

EXHIBIT E TO GROUND SUBLEASE

IRVINE CAMPUS HOUSING AUTHORITY  
University Hills Property Use and  
Maintenance Regulations

(Amended as of 2/15/89)

GL:E-20-3/89



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IRVINE CAMPUS HOUSING AUTHORITY  
University Hills Property Use and  
Maintenance Regulations

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

ARTICLE I - DEFINITIONS

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

(1) "Architectural Guidelines" means the Architectural Guidelines from time to time issued or amended by the ICHA Board as provided in Section 5.06 of these Regulations;

(2) "Building Code" means the latest edition of the Uniform Building Code as used by the City of Irvine, with such modifications, exclusions, or supplements/replacements as the HRB may, from time to time, permit or require;

(3) "Custom Lot" means any Parcel assigned and transferred to a Home Owner for the construction of a custom housing unit, as such Parcel is designated in the Ground Sublease;

(4) "Home Owner" means the sublessee of any Parcel;

(5) "HRB" means the Home Owners Representative Board (formerly known as the Architectural Review Board) established pursuant to Section 5.01 of these Regulations;

(6) "ICHA" means the Irvine Campus Housing Authority;

(7) "ICHA Board" means the Board of Directors of the Irvine Campus Housing Authority;

(8) "Leasehold Property" means all of the property subject to the Lease by and between ICHA and The Regents;

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

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

(11) "Regulations" means these University Hills Property Use and Maintenance Regulations;

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

(13) "Structure" means:

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

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

(14) "UCI" means the University of California, Irvine.

ARTICLE II - RESTRICTIONS  
RESPECTING CONSTRUCTION AND IMPROVEMENTS

Section 2.01. Submission of Plans and Specifications.

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

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

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

Section 2.03. Approval of Plans and Specifications. Upon approval by the HRB of any plans and specifications submitted pursuant to these Regulations, a copy of such plans and specifications, as approved, shall be deposited for permanent record with the HRB, and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. Approval for use in connection with any Parcel or Structure of any plans and specifications shall not be deemed a waiver of the HRB's right, in its discretion, to disapprove similar plans

and specifications or any of the features or elements included therein if such plans, specifications, features, or elements are subsequently submitted for use in connection with any other Parcel or Structure. Approval of any such plans and specifications relating to any Parcel or Structure, however, shall be final as to that Parcel or Structure and such approval may not be revoked or rescinded thereafter, provided that there has been adherence to, and compliance with, such plans and specifications, as approved, and any conditions attached to any such approval.

Section 2.04. Disapproval of Plans and Specifications.

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

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

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

(iii) Any other matter which, in the judgment of the HRB, would be likely to cause the proposed installation, construction, or alteration of a Structure (A) to fail to be in harmony of external design and general quality with the existing Structures on the Leasehold Property or (B) as to location to be incompatible with topography, finished ground elevation, and surrounding Structures.

(b) It is recognized that, under the terms of the Lease and related documents, all plans and specifications submitted for review by the HRB are also subject to review and approval by the Chancellor of UCI. Although ICHA believes that the Chancellor will generally abide by the determinations of the HRB and the provisions of these Regulations and the Architectural Guidelines, the Chancellor is not required to do so. Accordingly, the HRB shall have the right to disapprove any plans and specifications submitted pursuant to these Regulations if such plans and specifications are disapproved by the Chancellor, regardless of the reasons for such disapproval by the Chancellor. (It should be noted

that there is no appeal to the Chancellor with respect to adverse determinations of the HRB, appeals in such circumstances being governed exclusively by the provisions of Section 5.05(d) of these Regulations.)

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

Section 2.05. Inspection Rights. To ascertain whether the installation, construction, alteration, or required maintenance of any Structure is in compliance with the provisions of these Regulations, as well as with any approvals or conditional approvals of the HRB, any employee or agent of the HRB or ICHA may, after reasonable notice to the Home Owner concerned and at any reasonable time, enter upon any Parcel (but not the interior of any housing unit). Neither the HRB, ICHA, nor any employee or agent of either shall be deemed to have committed a trespass or other wrongful act solely by reason of such entry or inspection, provided that such inspection is carried out in accordance with the terms of this Section 2.05.

