s) or contractor(s), to furnish the necessary labor and/or materials to bring said lot, structure, driveway, and/or landscaping up to standards of these Rules and Regulations.

- 2) In the event any such action described in (2.01) above is necessary, the owner(s) shall be notified by registered mail (return receipt requested) that he/she shall pay to the Association an amount equal to all direct and indirect costs and/or expenses incurred by the Association in furnishing the labor and/or materials or having the same be furnished, plus fifty percent (50%) of the total assessed cost, plus an additional administrative fee of \$400. The amount the owner(s) are obligated to pay herein may result in court action and may constitute a lien on such lot and shall be due and payable within fifteen (15) days after the charge is made.

2.02 **Enforcement Rights**

The Association shall be entitled, but not limited, to enforce its rights hereunder by following the procedure provided for the enforcement of a mechanic's lien and/or material men's lien in the State of California or any other legal action available.

2.03 **Civil Action**

Enforcement of Association covenants, restrictions and rules are regulated by the California Civil Code, which provides an alternative dispute resolution process for resolving disputes prior to filing of civil action. Failure by any member of the Association to comply with the pre-filing requirements stated in the Civil Code may result in loss of their rights to sue the Association or another member of the Association regarding enforcement of the governing documents.

2.04 **Application of Procedures for Conduct or Behavior**

In matters pertaining to violation of code of conduct, or behavior of any owner, guest, renter, or person allowed to use the premises, the following procedure will be used. Those violations that are considered "intangible", such as excessive noise, an act of violence, dog or other animal problems requires two or more reports filed by different homeowners. Reports need not be filed on the same day or time, but must be regarding the same incident and parties involved.

- A) Should it be necessary to request the violator to appear before the Board, it is required that each person reporting a violation will bear witness at the hearing.
- B) Violation of the Rules could result in a citation being issued and or subsequent action being taken.
- C) All owner(s) are deemed to be responsible for all such persons legally living, visiting, or renting their property. As such, all violations will be sent to the owner(s) for corrective action.
- D) Generally the corrective action necessary to remedy the violation of conduct or behavior will be required upon receipt of such notice. However, should time limits apply, they shall be noted.
- E) If action is not taken to correct the conduct or behavioral problem the Board will notify the owners to appear at a board meeting, regular or special meeting called for such purpose, which will be scheduled within fifteen (15) to thirty (30) days.
- F) The Board at their option may issue a warning and/or assess the violator a fee as outlined in the Assessment Guide. (See (3.08))

ARTICLE III
RULES OF ENFORCEMENT
Revised 12/2015

3.01 Right of Enforcement

Pursuant to the governing documents, Desert Crest Community Association has the right to enforce, by any lawful means or proceedings, all violations of any covenant therein. Further, the Board of Directors has the authority to impose temporary suspensions of an owner's right as a member of the association and/or levy an administrative assessment imposed by the Association as a disciplinary measure for failure of a member to comply with governing documents, or as a means of reimbursing the Association for costs incurred to bring the member's lot into compliance.

Suspensions

Prior to any such suspension or assessment imposed by the Board of Directors, the subject member shall be given an opportunity to be heard before the Board of Directors at a meeting duly called and held for such purpose. The hearing will be held in executive session unless the lot owner requests that it be held in an open session, and any action taken will be noted in the minutes of the regular board meeting. Written notice of such meeting, including the reasons therefore shall be given to the person(s) upon whom the Board of Directors seeks to impose sanctions. Except in case of emergency such notice will be given at least fifteen (15) days prior to holding the meeting. The subject member(s) and/or their representative shall be entitled to appear at such meetings, present evidence on the member's behalf, and make reasonable inquiries of the witness testifying against him/her. Failure to appear at the meeting will not preclude the Board of Directors from imposing immediate sanctions including, but not limited to, monetary assessments, temporary suspension of owner's rights as a member of the Association, and any other club privileges.

