PACIFIC RIDGE OWNERS ASSOCIATION
SOLAR ENERGY SYSTEM INSTALLATION POLICY

JUNE 2018

It is the policy of the State of California to promote and encourage the use of solar energy systems. Within this general policy framework the Association is permitted to adopt and enforce reasonable restrictions on installation of Solar Energy Systems within the Association. The Association contains both Condominiums and Single Family Residences. The Association has architectural review rights and control over all Separate Interests within the community. This policy is intended to provide guidance to Owners who desire to install and maintain a Solar Energy System within the community either upon a Common Area roof or a Single Family Residence within the Association.

Definitions

1. **Solar Energy System** - means a water heating or photovoltaic solar electricity system, which may include, without limitation, modular solar energy panels or laminates, racking system rails, micro-inverters, trunk lines, array ground wires, "L" brackets from standoff, junction boxes if attached to racking, meters, monitoring equipment and other equipment and appurtenances relating to solar electric power generation and delivery.

2. **Solar Use Area** - means the area designated on the Common Area roofs of the Condominium Buildings where Owners can place Solar Energy Systems. The Solar Use Areas are designated based on a solar survey which determined an equitable allocation of the usable solar roof area for each Condominium Building and Unit.

Condominiums and Single Family Homes)

1. An application for any proposed Solar Energy System must be submitted to the Master Architectural Committee ("MAC") as required by Article VII of the Master Declaration of Covenants, Conditions and Restrictions ("CC&Rs"). A complete application shall be submitted in the manner as described in the CC&Rs and the Association's Architectural Guidelines. If an application is not complete, the MAC may deny the application and request additional documents and information. The application shall, at minimum include drawings showing the layout of panels and number of panels in relation to the entire roof of the building or residence in question, the method of mounting and attachment, placement and location of all related components including connections, inverters and mountings. Plans, brochures and information regarding the installing company must also be included in the application.

2. No Solar Energy System may be installed without the prior written approval of the MAC.

3. Any approval or denial of a complete application will be submitted by the Association to the Owner in writing. If an application is not denied in writing within forty five (45) days from the date of receipt of a complete application, the application will be deemed approved so long as the plans conform to all of the other conditions and restrictions contained in the CC&Rs and Architectural Guidelines, and the items are in harmony with similar structures; unless the delay is the result of a reasonable request for additional information.

4. The Owner is responsible for compliance with any and all laws, rules or regulations regarding the installation of a Solar Energy System and must fulfill all of these requirements prior to installation of a Solar Energy System. The Association and the MAC shall not be responsible for non-compliance with any required law or code for items installed by an Owner pursuant to the required architectural approval process.

5. Any proposed Solar Energy System must meet any and all applicable health and safety standards and requirements imposed by state or local permitting authorities.

6. A Solar Energy System for heating water shall be certified by the Solar Rating Certification Corporation (SRCC) or other nationally recognized certification agencies. SRCC is a nonprofit third party supported by the United States Department of Energy. The certification shall be for the entire Solar Energy System and installation.

7. A Solar Energy System for producing electricity shall also meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety.

8. Cables and wiring connecting the panel arrays shall be run through the building or residence instead of the top of the roof or along the exterior of a building or residence. Any exterior equipment and wiring shall be painted to match surrounding exterior color.

9. Inverters must be located inside the building or residence, if possible, or other location approved by the Association and appropriately screened so that these items are not readily visible from surrounding residences, building or the Common Area. Any electrical components shall meet all applicable codes and regulations.

10. Solar Energy Systems must be designed so that they are flush/parallel with the roofline and elevated no more than twelve (12) inches from roof surface to the top of the exposed surface of the panels. The edges of any panels shall be subject to setbacks required by applicable codes. Panel module frames and voltaic array shall be bronze or black in finish. Natural aluminum is not permitted. Panels and equipment shall be screened as much as possible so that such are not readily visible from surrounding Units, buildings or the Common Area.

