

**EXHIBIT 2 TO SUBLEASE**

**PROPERTY USE AND MAINTENANCE REGULATIONS  
FOR  
UNIVERSITY TERRACE BERKELEY HOMES**

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PROPERTY USE AND MAINTENANCE REGULATIONS  
FOR  
UNIVERSITY TERRACE BERKELEY HOMES

By purchasing a home through the University of California Berkeley Housing Program, each Owner has made a substantial investment in, and a commitment to, the development of an academically-oriented community that will remain a pleasant and enjoyable place in which to live. The following Regulations are designed to ensure that University Terrace remains aesthetically pleasing and attractive and that the Project is not used in any way that would adversely affect the quality of community life for all Owners. Most of these Regulations are administered by an Architectural Review Board, a majority of the members of which are appointed by the Chancellor of UCB, although The Regents of the University of California retains ultimate responsibility for enforcement of the Regulations.

ARTICLE 1 - DEFINITIONS

As used in these Regulations, all capitalized terms shall, unless otherwise indicated, have the same meanings as set forth in the Common Areas Lease for the Project. In addition:

(1) "Adjoining Owner(s)" means an Owner occupying a unit physically adjacent to, including Owners occupying units which share common walls with, or located above, below or beside the unit in question. In the case of a physical addition or a modification that will alter the exterior appearance of a unit, "Adjoining Owner" shall also include owners occupying units located in other buildings which are in close proximity to the unit or building for which alterations are proposed, and/or units which would have their views, solar access, privacy or other features significantly affected by the proposed addition or modification.

(2) "ARB" means the Architectural Review Board established pursuant to Section 3.1 of these Regulations.

(3) "Architectural Guidelines" means the Architectural Guidelines from time to time issued or amended by the ARB as provided in Section 3.6 of these Regulations.

(4) "Board of Directors" or "Board" means the Board of Directors of the Homeowners Association.

(5) "Building Code" means the latest edition of the Uniform Building Code as used by the City of Berkeley with such modifications, exclusions, or supplements/replacements as the ARB may, from time to time, permit or require.

(6) "Covenants, Conditions and Restrictions" ("CC&Rs") means that certain Declaration of Covenants, Conditions and Restrictions for University Terrace Berkeley Homes as originally filed by The Regents of the University of California as Instrument No. \_\_\_\_\_, Official Records, Alameda County.

(7) "Common Areas Lease" means the form of lease pursuant to which the Association acquired rights to occupancy on the Land.

(8) "Homeowners Association" or "Association" means the nonprofit corporation, if any, established to administer the Common Areas pursuant to the CC&Rs.

(9) "Regents" means The Regents of the University of California, a California corporation.

(10) "Regulations" means these Property Use and Maintenance Regulations.

(11) "Statement of Compliance" means any Statement of Compliance issued by the ARB pursuant to the provisions of Section 1.6 of these Regulations.

(12) "Structure" means:

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

(13) "UCB" means the University of California at Berkeley.

## **ARTICLE 1 - RESTRICTIONS RESPECTING CONSTRUCTION AND IMPROVEMENTS**

### **Section 1.1      Submission of Plans and Specifications.**

(a) No Structure shall be commenced, erected, placed, moved onto, or permitted to remain in the Project, nor shall any existing Structure in the Project be altered in any way which (i) affects the exterior appearance of any Structure, 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 ARB. 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 1.1 shall be reviewed and accepted or rejected by the ARB in accordance with the procedures set forth in subsection (c) of Section 3.5 of these Regulations.

**Section 1.2      Notices to Adjoining Owners.** Although the approval of Owners occupying adjoining Units is not required as a condition of approval by the ARB of particular plans and specifications submitted to it, such Adjoining Owners must be advised of the proposed work for which ARB approval is sought and be given an adequate opportunity (within the time limits described in subsection (c) of Section 3.5 of these Regulations) to file comments with the ARB with respect to such work. No application for ARB approval shall be considered complete unless accompanied by evidence, in such form as the ARB finds acceptable, that Adjoining Owners have been notified concerning the pending application.