Section 2.06. Statement of Compliance.

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

(b) Any Statement of Compliance issued in accordance with the provisions of this Section 2.06 shall be prima facie evidence of the facts therein stated; and as to any purchaser or encumbrancer in good faith and for value, or as to any title insurer, such

Statement of Compliance shall be conclusive evidence that all Structures on the Parcel comply with all the requirements of this Article II, provided that the Statement of Compliance shall in no way be construed to certify the acceptability, sufficiency, or approval by the HRB of the actual construction of Structures or of the workmanship pertaining thereto, or to represent or warrant to anyone the quality, function, or operation of the Structures or of any construction, workmanship, engineering, materials, or equipment related thereto.

Section 2.07. Fees. The HRB may impose and collect reasonable and appropriate fees from each applicant seeking its approval pursuant to the provisions of these Regulations to cover the HRB's costs of operation, including but not limited to (i) the cost of examination of any plans and specifications submitted for approval pursuant to these Regulations, (ii) the cost of inspections or tests performed pursuant to Section 2.05 of these Regulations, and (iii) reimbursements to members of the HRB pursuant to Section 5.03 of these Regulations. Such fees shall be established from time to time by the HRB and published in the Architectural Guidelines.

ARTICLE III - RESTRICTIONS  
RESPECTING USE AND MAINTENANCE.

Section 3.01. Conformity to Building Code.

(a) ICHA and The Regents have agreed that all Structures on the Leasehold Property and all work related thereto should conform to the requirements of the Building Code. Accordingly, no construction may be undertaken and no Structure may be erected on any Parcel unless such construction and Structure conform to the requirements of the Building Code if applicable.

(b) To ensure compliance with the Building Code, as directed by ICHA, all Structures on the Leasehold Property and all work related thereto shall be subject to plan checks, inspections, and tests by the City of Irvine or by such other persons or entities as ICHA may designate, such plan checks, inspections, and tests to be paid for by the Home Owners concerned.

Section 3.02. Interference with Quiet Enjoyment of Others. No use of any Parcel shall be permitted which creates a nuisance or which, in the judgment of the ICHA Board or its designee, interferes with the

quiet enjoyment of Home Owners residing on other Parcels or of persons using the Community Space.

Section 3.03. Solid Waste.

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

(b) No person shall burn rubbish, garbage, or any other form of solid waste on any Parcel or the Community Space.

(c) Except for building materials employed during the course of construction of any Structure approved by the HRB, no lumber, metals, bulk materials, or solid waste of any kind shall be kept, stored, or allowed to accumulate on any Parcel or the Community Space, unless such item is screened or otherwise handled in a manner which may be set forth in the Architectural Guidelines. During construction it shall be the responsibility of each Home Owner to ensure that the construction site is kept free of unsightly accumulations of rubbish and scrap materials, and that construction materials, trailers, shacks, and the like are kept in a neat and orderly condition. Guidelines relating to the screening or other handling of construction materials so as to avoid unsightliness during the course of construction may be included in the Architectural Guidelines.

(d) If rubbish, garbage, or any other form of solid waste is to be disposed of by being collected on a regular and recurring basis, containers may be placed in the open on any day that a pick-up is to be made, in order to provide access to persons making such pick-up. At all other times, such containers shall be screened or otherwise handled in a manner which may be set forth in the Architectural Guidelines. Guidelines relating to the type of containers permitted, the manner of storage, and the place of pick-up may also be included in the Architectural Guidelines.

Section 3.04. Excavation and Drilling. No excavation shall be undertaken on any Parcel without the prior written approval of the HRB. Likewise, no Parcel may be used for the purpose of drilling for or removing water without the prior written approval of the HRB.

Section 3.05. Drainage and Erosion Control.

