



OUTDOOR RESORT

PALM SPRINGS

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September 26, 2017

Dear Owners,

For those of us still here in the resort, we have successfully survived the heat of the summer months and look forward to the cooler temperatures that the fall will bring. As many of you know our fiscal year ends on June 30th and per the California Civil Code a copy of the Audited Financials must be sent to the members within 120 days of the end of the fiscal year. The audit was reviewed by the Board of Directors at the September Board meeting. In addition to the audited financials, you will find a copy of the proposed rule changes for general Rules and Regulations and the A&A Rules. Also included are summaries of these rule changes to better help track what the proposals are with each document. This mailing serves as the 30 day posting notice for proposed rule changes as required by the California Civil Code. At the December 11th Board meeting the Board will vote on the proposed rules for adoption. As noted above a posting minimum of 30 days is required before the Board votes on the proposed rules but they are exceeding the minimum to give the membership ample time to review the documents and provide comments. I hope you all have enjoyed your summer!

Respectfully,

Clint Atherton
General Manager

Financial Statements

OUTDOOR RESORTS
PALM SPRINGS
OWNERS ASSOCIATION

JUNE 30, 2017 AND 2016

INDEPENDENT AUDITORS' REPORT

Board of Directors and Members
Outdoor Resorts/Palm Springs Owners Association
Cathedral City, California

Report on the Financial Statements

We have audited the accompanying financial statements of Outdoor Resorts/Palm Springs Owners Association, which comprise the balance sheets as of June 30, 2017 and 2016, and the related statements of revenues, expenses, and changes in fund balances, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors and Members
Outdoor Resorts/Palm Springs Owners Association
Cathedral City, California

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Outdoor Resorts/Palm Springs Association as of June 30, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that information on future major repairs and replacements on page 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Brabo & Carlsen, LLP

August 14, 2017

Palm Springs, California

OUTDOOR RESORTS/PALM SPRINGS OWNERS ASSOCIATION

BALANCE SHEETS

JUNE 30, 2017 AND 2016

ASSETS

	Operating Fund	Replacement Fund	Capital Fund	<u>TOTALS</u>	
				2017	2016
ASSETS					
Cash	\$1,018,073	\$1,076,589	\$ 44,515	\$2,139,177	\$1,736,677
Certificates of deposit	-	414,064	-	414,064	405,297
Investments	-	1,069,493	-	1,069,493	688,076
Assessments receivable, less allowance of \$0 in 2017 and 2016 for uncollectible accounts	15,684	-	-	15,684	10,866
Other receivables	11,515	26,081	-	37,596	22,615
Inventories	4,973	-	-	4,973	14,957
Prepaid expenses	31,742	52,848	-	84,590	30,581
Intercompany receivable(payable)	49,293	(49,293)	-	-	-
Other assets	6,668	-	-	6,668	7,168
Investment in foreclosed lot	28,000	-	-	28,000	38,707
Property and equipment, net of accumulated depreciation of \$1,473,596 in 2017 and \$1,416,021 in 2016	207,177	-	-	207,177	229,733
	<u>\$1,373,125</u>	<u>\$2,589,782</u>	<u>\$ 44,515</u>	<u>\$4,007,422</u>	<u>\$3,184,677</u>

LIABILITIES AND FUND BALANCES

LIABILITIES					
Accounts payable and accrued expenses	\$ 26,446	\$ 2,989	\$ -	\$ 29,435	\$ 87,980
Prepaid assessments	225,448	-	-	225,448	208,923
Accrued wages and salaries payable	41,462	-	-	41,462	49,782
Capital lease payable	7,514	-	-	7,514	12,024
Deposits and other liabilities	22,495	-	-	22,495	31,972
	<u>323,365</u>	<u>2,989</u>	<u>-</u>	<u>326,354</u>	<u>390,681</u>
FUND BALANCES					
Operating fund	842,583	-	-	842,583	486,892
Property and equipment fund	207,177	-	-	207,177	229,733
Replacement fund	-	2,586,793	-	2,586,793	2,032,878
Capital fund	-	-	44,515	44,515	44,493
	<u>1,049,760</u>	<u>2,586,793</u>	<u>44,515</u>	<u>3,681,068</u>	<u>2,793,996</u>
	<u>\$1,373,125</u>	<u>\$2,589,782</u>	<u>\$ 44,515</u>	<u>\$4,007,422</u>	<u>\$3,184,677</u>

The accompanying notes are an integral part of these financial statements.