**Section 1.3      Approval of Plans and Specifications.** Upon approval by the ARB 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 ARB, 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 Structure of any plans and specifications shall not be deemed a waiver of the ARB'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 Structure. Approval of any such plans and specifications relating to any Structure, however, shall be final as to that 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 1.4      Disapproval of Plans and Specifications.

(a) Subject to the provisions of subsection (b) of this Section 1.4, the ARB 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 that the ARB may have 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 ARB, would be likely to cause the proposed installation, construction, or alteration of a Structure to fail to be in harmony of external design and general quality of the Project.

(b) There is no unconditional right to appeal determinations of the ARB, appeals in such circumstances being governed exclusively by the provisions of Section 3.5(d) of these Regulations.

(c) In any case in which the ARB 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 ARB 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 1.5      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 ARB, any employee or agent of the ARB may, after reasonable notice to the Owner concerned and at any reasonable time, enter upon the Project (but not the interior of any condominium unit). Neither the ARB, the Regents, nor any employee or agent of the Regents 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 1.5.

Section 1.6      Statement of Compliance.

(a) Upon completion of the installation, construction, or alteration of any Structure in accordance with plans and specifications approved by the ARB, the ARB shall, upon written request of the Owner owning such Structure or upon the ARB's own initiative, issue a Statement of Compliance, identifying such Structure 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 ARB.

(b) Any Statement of Compliance issued in accordance with the provisions of this Section 1.6 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 in the Project comply with all the requirements of this Article 1; provided, however, that the Statement of Compliance shall in no way be construed to certify the acceptability, sufficiency, or approval by the ARB 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 1.7      Fees. The ARB may impose and collect reasonable and appropriate fees from each applicant seeking its approval pursuant to the provisions of these Regulations to cover the ARB'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 1.5 of these Regulations, and (iii) reimbursements to members of the ARB pursuant to Section 3.3 of these Regulations. Such fees shall be established from time to time by the ARB and published in the Architectural Guidelines.

Section 1.8 Ownership of Structures. Each Structure which is constructed or altered pursuant to these Regulations and which is within the definition of "Common Areas", shall, upon issuance of a Statement of Compliance, become the property of the Regents, subject to the rights of the Association under the Common Areas Lease to use and occupy the Common Areas.

## **ARTICLE 2 - RESTRICTIONS RESPECTING USE AND MAINTENANCE**

All restrictions set forth in this Article are in addition to and not a replacement of any other restrictions in the CC&Rs which may be applicable to a homeowner. In the case of a conflict between these Regulations and the CC&Rs, the CC&Rs shall control.

### Section 2.1 Conformity to Building Code.

(a) Except to the extent expressly waived by the ARB, no construction may be undertaken and no Structure may be erected in the Project unless such construction and Structure conform to the requirements of the Building Code.

(b) To ensure compliance with the Building Code, all Structures in the Project, and all work related thereto shall be subject to plan checks, inspections and tests by the City of Berkeley, or by such other persons or entities as the ARB may designate. Such plan checks, inspections and tests shall be paid for by the Owner concerned.

Section 2.2 Business Usage Prohibited. No Unit shall be used for other than Single Family residential purposes. Residential purposes could include family child day care, or other children's activity facility located within the Project, approved by the Homeowners Association, and serving children of University Terrace residents. No part of the Project or any Unit shall ever be used or allowed, authorized or caused to be used in any way, directly or indirectly, for business, commercial, manufacturing, mercantile, storage, or other nonresidential purpose, except for business usage permitted under the City of Berkeley Ordinance 3018 N.S. "General Conditions for Home Occupation Use Permits", as adopted April 11, 1979. Professional or academic endeavors not requiring the continuing presence of any employee or business invitee shall not be prohibited, provided an Owner applies for, and receives, the appropriate permits required under Berkeley Ordinance 3018. UCB, its successors or assigns, may use the Units owned by it as models, management offices, sales offices, or customer service offices during the construction and sales period of the Project. Gainful employment consisting of individual use by an Owner of telecommunications devices shall not violate the restriction in this Section.

Section 2.3 Liquid Furniture. No waterbed or other item of liquid-filled furniture shall be placed in any portion of any Unit unless such item shall conform to the pounds per square inch weight limitation and placement required by the structural specifications for the Unit and unless, at the option of the Association, the Owner shall provide evidence of insurance as described in section 1940.5 of the California Civil Code.