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

(b) No activity which may create erosion or siltation problems shall be undertaken on any Parcel without the prior written approval of the HRB of plans and specifications for the prevention and control of such erosion or siltation. The HRB may, as a condition of approval of such plans and specifications, require the use of certain means of preventing and controlling such erosion or siltation. Such means may include, for example and without limitation, physical devices for controlling the runoff and drainage of water, special precautions in grading and otherwise changing the natural landscape, and required landscaping as provided in Section 3.06 of these Regulations. Guidelines for the prevention and control of erosion and siltation may be included in the Architectural Guidelines.

Section 3.06. Landscaping.

(a) Each Parcel shall have HRB approved front yard landscaping installed within six (6) months and rear yard landscaping (areas behind front privacy fences) within one (1) year after the initial purchase or completion of the housing unit by the Home Owner. At all times thereafter, each Parcel shall be maintained in accordance with a landscape plan approved by the HRB. Should ICHA enter upon a Parcel to install required landscaping, ICHA will use the following standards for front and rear yard:

- Approximately -- 80% of the yard area covered in ground cover or lawn
- 20% of yard area planted in shrubs
  - 1- 1 gal. shrub per 10 sq. ft. area
  - 1- manual (below grade) irrigation system

Should ICHA be required to enter upon a Parcel to install landscaping, a 10% administrative cost will be added to the cost of the landscaping contract.

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

Section 3.07. Trees. Except for trees planted by a Home Owner wishing to remove the same and except as expressly permitted by the HRB, no tree having a diameter of six (6) inches or more (measured from a point two (2) feet above ground level) shall be removed from any Parcel unless such removal is in conformity with approved landscaping plans and specifications submitted pursuant to the provisions of Section 3.06 of these Regulations or required for the construction of any Structure the plans and specifications of which have been approved by the HRB. Guidelines relating to the preservation of trees and other natural resources and wildlife upon the Leasehold Property may be included in the Architectural Guidelines.

Section 3.08. Chemical Fertilizers, Herbicides, and Pesticides. No chemical fertilizers, herbicides, or pesticides shall be used on any part of the Leasehold Property, except products which are available for consumer use through retail sources; are approved by the appropriate federal, state, and local governmental agencies; and are used in conformity with the manufacturer's directions and for the purposes approved by such governmental agencies.

Section 3.09. Machinery. No Structure shall be altered in its exterior appearance by the addition of any sort of machinery, including air conditioning and heating units, without the prior written approval of the HRB of plans and specifications for such alteration. Approval by the HRB of such alteration may be conditioned on the appropriate screening of said machinery. Guidelines for the location and screening of machinery may be included in the Architectural Guidelines.

Section 3.10. Antennae and Flagpoles. No antennae for the transmission or reception of television or radio signals or the like and no permanent flagpole shall be installed or maintained on the exterior of any Structure or on any Parcel exposed to view from any other Parcel or from any portion of the Community Space.

Section 3.11. Signs.

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

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

(ii) Not more than one "For Sale" sign, such sign having a maximum face area of four (4) square feet; provided that if, at the time of any desired use of such sign, the HRB is making "For Sale" signs available for the use of Home Owners, the signs made available by the HRB must be used; and

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

(b) In no event during approved construction of any Structure shall more than one job identification sign be approved by the HRB. Neither shall any "Sold" sign at any time be installed or maintained on any Parcel or on any portion of a Structure visible from the exterior thereof.

(c) Exterior graphics which are incorporated in the design of any Structure shall require the prior written approval of the HRB of plans and specifications for such graphics.

Section 3.12. Setbacks. In approving plans and specifications for any proposed Structure, the HRB may establish setbacks for the location of the Structure. Guidelines for setbacks may be included in the Architectural Guidelines. No Structure shall be erected or placed on any Parcel unless its location is consistent with such setbacks.

Section 3.13. Fences. No fence or wall of any kind shall be erected or altered on any Parcel without the prior written approval of the HRB of plans and specifications for such fences and walls. Guidelines relating to the design, location, and uses of fences and walls may be included in the Architectural Guidelines.