3.02 Disciplinary Action

After the Board of Directors considers the evidence presented, the Board's action may include, but not be limited to, one or more of the following:

- A) No disciplinary action.
- B) Issuance of a formal warning to the violating person(s).
- C) Temporary suspensions of an Association member's rights and privileges, (right to vote, attend meetings, etc.) effective immediately or upon a date specified by the Board.
- D) Levying of an administrative assessment as described in section 3.08

3.03 Communication of Decision

The Board shall communicate their decision to the violating owner at the meeting or at a later date if desired, but in no event later than fifteen (15) days subsequent to the date of the close of the hearing. The Board's decision shall be confirmed in writing. Any action taken will be noted in minutes of the regular Board of Director's meeting.

3.05 Additional Legal Action

In addition to the above, the Board can initiate legal action related to enforcement of the governing documents and the Rules and Regulations, at its sole discretion, when, in the opinion of the Board, the action is warranted.

3.06 Administrative Assessments

An administrative assessment may be levied against an owner in order to enforce the Association's governing documents and the Rules and Regulations as stated in this document.

3.07 Payment of Assessments

Any administrative assessment is due and payable on the date specified by the Board of Directors at its meeting where such assessment was levied, and shall be delinquent if not paid within thirty (15) days of due date. Late charges may be levied as allowed by current State and Federal laws.

3.08 Assessment Guide

When the actions of the Board include the levying of an assessment, the assessment will be based upon the following structure and may be levied in addition to any other sanctions imposed by the Board. The assessment structure is based upon a reasonable determination of time and effort in preparing reports of violation, conducting hearings, legal fees, and reasonable costs expended to remedy the situation.

ASSESSMENT GUIDE

First Offense*	Warning
Second Offense	\$200
Third Offense	\$400.00 plus legal costs Required for injunctive relief

*Violations of different rules shall be considered a first offense

ARTICLE IV
LOTS

4.01 Lot Maintenance

Each owner(s) shall at all times keep and maintain at his/her sole cost and expense the exposed area of their lot(s) and county easement (parkway) appurtenant to the lot in good appearance and condition, including, but not limited to removing debris, dead trees and plants, weeds and other offensive materials.

- A) The surface of the lot shall be so maintained that any sand or other materials thereon shall not impose on the property of other owners.
- B) All trees, hedges, shrubs and other plants shall be regularly pruned and trimmed to a neat and attractive appearance that is aesthetically pleasing.

ARTICLE V
STRUCTURES

5.01 Structure Maintenance

Each owner(s) shall at all times keep and maintain at his/her sole cost and expense the exterior of any house, building, garage, storage shed or other structures on his/her lot in good condition and repair including, painting as often as necessary, replacement of trim, caulking, roofing repairs, structural repairs, and all other necessary and proper maintenance to ensure that it is neat, orderly, and aesthetically pleasing.

- A) All siding, awnings, skirting, windows, and screens shall be maintained as deemed necessary.
- B) All fences, walks, rails and gates shall be kept in good repair and painted if required.
- C) All decks, patios, and porches shall be kept in good repair and painted if required. They must also be kept clean and free from clutter.

5.02 **Storage of Equipment**

No outside storage of equipment, supplies, parts or materials visible from the streets, recreational areas, or other lots will be allowed.

5.03 **Trash**

No trash, rubbish, garbage, vegetation trimmings, or other waste material may be kept or stored on any lot except in covered containers and to be disposed of weekly.

5.04 **Minimum Setback Requirements**

Each lot shall have a side yard at the right side of said lot of not less than five (5) feet; left side of not less than five (5) feet; rear yard of not less than five (5) feet and front yard of not less than five (5) feet, not including parkway or county easement. No permanent or temporary structures or mobile homes shall be placed or maintained on such side or rear yard setbacks without obtaining authorization from the Association and Riverside County.

5.05 **Minimum Square Footage Requirements**

No mobile home shall be less than twelve (12) feet wide, not have less floor area than 900 square feet, provided, however, that the foregoing requirement of 900 square feet shall apply only to mobile homes installed after approval of these rules. Not more than one (1) mobile home shall be placed on a lot.