Section 2.4 Hardwood Floors. Each Owner of a Unit which is immediately above another Unit shall install and/or maintain carpeting or other padded floor covering on all areas of the floor (including stairways) in his or her Unit on which foot traffic normally takes place.

**Section 2.5** Trash Disposal. Trash, garbage, recyclable materials, or other waste shall be kept only in sanitary containers. No Owner shall permit or cause any trash or refuse to be kept within any portion of the Project other than in customary receptacles. These receptacles shall be located only in places specifically designated for such purpose.

**Section 2.6** Offensive Activities. No Owner shall permit or suffer anything to be done or kept upon or in his or her Unit or in the Common Areas which will increase the rate of insurance thereon or will obstruct or interfere with the rights of other Owners, their families, servants, guests, tenants and invitees, nor annoy them by unreasonable noises, vibrations, bright or flashing lights or otherwise, nor shall in any way interfere with the quiet enjoyment of each of the Owners of his or her respective Unit, nor will he or she commit or permit any nuisance, noxious, illegal or offensive activity to be permitted thereon or therein.

**Section 2.7** Children. Each Owner shall be accountable to the remaining Owners, their families, servants, guests, tenants and invitees for the conduct and behavior of his or her children and other children residing in or visiting his or her Unit.

**Section 2.8** Pets and Animals. No Owner shall maintain or keep more than two usual and ordinary pets (exclusive of fish but including caged birds). No pet shall exceed one hundred (100) pounds in weight. Such pets shall not be allowed in the Common Areas except as permitted by these Regulations adopted by the Board of the Association. Each Owner shall be absolutely liable to each and all remaining Owners, their families, servants, guests, tenants and invitees for any damage to person or property caused by any pet brought into or kept upon or in the Project by an Owner or his or her family, servants, guests, tenants and invitees. Except as provided in this Section 2.8, no animals of any kind shall be brought within the Project or kept in or on any Unit. The Association may prohibit the keeping of any animal that in the sole and exclusive opinion of the Board constitutes a nuisance to any other Owner.

**Section 2.9** Signs and Flags. Except for signs approved by the ARB for the benefit of the Project, political campaign signs displayed within forty-five (45) calendar days prior to an election, or temporary signs approved in advance by the Board, no signs of any kind shall be displayed in public view on or about the exterior of any Unit, except signs not larger than is reasonable and customary in the area advertising such Unit for sale or lease. Display of a flag shall be subject to these Regulations. The Association shall have the right to remove an item displayed in violation of this Section 2.9.

**Section 2.10** Fences and Screens. No fences, awnings, ornamental screens, screen doors, sunshades or walls of any nature shall be erected or maintained on or around any portion of any Structure or elsewhere within the Project, except those that are installed in accordance with the original construction of the Project, or their replacements as are authorized and approved by the ARB, except that the ARB shall not unreasonably deny Owners the right to install screen doors and/or window screens for the purposes of restricting entry of insects or other contaminants to units, or security bars, grills, gates, or alarm systems for the purposes of improving unit security. The ARB shall retain the right to restrict its approval to types or designs of such screens, bars, grills, gates and alarm systems which are, in its exclusive judgement, compatible with the architectural character of the Project.

**Section 2.11** Landscaping. No construction or alteration of any portion of the Common Areas shall be undertaken without the prior written approval by the ARB of plans and specifications for the landscaping and soil improvement to accompany such construction or alteration.

**Section 2.12** Plants in Common Area. No Owner shall plant, cut, trim, prune, remove, replace or otherwise alter or affect the appearance or location of any tree, plant or other vegetation located in any portion of the Common Areas without the prior written consent of the ARB. The Association may recover from any Owner violating this Section 2.12 the cost of restoring or replacing any such vegetation. The ARB shall not permit the removal of any trees, except in the case where a qualified landscape architect or arborist has certified that the tree is dead, dying, or creates a condition which poses a significant hazard to life or property and which cannot be corrected by measures, such as pruning or landscape modification around the

tree, which fall short of total removal. In any event, the Association shall consult with University prior to taking any action to remove any of the specified trees.