Section 3.14. Roads and Driveways. No road or driveway shall be constructed or altered on any Parcel without the prior written approval of the HRB of plans and specifications for such roads and driveways. Guidelines relating to the design and location of roads and driveways may be included in the Architectural Guidelines.

Section 3.15. Parking, Storage, and Repair of Vehicles.

(a) The HRB shall have the right to regulate the overnight parking of motor vehicles on streets within the Leasehold Property, as well as the parking or storage of any boat, trailer, recreational vehicle, camper, motorhome, truck, commercial vehicle, or any other vehicle too large to fit in a normal residential garage.

(b) No painting, repairing, or mechanical work, other than minor maintenance work and minor emergency repairs, shall be performed on any motor vehicle or boat on any Parcel or on any portion of the Community Space, except in a garage.

Section 3.16. Exterior Lighting. Exterior lighting to be erected or altered on any Parcel or Structure shall be subject to the prior written approval of the HRB of plans and specifications for such lighting. Guidelines relating to the design, location, and direction of exterior lighting may be included in the Architectural Guidelines.

Section 3.17. Mailboxes. No mailbox or other Structure used as a receptacle for the delivery or dispatch of mail, packages, newspapers, periodicals, or similar matter shall be constructed or altered on any Parcel without the prior written approval of the HRB of plans and specifications for such Structures. Guidelines relating to such receptacles may be included in the Architectural Guidelines.

Section 3.18. Outside Storage. Outside storage of personal property shall not be allowed on any Parcel or in any Structure located thereon unless screened by enclosures, fences, or other devices for which plans and specifications have been approved by the HRB. Guidelines for screening of such outside storage may be included in the Architectural Guidelines.

Section 3.19. Animals. No animals, including birds, insects, and reptiles, other than a reasonable

number of generally recognized house or yard pets, shall be permitted on any Parcel or in any Structure located thereon, and then only if kept thereon solely as household pets and not for commercial purposes. No animal shall be allowed to become a nuisance, and the ICHA Board or its designee shall be empowered to order the removal of any pet which the ICHA Board determines to be a nuisance. No Structure for the care, housing, or confinement of any animal shall be constructed or altered on any Parcel unless plans and specifications for said Structure have been approved by the HRB. Guidelines for such Structures may be included in the Architectural Guidelines.

Section 3.20. Poles and Wires. Except during approved construction or on a temporary basis as approved by the HRB, no poles or wires for the transmission of electricity, telephone messages, or the like shall be installed on any Parcel or on any Structure located thereon above the surface of the ground.

Section 3.21. Window Coverings. Windows in any Structure on any Parcel may be covered only by drapes, shades, blinds, or shutters and may not be painted or covered by aluminum foil, cardboard, or any other material prohibited by the HRB in the Architectural Guidelines.

Section 3.22. Patios, Balconies, and Courtyards. Without the express approval of the HRB, nothing shall be placed or kept on or in any patio, balcony, or courtyard which is visible from any other Parcel or from any portion of the Community Space other than furniture which is designed as patio furniture; facilities for barbecuing or any other outdoor cooking; and shrubs, bushes, and other plants.

Section 3.23. Water Softeners. Any water softener installed on any Parcel must be serviced on a periodic basis and operated in strict compliance with requirements of the Irvine Ranch Water District.

Section 3.24. Pests. No Home Owner shall permit any condition to exist on his Parcel which shall induce, breed, or harbor infectious plant diseases or noxious insects or vermin.

Section 3.25. Solar Systems. Each solar system collector unit shall be integrated into the design of the Structure in which it is installed, and the plans

and specifications for each such unit shall be subject to review and approval by the HRB.

Section 3.26. Maintenance. Except as limited by ICHA's exclusive easement for the maintenance and repair of exterior surfaces and roof areas of townhome units, as provided in Section 4.03 of the Ground Sublease, each Home Owner shall keep and maintain each Parcel and Structure owned by him, as well as all landscaping located thereon, in good condition and repair, including but not limited to (i) the repairing and painting (or other appropriate external care) of all Structures; (ii) the seeding, watering, and mowing of all lawns; and (iii) the pruning and trimming of all trees, hedges, and shrubbery so that they do not obstruct the view of street traffic by motorists or pedestrians. Guidelines relating to the maintenance of Structures and landscaping may be included in the Architectural Guidelines.