OUTDOOR RESORTS/PALM SPRINGS OWNERS ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2017

	Operating Fund	Replacement Fund	Capital Fund	Totals
REVENUES				
Member assessments	\$ 4,192,128	\$ 1,251,816	\$ -	\$ 5,443,944
Interest income	30	29,350	22	29,402
Front office revenue	340,660	-	-	340,660
Late fees and miscellaneous	66,036	-	-	66,036
Rental income	57,451	-	-	57,451
Golf	18,701	-	-	18,701
Convenience store	280	-	-	280
Laundry	88,268	-	-	88,268
Activities	120,374	-	-	120,374
Bar	66,186	-	-	66,186
Other	5,118	-	-	5,118
	<u>4,955,232</u>	<u>1,281,166</u>	<u>22</u>	<u>6,236,420</u>
EXPENSES				
Administration	790,524	-	-	790,524
Front office expense	130,034	-	-	130,034
Security	380,771	-	-	380,771
Mailroom	33,834	-	-	33,834
Activities	227,017	-	-	227,017
Bar	40,003	-	-	40,003
Oracle expenses	234	-	-	234
Convenience store	5,906	-	-	5,906
Restaurant	4,921	-	-	4,921
Golf	30,022	-	-	30,022
Facilities	224,649	-	-	224,649
Grounds	1,303,865	-	-	1,303,865
Maintenance	562,395	-	-	562,395
Vehicles	67,923	-	-	67,923
Laundry	3,621	-	-	3,621
Utilities	793,822	-	-	793,822
Income taxes	-	6,855	-	6,855
Replacement fund expenditures	-	685,377	-	685,377
	<u>4,599,541</u>	<u>692,232</u>	<u>-</u>	<u>5,291,773</u>
Excess of revenues over expenses before depreciation	355,691	588,934	22	944,647
Depreciation expense	57,575	-	-	57,575
Excess of revenues over expenses	<u>\$ 298,116</u>	<u>\$ 588,934</u>	<u>\$ 22</u>	<u>\$ 887,072</u>
FUND BALANCES, beginning of the year	\$ 716,625	\$ 2,032,878	\$ 44,493	\$ 2,793,996
Excess of revenues over expenses	298,116	588,934	22	887,072
Inter-fund transfers	35,019	(35,019)	-	-
FUND BALANCES, end of the year	<u>\$ 1,049,760</u>	<u>\$ 2,586,793</u>	<u>\$ 44,515</u>	<u>\$ 3,681,068</u>

The accompanying notes are an integral part of these financial statements.

OUTDOOR RESORTS/PALM SPRINGS OWNERS ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2016

	Operating Fund	Replacement Fund	Capital Fund	Totals
REVENUES				
Member assessments	\$ 4,133,904	\$ 1,208,148	\$ -	\$ 5,342,052
Interest income	29	13,697	37	13,763
Front office revenue	141,440	-	-	141,440
Late fees and miscellaneous	45,609	-	-	45,609
Rental income	30,301	-	-	30,301
Golf	55,372	-	-	55,372
Convenience store	104,618	-	-	104,618
Laundry	66,511	-	-	66,511
Activities	111,395	-	-	111,395
Bar	56,431	-	-	56,431
Other	5,032	-	-	5,032
	<u>4,750,642</u>	<u>1,221,845</u>	<u>37</u>	<u>5,972,524</u>
EXPENSES				
Administration	791,529	-	-	791,529
Front office expense	116,145	-	-	116,145
Security	328,390	-	-	328,390
Mailroom	30,146	-	-	30,146
Activities	225,795	-	-	225,795
Bar	36,076	-	-	36,076
Oracle expenses	9,625	-	-	9,625
Convenience store	110,956	-	-	110,956
Restaurant	2,743	-	-	2,743
Golf	27,161	-	-	27,161
Facilities	225,822	-	-	225,822
Grounds	1,275,023	-	-	1,275,023
Maintenance	619,823	-	-	619,823
Vehicles	73,557	-	-	73,557
Laundry	6,141	-	-	6,141
Utilities	803,597	-	-	803,597
Income taxes	-	2,528	-	2,528
Replacement fund expenditures	-	982,837	-	982,837
	<u>4,682,529</u>	<u>985,365</u>	<u>-</u>	<u>5,667,894</u>
Excess of revenues over expenses before depreciation	68,113	236,480	37	304,630
Depreciation expense	81,538	-	-	81,538
Excess (deficiency) of revenues over expenses	<u>\$ (13,425)</u>	<u>\$ 236,480</u>	<u>\$ 37</u>	<u>\$ 223,092</u>
FUND BALANCES, beginning of the year	\$ 710,801	\$ 1,815,647	\$ 44,456	\$ 2,570,904
Excess (deficiency) of revenues over expenses	(13,425)	236,480	37	223,092
Inter-fund transfers	19,249	(19,249)	-	-
FUND BALANCES, end of the year	<u>\$ 716,625</u>	<u>\$ 2,032,878</u>	<u>\$ 44,493</u>	<u>\$ 2,793,996</u>

The accompanying notes are an integral part of these financial statements.