Section 2.13 Antenna and Other Equipment. No television or radio poles, antenna, satellite transmission or reception equipment, flagpoles, exterior alarms, or external fixtures other than those originally installed by University or approved by the ARB, and any replacements thereof, shall be constructed, erected or maintained on or within the Project or any structures on it. No wiring, insulation, air conditioning or other machinery or equipment other than that originally installed by University or approved by the ARB, and any replacements thereto shall be constructed, erected or maintained on or within the Project or any structures on it. Each Owner shall have the right to maintain television or radio antenna within completely enclosed portions of his or her Unit. The location of common antenna or connection facilities for cable television shall be solely as designated by the ARB.

Section 2.14 Parking, Storage and Repair of Vehicles. Unless otherwise specifically permitted by the Association, no motor vehicle shall be parked or left within the Project other than in an assigned or appurtenant parking space or in any designated guest parking space or area. No boat, trailer, recreation vehicle, camper, or commercial vehicle shall be parked or left within the Project other than in a parking area designated by the Association for the parking or storage of such vehicles, and no such vehicles may be used for habitation or recreation while within the Project. No truck or recreation vehicle may be stored within the Project unless it is the Owner's principal means of transportation. No vehicular repairs shall be undertaken within the Project unless the vehicle is parked in a designated parking area and the work can reasonably be completed within a four (4) hour period.

Section 2.15 Storage. No Owner shall park or store machinery, equipment, baby carriages, playpens, bicycles, wagons, benches or chairs on any part of the Common Areas, except that such personal property may be (a) used and stored in Exclusive Use Common Areas by the Owner of such areas, or (b) stored in storage areas, if any, that may be designated by the Association for that purpose. Sun decks and other recreational areas may be used for their customary purposes.

Section 2.16 Pests. No Owner shall permit any condition to exist in his or her Unit which shall induce, breed, or harbor infectious plant diseases or noxious insects or vermin.

Section 2.17 Alterations. No Owner shall make any alterations or modifications to the exterior of any Structure without the prior written consent of the ARB. Any structural, plumbing or electrical modification, alteration or addition to or of a Unit shall (a) conform to the standards for construction contained in the Berkeley Building Code or, if applicable, the California Administrative Code, as amended from time to time, and (b) be approved in advance by the ARB.

Section 2.18 Maintenance.

(a) Except as provided in the CC&Rs with respect to maintenance by the Homeowners Association, each Owner shall be responsible for repairing and maintaining his or her Unit, including the equipment and fixtures in the Unit and the interior walls, ceilings, windows, and doors of the Unit, and shall maintain his or her Unit in a clean, sanitary, workable, and attractive condition. Each Owner has complete discretion as to the choice of furniture, furnishings, and interior decorating, except that windows can be covered only by drapes, shutters, blinds or shades and cannot be painted or covered by foil, cardboard, or other similar materials. Each Owner shall also be responsible for repair, replacement, and interior cleaning of the windows, skylights and interior glass of his or her Unit.

(b) Each Owner shall, at his or her own expense, clean, maintain, and repair any Exclusive Use Common Areas over which the Owner has an easement. In any case in which two or more Owners have easements to use and enjoy the same Exclusive Use Common Areas, such Owners will share equally in expenses incurred for such cleaning, maintenance and repair.

Section 2.19 Mailboxes. No exterior mailbox or other receptacle for the delivery or dispatch of mail, packages, newspapers, periodicals or similar matter shall be constructed or altered upon any Unit or Structure without the prior written consent of the ARB.

Section 2.20 Setbacks. In approving plans and specifications for any proposed Structure, the ARB may establish setbacks for the location of the Structure. No Structure shall be erected or placed on any site unless its location is consistent with such setbacks.

Section 2.21 Drainage and Erosion Control. No Owner shall undertake any activity which may create erosion or siltation problems on any site without the prior written approval of the ARB of plans and specifications for the prevention and control of such erosion or siltation. The ARB may, as a condition of approval of such plans and specifications, require the use of certain means of preventing or controlling such erosion or siltation, including, without limitation, physical devices for controlling runoff and drainage of water, special precautions in grading or otherwise changing the natural landscape, and required landscaping as provided in Section 2.11 of these Regulations.