5.06 **Condition of Mobile Homes**

No mobile home shall be placed on a lot unless it is new or in near-new condition and repair. The Association prior to moving on to any lot must approve the mobile home. Pictures showing the front and sides of the unit must be supplied with the request for approval. The space from ground level to floor of each mobile home shall be enclosed with suitable skirting material as approved by the Architectural Committee. Such skirting material shall be installed within thirty (30) days from the time that the mobile home is placed on the lot.

5.07 **Facilities of Mobile Homes**

Each mobile home placed on a lot shall have complete sanitary facilities, including, without limitation, lavatory, toilet, shower or tub, washbasin, kitchen sink, and must be connected to sewage outlets in conformity with state and local health requirements.

ARTICLE VI
DRIVEWAYS, PARKING AND VEHICULAR

6.01 **Parking Requirements**

Riverside County Ordinance 348 requires each lot to maintain a minimum of two (2) off-street paved parking spaces. Spaces may be tandem. Exception: There remain several lots that were developed prior to the County ordinance that required pavement. These may be maintained until transfer of ownership at which time paving must take place. All vehicles must be parked on the paved parking portion of any lot. No parking of any vehicles in rocked, grass, or landscaped areas will be allowed.

- 6.02 **Driveway Maintenance**
All driveways shall be maintained. Asphalt drives shall have all potholes filled and re-surfaced when required.
- 6.03 **Driveway Specification**
All new driveways will be concrete, asphalted concrete, brick or equivalent as required by Riverside County Ordinance 348, Section 18.12.
- 6.04 **Jurisdiction of Streets**
All streets in Desert Crest are in the jurisdiction of Riverside County. All State and County laws apply to parking and travel within the subdivision.
- 6.05 **Inoperable Vehicles**
No inoperable vehicles may park on any street for more than seventy-two (72) hours. An unlicensed vehicle may not be parked on any lot, which is visible from the street, or any other lot.
- 6.06 **Vehicle Disturbance**
Any motor vehicle, including but not limited to automobiles, trucks, motorcycles, motor scooters, motorbikes, and/or mini-bikes, which disturbs the quiet enjoyment of the residents shall be prohibited from use within Desert Crest.
- 6.07 **Golf Carts**
All golf carts and bicycles must obey traffic laws. No inoperable or unused golf cart may be stored on any lot that is visible from the street.
- 6.08 **Recreational Vehicles, Trailers, etc.**
Recreational vehicles, trailers, campers, boats, and similar property may be stored upon owner's lot temporarily until a central area is developed for storage purposes. All recreational vehicles, trailers, and campers must be parked on the driveway portion of any lot.

ARTICLE VII
USE OF PROJECT AND RESTRICTIONS

- 7.01 **The Project is a Senior Housing Development**
Each lot must be occupied by at least one (1) Senior Citizen. Each other resident of a lot will be a Qualified Permanent Resident, or a Permitted Health Care Resident, during the period that such Permitted Health Care Resident is actually providing live-in, long-term, or hospice health care to a Senior Citizen for compensation. Upon the death or dissolution of marriage, or upon hospitalization, or other prolonged absence of the Senior Citizen, a Qualified Permanent Resident may continue his or her occupancy, residency, or use of the lot as a permitted resident. Temporary residency by any person who is not a Senior Citizen, Qualified Permanent Resident or Permitted Health Care Resident will be allowed for periods of time not to exceed sixty (60) days in any year. In the event of a conflict between this Section and the provision of the *Federal Housing Amendments Act of 1988*, and/or *California Civil Code* Section 51.11 et seq., or any subsequent modification or revision of these or other pertinent laws and regulations, the provisions of the prevailing statute will control.

A) **Statement of Intent to Provide Housing for Seniors**

Desert Crest is a senior citizens housing development, also referred to as “housing for older persons”. To the fullest extent permitted by federal, state, and local law, it is the intent of Desert Crest to operate as housing for Senior Citizens (that is, persons 55 years of age or older), and to that end, occupancy of dwelling in this project shall be restricted to Senior Citizens, except as provided herein below.