OUTDOOR RESORTS/PALM SPRINGS OWNERS ASSOCIATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	Operating Fund	Replacement Fund	Capital Fund	TOTALS	
				2017	2016
NET CASH FLOW FROM OPERATING ACTIVITIES					
Excess of revenues over expenses	\$ 298,116	\$ 588,934	\$ 22	\$ 887,072	\$ 223,092
Adjustments to reconcile net revenues over expenses to net cash flow from operating activities:					
Depreciation	57,575	-	-	57,575	81,538
Reduction in value of foreclosed lot	18,167	-	-	18,167	-
(Increase) Decrease in:					
Assessments receivable	(4,818)	-	-	(4,818)	1,509
Other receivables	(7,612)	(7,369)	-	(14,981)	(11,073)
Inventories	9,984	-	-	9,984	20,643
Prepaid expenses	(26,279)	(27,730)	-	(54,009)	35,918
Inter-fund receivable/payable	(33,998)	33,998	-	-	-
Other assets	500	-	-	500	-
Increase (Decrease) in:					
Accounts payable and accrued expenses	(61,534)	2,989	-	(58,545)	1,592
Prepaid assessments	16,525	-	-	16,525	(1,870)
Accrued wages and salaries payable	(8,320)	-	-	(8,320)	(23,986)
Deposits and other liabilities	(9,477)	-	-	(9,477)	(54,784)
Net cash provided by operating activities	<u>248,829</u>	<u>590,822</u>	<u>22</u>	<u>839,673</u>	<u>272,579</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
(Purchase) sale of certificates of deposit	-	(8,767)	-	(8,767)	205,393
Investment in foreclosed lot	(7,460)	-	-	(7,460)	(5,000)
Purchase of investments	-	(381,417)	-	(381,417)	(688,076)
Purchase of property and equipment	<u>(35,019)</u>	<u>-</u>	<u>-</u>	<u>(35,019)</u>	<u>(19,249)</u>
Net cash (used) by investing activities	<u>(42,479)</u>	<u>(390,184)</u>	<u>-</u>	<u>(432,663)</u>	<u>(506,932)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Payments on capital lease payable	(4,510)	-	-	(4,510)	(3,946)
Inter-fund transfers- property and equipment	<u>35,019</u>	<u>(35,019)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by financing activities	<u>30,509</u>	<u>(35,019)</u>	<u>-</u>	<u>(4,510)</u>	<u>(3,946)</u>
Net increase (decrease) in cash	236,859	165,619	22	402,500	(238,299)
CASH, beginning of the year	<u>781,214</u>	<u>910,970</u>	<u>44,493</u>	<u>1,736,677</u>	<u>1,974,976</u>
CASH, end of the year	<u><u>\$ 1,018,073</u></u>	<u><u>\$ 1,076,589</u></u>	<u><u>\$ 44,515</u></u>	<u><u>\$ 2,139,177</u></u>	<u><u>\$ 1,736,677</u></u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION					
Cash paid during the year for:					
Income taxes				\$ -	\$ -
Interest				\$ 1,343	\$ 1,906

The accompanying notes are an integral part of these financial statements.

OUTDOOR RESORTS/PALM SPRINGS OWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Outdoor Resorts/Palm Springs Owners Association was organized as a not-for-profit corporation for purposes of maintaining and preserving common property within the development. The development consists of 1,213 recreational vehicle lots located in Cathedral City, California. The Association began its operations in October 1984.

Accounting Method

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund - This fund is used to account for financial resources available for the general operations of the Association.

Replacement Fund - This fund is used to accumulate financial resources designated for future major repairs and replacements.

Capital Fund - This fund is used to accumulate financial resources designated for the purchase of capital improvements and development of the fitness center.

Cash Equivalents

The Association considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Property and Equipment

Personal property and equipment acquired by the Association are recorded at cost, and are depreciated over their estimated useful lives using the straight-line method of depreciation. Real property and common areas acquired from the developer and related improvements to such property are not capitalized in the Association's financial statements. Expenditures for major repairs and replacements are accounted for as replacement fund expenditures for purposes of financial reporting.

Inventory

Inventory consists of the bar inventory stated at the lower of cost or market.

Investments

Investments consist of United States Government obligations and corporate bonds and are considered to be held to maturity and are stated at cost, which approximate market value.

OUTDOOR RESORTS/PALM SPRINGS OWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Member Assessments

Association members are subject to monthly assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. Assessments receivable at the balance sheet date represent fees due from unit owners. The Association retains legal counsel and places liens on the properties of homeowners whose assessments are delinquent, pursuant to its stated policy. The Association uses the allowance method for estimating uncollectible assessments.