Section 2.22 Exterior Lighting. Erection or alteration of any exterior lighting on any Structure shall be subject to the prior written approval of ARB of plans and specifications for such lighting, including the design, location and direction thereof.

Section 2.23 Poles and Wires. All wires for the transmission of electricity, telephone messages, cable television or the like shall be installed below the surface of the ground, and no poles and above-ground wires therefor shall be installed on any Structure, except on a temporary basis as approved by the ARB.

### ARTICLE 3 - ARCHITECTURAL REVIEW BOARD

#### Section 3.1 Establishment and Composition.

(a) The University is required under the CC&Rs to appoint an Architectural Review Board for the purpose of performing the architectural review and other functions assigned to the ARB in these Regulations. The ARB shall function as a committee of the Homeowners Association, a California nonprofit public benefit corporation.

(b) The ARB shall consist of up to five (5) members, at least two (2) of whom shall be appointed by the Board of Directors of the Association and three (3) of whom shall be appointed by the Chancellor of UCB, provided that, prior to two (2) years after the first sale of a Unit, or following the initial sale of two-thirds of the Units, whichever shall come first, all the members of the ARB may be appointed by the Chancellor of UCB. In selecting members of the ARB, the Chancellor of UCB shall endeavor to designate at least one (1) individual who is a University of California staff member or contract employee involved with the development, management, and/or operation of University faculty housing at UCB, and one (1) individual who is a design professional and/or educator in the fields of architecture, urban planning, housing, or landscape design, or has substantial experience or expertise in at least one of those fields.

(c) All members of the ARB shall be appointed or elected for terms of two (2) years and those appointed by the University may be removed by the University at any time for any reason or no reason. An ARB member appointed by the Homeowners Association may be removed only for cause. ARB members may be appointed to serve successive terms.

Section 3.2 Vacancies. If any vacancy shall occur in the membership of the ARB 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, unless the Regents or the Association shall designate a successor for a member appointed by such body, appoint a successor member to fill the balance of the unexpired term. Any member may resign at any time by written notice to the entity that appointed that member, either the

Chancellor of UCB or the Homeowners Association, and such resignation shall take effect upon receipt thereof by the Chancellor or the Homeowners Association unless the notice specifies some other effective date.

Section 3.3 Officers and Compensation.

(a) The members of the ARB shall appoint a Chairman from among their number.

(b) The members of the ARB shall serve without compensation, with the exception of University of California staff or contract employees serving on the ARB as a regular part of their assigned job duties, provided that the Homeowners Association 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 ARB from the fees charged for its services pursuant to Section 1.7 of these Regulations.

Section 3.4 Conflicts of Interest. No member of the ARB may participate in any decision of the ARB on a matter in which he or she has a direct or indirect financial or professional interest, or on a matter in which he or she or any firm with which he or she is associated has provided professional consultative services for a fee to any party whose application is before the ARB, provided that if two (2) or more members may not participate in the making of a decision because of disqualification as provided herein, the Regents or the Homeowners Association, as the case may require, shall name a substitute member to act only on the matter resulting in the disqualification. For a period of one (1) year after his or her service on the ARB, no former member may represent any person before the ARB where that former member has previously participated in decisions affecting such person. Each member of the ARB shall inform the ARB in writing of any direct or indirect financial or familial relationship which he or she may have with any applicant within the Project 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. Disqualification from participation of a member based on "direct or indirect professional interest" shall not be construed to apply to regular or contract employees of the University of California when the direct or indirect professional interest is based upon regular University of California job responsibilities that include faculty housing sales, resales, rentals, management, or other responsibilities directly or indirectly connected with the University Terrace Berkeley Homes.

Section 3.5 Operations of the ARB.

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

(b) In carrying out its functions under these Regulations, the ARB shall be governed by the Architectural Guidelines described in Section 3.6 of these Regulations. In applying such Architectural Guidelines, the ARB shall, as required, make findings, determinations, rulings, and orders with respect to the conformity with such Architectural Guidelines of plans and specifications submitted for approval to the ARB pursuant to the provisions of these Regulations. The ARB 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 ARB with respect to any application or request pending before the ARB shall be final and binding upon the person making such request or application. The ARB shall be required to render decisions on matters pending before it within forty-five (45) days after receipt by the ARB of a request or application submitted by an Owner or prospective Owner, which request or application is complete in all respects under the requirements of these Regulations and the

Architectural Guidelines. If the ARB fails to act upon any request or application within the above-stated time period, such request or application shall be deemed approved.