B) **Definitions**

Following are definitions applicable to this article.

- 1) **“Laws”** shall mean and refer to: the Federal Fair Housing Amendments Act of 1988 (42 U.S.C. Par3601 et seq.), California’s “Unruh Civil Rights Act” (California Civil Code Par51 et seq.), and California Government Code Par12955.9, as the same may be amended from time to time.
- 2) **“Permitted Health Care Resident”** shall mean and refer to a person hired to provide live-in, long-term, or terminal health care to a Senior Citizen, or family member of the Senior Citizen providing that care. The care provided by a Permitted Health Care Resident must be substantial in nature and must provide either assistance with necessary daily activities or medical treatment, or both.
- 3) **“Project”** shall mean and refer to the real property commonly referred to as Desert Crest Community Association, whose legal description is described in Recital A, C, and E of the Declaration of Restrictions of said association recorded in the County of Riverside on July 12, 2002, Instrument No. 2002-383429.
- 4) **“Qualified Permanent Resident”** means a person who satisfies the following requirements:
 - a) Resided with the Senior Citizen prior to the death, hospitalization or other prolonged absence of, or the dissolution of marriage with the Senior Citizen, and
 - b) Is (i) forty-five (45) years of age or older, (ii) a spouse or cohabitant of the senior, or (iii) providing primary physical or economic support to the Senior Citizen.
- 5) **“Qualified Permanent Resident by Virtue of Disability”** shall mean a disabled person or persons with a disabling illness or injury who is a child or grandchild of the Senior Citizen or Qualified Permanent Resident as defined in B (4) above, because of the disabling condition, illness or injury.
- 6) **“Senior Citizen”** means a person that is 55 years of age or older.

C) **Residency Restrictions**

1) Permissible Occupants and Requirement that Eight Percent (80%) of the Dwellings shall be Occupied by a Senior Citizen.

The persons commencing any occupancy of a dwelling in this Project shall include at least one Senior Citizen who intends to occupy the dwelling in the project as his or her primary residence on a permanent basis. All other persons occupying the dwelling at any time shall be either Qualified Permanent Residents, Qualified Permanent Residents by Virtue of Disability, Permitted Health Care Residents, or persons who lawfully occupied the dwelling prior to May 19, 1992. These persons shall be collectively referred to as “Qualified Occupants.”

Notwithstanding the foregoing, no more than (20%) of the occupied dwellings within the Project shall be occupied solely by persons who are not Senior Citizens.

2) Age Verification

All occupants of the Project must provide verification of age, in a form and at the time or times as directed by the Board of Directors of Desert Crest Community Association. Such age verification shall occur not less than once every two years. The Board of Directors is empowered to enact rules and regulations by Article 7.02 of the Declaration of Restrictions to assure compliance with Laws regarding housing for older persons, including age verification; furthermore, said rules and regulations may include pre-screening requirements for all residents in the Project.

3) Guests

A person not otherwise qualified for residency may remain in the dwelling as a guest of the Qualified Occupants, for a period not to exceed sixty (60) days in any calendar year. Any person who resides in the dwelling for more than sixty (60) days in any calendar year shall be deemed a resident; said person must submit an age verification in the form specified by the project, and must be qualified for residency (that is, must be Qualified Occupant) in order to remain. For the purpose of calculating the sixty (60) day period described in this section, presence in the dwelling for more than 12 hours per day, or overnight, shall constitute a day's stay. Notwithstanding the foregoing, if a person determines to occupy the dwelling on a permanent basis, that person shall become a resident, and not a guest, regardless of the length of the stay, and must qualify for residency pursuant to Article C (1).

4) Termination of Residency of Disabled Qualified Permanent Resident by Virtue of Disability.