ARTICLE IV - PARTY  
WALLS AND COMMON ROOF AREAS

Section 4.01. General Rules of Law to Apply. Each wall which is built as a part of the original construction of a Structure and placed on the dividing line between Parcels under different ownership shall constitute a party wall, and each roof area which covers portions of one Structure located on two or more Parcels under different ownership shall constitute a common roof area. To the extent not inconsistent with the provisions of this Article IV or with ICHA's exclusive easement for the maintenance and repair of exterior surfaces and roof areas of townhome units as provided in Section 4.03 of the Ground Sublease for For-Sale Housing Units, the general rules of California law regarding party walls and common roof areas, and liability for property damage due to negligence or willful acts or omissions shall apply to each such party wall and common roof area.

Section 4.02. Sharing of Repair and Maintenance. Subject to the provisions of Section 4.05 of the Ground Sublease for For-Sale Housing Units, the cost of reasonable repair and maintenance of a party wall or common roof area shall be shared by the Home Owners who make use of such wall or common roof area in proportion to such use, unless damage to the party wall or common roof area has been caused by the willful act or negligence of fewer than all of such Home Owners, in which case the cost of reasonable repair and maintenance shall be the responsibility of those Home Owners causing the damage.

Section 4.03. Destruction by Fire or Other Casualty. Subject to the provisions of Section 4.05 of the Ground Sublease for For-Sale Housing Units, if a party wall or common roof area is destroyed or damaged by fire or other casualty, any Home Owner who has used the wall or common roof area may restore it, and if the other Home Owners thereafter make use of the wall or common roof area, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Home Owner to call for a larger contribution from the other Home Owners under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4.04. Weatherproofing. Notwithstanding any other provision of this Article IV, a Home Owner who, by his negligent or willful act, causes an interior party wall or the interior portion of a common roof area to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

#### ARTICLE V - HOME OWNERS REPRESENTATIVE BOARD

##### Section 5.01. Establishment and Composition.

(a) No later than the time of ICHA's execution of the Ground Sublease with any Home Owner, the ICHA Board shall appoint a Home Owners Representative Board for the purpose of performing the architectural review and other functions assigned to the HRB in these Regulations. At ICHA's option, the HRB may be organized as a California nonprofit public benefit corporation.

(b) The HRB shall consist of five (5) members, no fewer than three (3) of whom shall be Home Owners, provided that, prior to the time that there are at least fifty (50) Home Owners other than ICHA or The Regents, all or any number of the members of the HRB may be persons other than Home Owners. In addition to its five (5) members, all of whom shall be appointed or elected as provided below, the HRB shall include, as an ex officio and voting member, the Director of Physical Planning/Campus Architect of UCI or his designee.

(c) Prior to the time that there are at least fifty (50) Home Owners other than ICHA or The Regents, all members of the HRB shall be appointed by the ICHA Board. Within six (6) months after such time as there are at least fifty (50) Home Owners other than ICHA or

The Regents and annually thereafter, the ICHA Board shall conduct an election for the purpose of selecting members of the HRB. At such election, only Home Owners other than ICHA and The Regents shall be permitted to vote.

(d) All members of the HRB (other than the ex officio member) shall be appointed or elected for staggered terms of two (2) years and shall be subject to removal during their terms by the ICHA Board only for cause. Members may be appointed to serve successive terms.

Section 5.02. Vacancies. If any vacancy shall occur in the membership of the HRB by reason of death, resignation, removal, or otherwise, the remaining members shall continue to act and shall, within thirty (30) days after such vacancy occurs, appoint a successor member to fill the balance of the unexpired term. Any member may resign at any time by written notice to the President of ICHA, and such resignation shall take effect upon receipt thereof by the President unless the notice itself specifies some other effective date.

Section 5.03. Officers and Compensation.

(a) The members of the HRB shall appoint a Chairman from among their number and may appoint from among their number such other officers and committees as may be required by law or as they shall from time to time determine.