(d) If an Owner receives a decision of the ARB which he or she deems to be unsatisfactory, the Owner may petition the Chancellor of UCB for review of such decision. The Chancellor may, but shall not be obligated to, appoint one or more persons as a committee of review. If such a committee is appointed, it will conduct a hearing at which the Owner and the ARB may present their respective positions. The committee will render its decision within five (5) business days of the hearing; failure to render a decision within such period will be deemed to be an affirmation of the decision of the ARB. The decision of the review committee shall be final and binding with respect to any issue accepted for review. If the Chancellor fails to accept a matter for review within sixty (60) days after receiving a request from an Owner, the decision of the ARB shall be final and binding.

### Section 3.6 Architectural Guidelines.

(a) The ARB may, from time to time, prepare and recommend for approval to the Board of Directors of the Homeowners Association and the Chancellor of UCB, amendments to the Architectural Guidelines which the ARB believes necessary or desirable to implement the provisions of these Regulations. The Chancellor of UCB and the Board of Directors of the Homeowners Association shall each have forty-five (45) days within which to approve the proposed amendment. In the absence of approval by either the Chancellor of UCB or the Board of Directors of the Homeowners Association, such proposed amendments shall be deemed to be disapproved. Proposed amendments approved pursuant to the preceding sentence, may be adopted by the ARB at its next meeting.

(b) Amendments to the Architectural Guidelines may be for the purpose 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 ARB pursuant to these Regulations.

(c) Subject to the provisions of Section 1.4 of these Regulations, the Architectural Guidelines, as approved by the Homeowners Association and by the Chancellor of UCB, and duly adopted by the ARB, shall be binding upon the ARB and shall be used by the ARB in making decisions as described in subsection (b) of Section 3.5 of these Regulations. The ARB shall make a published copy of the current Architectural Guidelines readily available to all applicants seeking the ARB's approval and to each Owner.

## ARTICLE 4 - ENFORCEMENT

Section 4.1 Right of Enforcement. Either the Homeowners Association or the Regents, acting upon the recommendation of the ARB, 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 the Homeowners Association or the Regents may be entitled at law or in equity. Such right of enforcement shall be in addition and supplemental to any right which the Regents may have to declare an Owner in default under the Common Areas Lease as a result of the Owner's violation of the provisions of these Regulations.

Section 4.2 No Waiver. The failure of the Regents, the Homeowners Association, or the ARB 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 4.3      Right of Abatement.

(a) In the event of a violation or breach of any provision of these Regulations, the ARB may give written notice by certified mail to the 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 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 the Regents or the Homeowners Association acting on the recommendation of the ARB, shall have the right of abatement in subsection (b) of this Section 4.3.

(b) The right of abatement, as used in this Section 4.3, means the right of the Homeowners Association or the Regents, through their agents and employees, to enter at reasonable times upon any Unit 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 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 4.3.

(c) All reasonable costs incurred by the ARB, the Homeowners Association, or the Regents in exercising their right of abatement as provided in this Section 4.3 shall be chargeable to the Owner with respect to whose Unit such actions in abatement are taken, and failure to pay when due such charges shall be regarded as a breach of the Common Areas Lease. Such charges shall be due and payable thirty (30) days after a statement therefor has been rendered by the Regents to the Owner unless the Regents, in its sole discretion, agrees to a more extended repayment period.

ARTICLE 5 - AMENDMENTS AND CONFLICTS

Section 5.1      Amendments. The provisions of these Regulations may not be amended in any respect except by an amendment (i) proposed by the Regents in a written notice to all Owners and (ii) approved by Owners holding leasehold interests in more than fifty percent (50%) of the Units in a referendum held for such purpose no sooner than fourteen (14) days after the giving of such written notice by the Regents. For purposes of this Article 5, the term "Owner" shall be deemed to include any lawful successor or assignee of an Owner, including without limitation any lender, or the Regents.

Section 5.2      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 Common Areas Lease or the CC&Rs, the provisions of the Common Areas Lease or the CC&Rs shall govern.

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