Any owner of a dwelling in the Project, or the Board of Directors of the Desert Crest Community Association, may take action to prohibit or terminate occupancy by a person who is a Qualified Permanent Resident by Virtue of Disability (as defined in Article B (5) above), if the owner or the governing body finds, based on credible and objective evidence, that such person is likely to pose a significant threat to the health and safety of others that cannot be ameliorated by means of reasonable accommodations, providing, however, that the termination of residency can take place only after the following:

- a) Notice to the disabled person and the disabled person's co-resident parent or grandparent of (i) the basis for the proposed termination of residency, and (ii) a hearing before the Board of Directions of the Project, wherein the disabled person and/or his/her co-resident parent or grandparent may be heard on the subject.
- b) The notice of hearing shall provide for a hearing date no less than ten (10) days from the date of the notice.
- c) The decision to terminate residency of the disabled person shall be made only after due consideration is given to the relevant, credible and objective information provided in the hearing. The evidence shall be taken and held in a confidential manner, pursuant to a closed session in order to preserve the privacy of the affected persons. The affected persons shall be entitled to have present at the hearing an attorney or any other person authorized by them to speak on their behalf or assist them in the matter.

Nothing in this provision shall be construed as requiring the Board of Directors to take action to terminate a disabled person's residency.

5) **Restrictions Pertaining to Permitted Health Care Residents**

A permitted Health Care Resident shall not be a Qualified Permanent Resident. However, a Permitted Health Care Resident shall be entitled to continue his or her occupancy, residency, or use of the dwelling unit in the absence of the Senior Citizen, only if both of the following are applicable:

a) The Senior Citizen became absent from the dwelling due to hospitalization or other necessary medical treatment and expects to return to his or her residence within 90 days from the date the absence began.

b) The absent Senior Citizen or an authorized person acting for the Senior Citizen submits a written request to the owner of the dwelling, or Board of Directors of the Project, stating that the Senior Citizen desires that the Permitted Health Care Resident be allowed to remain in order to be present when the Senior Citizen returns to reside in the Project.

6) **Requirement to Include Age Restrictions in Lease Agreements**

The governing documents of Desert Crest Community Association restrict the renting or leasing of housing units to a period of less than thirty (30) days. The documents further state **that “All landlords must have their lessees/renters sign an Association Tenant’s Agreement form before their tenants sign a lease or rental contract. Said Tenant’s Agreement form will provide proof of compliance with the age restrictions of a Senior Housing Development, and agree to abide by all Association and Club Rules and Regulations. The Association will make said agreement available to landlords upon request. The landlord must provide a copy of completed Tenant’s Agreements form to the Association and the Club.”** In addition to the above requirement, the owner shall include in any rental or lease agreement that **“Desert Crest is a senior community and as such, at least one occupant must be at least 55 years of age or older and all other occupants of the dwelling must meet requirements as a ‘Qualified Occupant’ as defined in Article B above, of the Rules and Regulations of the Desert Crest Community Association. Any guest not meeting these requirements will only be allowed occupancy for 60 days in any calendar year.”**

7) **Owners Requirement to Provide Written Notice of Sale**

All owners selling their property are responsible for providing written notice to the association for contact information of the new owners prior to the close of escrow, or if an escrow company is not used, prior to the effective date of the contract; and in addition, provide notification to the new owners that prior to beginning occupancy, age and status verification forms must be prepared by all new owners and/or potential occupants and approved by the association.

D. Procedural Restrictions Pertaining to Age Restrictions

1) Enforcement

The Association and any one or more of its Owners or Members shall each be empowered to enforce compliance with applicable Laws, as such may be amended or supplemented from time to time hereafter. Notwithstanding any provisions regarding enforcement of the restrictions in this restated Rules and Regulations, action may be taken against any member and/or occupant refusing to comply with reporting age verification and status information required by the Association to maintain Senior Community standing and will be enforced as outlined in Article IX of the Declarations of Restrictions.