(b) The members of the HRB shall serve without compensation, provided that ICHA may reimburse the members for reasonable out-of-pocket expenses incurred in the performance of their duties as members to the extent that such expenses are not reimbursed by the HRB from the fees charged for its services pursuant to Section 2.07 of these Regulations. The foregoing shall not be construed as prohibiting or limiting the payment of compensation or expenses to any person who is a member of the HRB for services rendered to ICHA or the HRB in any other capacity.

Section 5.04. Conflicts of Interest. No member of the HRB may participate in any decision of the HRB on a matter in which he has a direct or indirect financial or professional interest, or on a matter in which he or any firm with which he is associated has provided professional consultative services for a fee to any party whose application is before the HRB, provided that if

two (2) or more members may not participate in the making of a decision because of disqualification as provided herein, the ICHA Board shall name substitute members to act only on the matter resulting in the disqualification. For a period of one (1) year after his service on the HRB, no former member may represent any person before the HRB where that former member has previously participated in decisions affecting such person. Each member of the HRB shall inform the HRB in writing of any direct or indirect financial or familial relationship which he may have with any applicant within the Leasehold Property or with such applicant's builder or architect. Such disclosure shall be made within fifteen (15) days of any action by an applicant which makes the disclosure relevant, and shall be available for inspection by ICHA and by each Home Owner.

Section 5.05. Operations of the HRB.

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

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

(c) The decision of a majority of the members of the HRB with respect to any application or request pending before the HRB shall be final and binding upon the person making such request or application; subject, however, to the right of such person to appeal to the ICHA Board as provided in subsection (d) of this Section 5.05. The HRB shall be required to render decisions on matters pending before it, except for review of plans and specifications of homes on custom lots, within forty-five (45) days after the receipt by the HRB of such a request or application submitted by a Home Owner or prospective Home Owner, which request or application

is complete in all respects under the requirements of these Regulations and the Architectural Guidelines. With respect to the review of plans and specifications of homes on custom lots, the HRB shall be required to render decisions in a timely fashion as provided in the Architectural Guidelines. If the HRB fails to act upon any request or application within the above-stated time period, such request or application shall be deemed approved.

(d) Any applicant receiving a decision of the HRB which he deems to be unsatisfactory may file a written request to have such decision reviewed by the ICHA Board. Such request shall be filed with the Secretary of ICHA within ten (10) days after the applicant's receipt of notice of such decision of the HRB. If the ICHA Board, in its sole and absolute discretion, determines to review the HRB decision as requested, it shall conduct a hearing at which the applicant and the HRB shall be invited to present their respective positions. The decision of a majority of the members of the ICHA Board, after such hearing, shall be final and binding with respect to any issue accepted for review. If the ICHA Board determines that the decision of the HRB was proper, if the ICHA Board fails to accept a matter for review within sixty (60) days after receiving a request from an applicant to do so, or if the ICHA Board refuses to accept a matter for review, then the decision of the HRB with respect to such matter shall be final and binding.

(e) The HRB may, from time to time, prepare and recommend for approval to the ICHA Board any amendments to the Architectural Guidelines which the HRB believes necessary or desirable to implement the provisions of these Regulations.

Section 5.06. Architectural Guidelines.

(a) The ICHA Board has approved and adopted and may, from time to time upon recommendation of the HRB or in its own discretion, amend the Architectural Guidelines attached hereto for the purposes of:

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

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

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

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

#### ARTICLE VI - ENFORCEMENT

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

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

#### Section 6.03. Right of Abatement.

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

abatement described in subsection (b) of this Section 6.03.

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

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

#### ARTICLE VII - AMENDMENTS AND CONFLICTS

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

Section 7.02. Conflicts. In the event of any conflict between the provisions of these Regulations and

the provisions of the Architectural Guidelines, the provisions of these Regulations shall govern. In the event of any conflict between the provisions of these Regulations or the Architectural Guidelines and the provisions of the Ground Sublease, the provisions of the Ground Sublease shall govern.