11. Installed Solar Energy Systems may not substantially interfere with the use and enjoyment of other Owners' property, the Common Area, or cause unreasonable annoyance or damage to adjoining residents. Sunlight reflection and other considerations must be taken into account in this regard.

12. Solar Energy Systems must at all times be maintained in good condition and in working order.

13. Violations of this policy are subject to enforcement as provided in the Association's Governing Documents and California law.

14. This policy is subject to the provisions of California law which permit restrictions which do not significantly increase the cost of the system or significantly decrease its efficiency or performance, or that allow for alternative system of comparable cost, efficiency and energy conservation benefits.

Condominium Specific Guidelines

1. If an application is to install solar panels on any Common Area roof, the application must include a solar site survey showing the location of the Solar Energy System within the Solar Use Area prepared by a licensed contractor or the contractor's registered salesperson knowledgeable in the installation of Solar Energy Systems to determine usable solar roof area. The solar site survey shall also include a determination of an equitable allocation of the usable solar roof area among all owners sharing the same roof. Among other considerations, the solar survey may provide every Unit the same amount of roof area or may allocate space based upon the square footage of all Units sharing the Common Area roof in question.

2. Applications must include a signature from the Owner of each Unit within the building on which the Solar Energy System will be installed.

3. The Association reserves the right to limit installation of any Solar Energy System to the portion of Common Area Roof located directly above the applicant's Unit.

4. Any proposed Solar Energy System must be contained to the roof area of the building in which the Unit it is intended to service is located. At the discretion of the Board or the MAC, a proposed Solar Energy System may be required to be contained to the roof area located directly above the footprint of the applicant's Unit.

5. Prior to installation, the Association's contractor will evaluate the condition of the roof so that any necessary repairs can be made prior to installation. The Association's roofing contractor may specify any modifications or requirements regarding the Solar Energy System or installation required to maintain the structural integrity of the roof and preserve any warranties benefitting the Association or any Sub-association. The Owner will be responsible for the cost of the evaluation and any modifications required to maintain the structural integrity of the roof and preserve any warranties, but not the repairs deemed necessary prior to installation.

6. After installation, the Association's roofing contractor will evaluate the condition of the roof to determine if installation of the Solar Energy System caused any damage to the roof. The Owner will be responsible for the cost of the evaluation and repair of any damage.

7. Owners installing Solar Energy Systems are required to enter into a separately drafted and signed indemnity agreement that will be recorded against the Unit. Among other things, the agreement will obligate Owners to:

    a. Indemnify the Association for any claims brought due to the Owner's installation, maintenance or use of the Solar Energy System
    b. Reimburse the Association for any damage caused by such installation, maintenance, or use.

c. Remove and replace the Solar Energy System as needed to accommodate the Association's obligation to maintain, repair and replace the roof or any other element of the Common Area that the Association maintains.

d. Maintain, repair, and replace the Solar Energy System. If the Owner fails to do so, the Association will have the right, but not the obligation, to perform such maintenance, repair, and replacement and charge the cost thereof to the Owner, or to remove the Solar Energy System from the roof at the Owner's cost.

e. Maintain insurance, with specified minimum coverage limits providing coverage for liability arising from the Solar Energy System, and naming the Association, its directors, officers, and managing agents as additional insureds thereunder.

Owners will be responsible for all fees and costs incurred in drafting, revising and recording the agreement.

8. Prior to installation, any installer of a Solar Energy System is required to enter into a separately drafted agreement with the Association to indemnify and reimburse the Association or its members for loss or damage arising from the installation, maintenance, or use of the Solar Energy System and to name the Association and its managing agent as additional insureds under the installer's insurance policies, with minimum coverage limits acceptable to the Association, in connection with the installer's installation of the Solar Energy System. Owners will be responsible for all fees and costs incurred in drafting and revising this agreement.

9. An unused or inoperable Solar Energy System must be removed by the Owner at the Owner's sole expense. If a Solar Energy System is subsequently removed, Owner will be solely responsible to reimburse the Association for costs incurred in returning the roof to a condition that is acceptable to the Board.