2) Conflicts

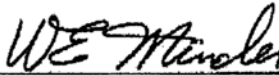
If there is any inconsistency or conflict between the provision of this Article and any other provision in the Declaration of Restrictions, Bylaws, Federal and/or State laws then they shall prevail.

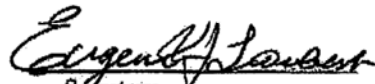
We, the undersigned, do hereby certify:

That we are the duly elected President and Secretary, respectively, of the Desert Crest Community Association, a California Non Profit Mutual Benefit Corporation.

That the foregoing changes were made to Article VII of the Desert Crest Community Association's Rules and Regulations and was duly adopted at a meeting of the Board of Directors held on the Sixth (6th) day of December 2007.

In witness whereof, we have subscribed our names and affixed the seal of the Desert Crest Community Association this Thirteenth (13th) day of December 2007.


President


Secretary



7.02 Use of Lots

All lots within the Project shall be used solely for the residential use as defined in Section 1.25 hereof. In no event shall more individuals than permitted by applicable law, zoning, or other local governmental regulation occupy a lot.

7.03 Signs

No advertising signs shall be displayed on any lot or posted within or upon any of the Project except that an Owner may post on his or her lot a single "For Rent" or "For Sale" sign of reasonable dimensions and appearance as stated in the Association Rules.

7.04 Drilling and Other Operations

No drilling refining, quarrying or mining operations of any kind shall be permitted on any lot.

7.05 Prohibition of Noxious Activities

No illegal, noxious or offensive activities shall be carried out or conducted upon any lot or in the Project, nor shall anything be done within the Project that is or could become an unreasonable annoyance or nuisance to neighboring property-owners. Without limiting the foregoing, no owner shall permit noise, including, but not limited to, barking dogs, the operation of excessively noisy air conditioners, stereo amplifier systems, television systems, motor vehicles or power tools, to emanate from the owner's lot or from activities with the Project, which would unreasonably disturb any other owner's or tenant's enjoyment of his or her lot or the Project.

7.06 Temporary Structures

No structure of a temporary character, motor home, trailer, camper, tent, shack, garage or other outbuilding shall be used on any lot at any time as a residence, either temporarily or permanently.

7.07 Animals

No animals, livestock or poultry of any kind shall be raised, bred or kept on the Project for commercial purposes. Only two (2) small, indoor household pets may be kept or maintained on a lot, and shall be kept on a leash whenever outside the owner's coach or off the owner's lot. Notwithstanding the foregoing, no animals or fowl may be kept in the Project which result in an annoyance, a danger to, or are obnoxious to residents in the vicinity, or which are left unattended. The Board shall have discretion to determine whether a pet constitutes a nuisance and, if such a determination is made, then the Board shall be authorized to order removal of the pet on three (3) days' written notice to the pet owner and/or the owner of the lot where the pet is kept.

7.08 Business Activities

No business or commercial activities of any kind whatsoever shall be conducted in any residence or on any portion of any lot, provided that the foregoing restriction shall not apply to the activities, signs or activities of the Association in the discharge of its responsibilities under the Governing Documents. An exception to this is a "Home Business" that has minimal or no foot traffic, and such business to have absolutely no signage, or signs of business activity, visible from outside identifying it in any way as a business. No restrictions contained in this Section shall be construed in such a manner so as to prohibit any owner from (a) maintaining his or her personal library in their residence, (b) keeping his or her personal business records or accounts therein, (c) handling his or her personal or professional telephone calls or correspondence there from, (d) leasing or

renting his or her residence in accordance with Section 2.3 of the Declarations of Restrictions, or (e) conducting any other activities on the owner's lot otherwise compatible with residential use and the provisions of the Declaration which are permitted under applicable zoning laws or regulations without the necessity of first obtaining a special use permit or specific governmental authorization. The uses described in (a) through (e), above, are expressly declared to be customarily incidental to the principal residential use of the lot and not in violation of Section 7.02.

7.09 Garbage

No rubbish, trash, or garbage shall be allowed to accumulate on any lot, and any rubbish, trash or garbage stored temporarily shall be stored in covered sanitary containers. Any extraordinary accumulation of rubbish, trash, garbage or debris (such as debris generated upon vacating of premises or during the construction of modifications and improvements) shall be removed from the Project to a public dump or trash collection area by the owner or tenant at his or her expense. The Association shall be entitled to impose reasonable fines and penalties for the collection of garbage and refuse disposed in a manner inconsistent with this Article.

7.10 Storage

Storage of personal property on any lot shall be entirely within enclosed storage areas. There shall be no woodpiles or storage piles accumulated on top or outside of any enclosed storage area.

7.11 Clotheslines

No exterior clothesline shall be erected or maintained and there shall be no drying or laundering of clothes on any lot in a manner that is visible from any neighboring lot.

7.12 Burning

There shall be no exterior fires whatsoever except barbecue fires located only upon the owner's lot and contained within receptacles designed for such purpose. No owner or resident shall permit any condition to exist on his or her lot, including, without limitation, trash piles or weeds, which create a fire hazard or is in violation of local fire regulations.

7.13 Diseases and Pests

No owner shall permit any thing or condition to exist on his or her lot that shall induce, breed, or harbor infectious plant diseases, rodents or noxious insects or be a health hazard to themselves or other inhabitants of the Project.

7.14 Antennas and Similar Devices

Subject to any applicable federal, state or local statute, rule or ordinance, no owner, resident or lessee shall, at his expense or otherwise, place or maintain any objects, such as masts, towers, poles, wiring, television and radio antennas, or television satellite reception dishes in excess of thirty six inches (36") on or about any lot or the exterior of any coach or mobile home within the Project, without the prior written approval of the Architectural Committee.

EXCEPTION TO AND IN COMPLIANCE WITH THE GENERAL RULE

The designated Emergency Communications Coordinator ("E.C.C.") who works in conjunction with local and regional offices of the Radio Amateur Emergency Service is granted authority to

install and maintain such devices necessary to efficiently perform those duties; only Federally licensed Radio Amateur Operators are qualified to hold the position of E.C.C.

7.15 **Restriction of Further Subdivision and Severability**

No lot shall be further subdivided nor shall less than all of any such lot be conveyed by an owner thereof and no owner of a lot within the Project shall be entitled to sever his or her lot from the Project or from the conditions, limitations, easements, covenants, restrictions and charges of this Declaration; provided, however, that by election in writing, a lot owner may buy more than one lot and combine the lots into one parcel. Thereafter, such lots shall be treated as one lot for the purposes of these restrictions. At a later date, such lots may be returned to their original state by election in writing by the owner, filed with the Association, which shall become effective when the physical condition of the lots complies with the requirements of the Association and of Riverside County.

ARTICLE VIII
RENTAL NON-COMPLIANCE

8.01 Categories of Non-Compliance:

- (a) Required paperwork is not completed and filed.
 - 1. Age verification, 55+ compliance, and certification of all persons qualified to reside in unit.
 - 2. Signed agreement that no guest will stay in unit more than 14 consecutive days, not to exceed 60 days in a calendar year.
 - 3. Statement signed by both tenant(s) and owner/manager that the Declaration of Restrictions (CCR's) will not be violated, and that if they are, fines will be imposed on landlord/owner.
- (b) Written complaint has been received stating Non-Compliance of the CCR's.

8.02 Written complaints will be sent to the Rental Committee for Review and Action.

- (a) Valid complaints will generate a written notice to the Owner stating the Non-Compliance.
 - 1. The notice will allow 10 days to correct the problem or appeal the notice.
 - 2. If there is no correction or appeal, a schedule of fines will be generated.

8.03 Schedule of Fines for Non-Compliance

- 1. If there is no correction or appeal, a \$10.00 per day fine will be imposed on the 11th day after notice until compliance is met.
- 2. Violations not corrected or appealed will, on the 31st day from the first notice, be billed at \$25.00 per day until compliance is met.