Income Taxes

Homeowners' associations may elect to be taxed as regular corporations or as homeowners' associations. The Association elected to be taxed as a regular corporation for the years ended June 30, 2017 and 2016. Under the elections, the Association is taxed on non-membership income, at regular federal and state corporate tax rates.

The Association's policy is to record income tax related interest and penalties in operating expenses. For the years ended June 30, 2017 and 2016, there was no interest or penalties expense recorded and no accrued interest or penalties. Management has considered its tax positions and believes that all of the positions taken by the Association on its Federal and State tax returns are more likely than not to be sustained upon examination. The Association's Forms 1120, US Corporation Tax Return are subject to examination by the IRS, generally for three years after they are filed. The Association's Forms 100, Corporation Franchise or Income Tax Return and Forms 199, California Exempt Organization Annual Information Return, are subject to examination by the Franchise Tax Board, generally for four years after they are filed.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments

The Association's investments are measured using generally accepted accounting principles, which, among other things, establish a hierarchical framework for disclosure of and measurement of investments at fair value defined as Level 1, 2, and 3 inputs. These inputs are based on a number of factors, including the type of investment and the characteristics specific to the investment. The Association's investment in the foreclosed lot is considered to be a Level 3 input as the value is based on management's estimate of fair value, based on the listing price less selling expenses.

Subsequent Events

Subsequent events have been evaluated through August 14, 2017, which is the date the financial statements were available to be issued.

OUTDOOR RESORTS/PALM SPRINGS OWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

NOTE 1: OWNERS' ASSESSMENTS

Monthly assessments to owners were \$374 for the year ended June 30, 2017 and \$367 for the year ended June 30, 2016. Of those amounts, \$86 in 2017 and \$83 in 2016 were designated to the replacement fund, and \$0 in 2017 and 2016 were designated to the capital improvement fund.

The annual budget and owner's assessments are determined by the Board of Directors. The Association retains excess operating funds at the end of the operating year, if any, for use in future operating periods.

NOTE 2: COMMON AREA PROPERTY

On June 30, 2017 and 2016 the Association held title to common real property consisting of 137 acres of land, roads, clubhouses, golf course, tennis courts, maintenance building, pools, spas, and lakes. The Association is responsible for preserving and maintaining the properties and may not dispose of them. In conformity with industry practice, the Association's common property is not recognized as assets.

NOTE 3: PROPERTY AND EQUIPMENT

Property and equipment consists of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
La Palma equipment and fixtures	\$ 190,884	\$ 190,884
El Saguaro equipment and fixtures	156,389	156,389
Pool, tennis and golf course equipment	131,690	131,690
Café improvements	140,372	125,362
Security improvements	97,766	97,766
Vehicles and golf carts	498,515	478,506
Other equipment and fixtures	<u>465,157</u>	<u>465,157</u>
	1,680,773	1,645,754
Less: Accumulated depreciation	<u>(1,473,596)</u>	<u>(1,416,021)</u>
	<u>\$ 207,177</u>	<u>\$ 229,733</u>

NOTE 4: INVESTMENTS

The Association's investments consisted of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Government obligations	\$ 364,974	\$ 249,879
Corporate bonds	<u>704,519</u>	<u>438,197</u>
	<u>\$ 1,069,493</u>	<u>\$ 688,076</u>

Investments are classified as held to maturity and are reported at cost. The market value of these investments was \$1,067,159 at June 30, 2017 and \$687,899 at June 30, 2016.

OUTDOOR RESORTS/PALM SPRINGS OWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

NOTE 5: FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents require that funds be accumulated for future major repairs and replacements. Accumulated funds are held in separate savings accounts and are generally not available for expenditures for normal operations.

The Board of Directors engaged an outside consultant to conduct a study in February 2017 to estimate the remaining useful lives and the replacement costs of the components of common property. The study is based on current estimated replacement costs. Funding requirements consider an annual inflation rate of 3.0 percent and interest of 1.0 percent, before taxes, on amounts funded for future major repairs and replacements. The table included on page 12 in the unaudited supplementary information on future major repairs and replacements is based on the study.

The Board is funding for major repairs and replacements over the remaining useful lives of the components based on the study's estimates of current replacement costs and considering amounts previously accumulated in the replacement fund. Accordingly, the funding requirement of \$89 per unit per month has been included in the 2017/2018 budget. Because actual expenditures may vary from the estimated future expenditures and the variations may be material, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

NOTE 6: CAPITAL LEASE PAYABLE

The Association entered into a capital lease in November 2013 for the purchase of a new phone system expiring in November 2018. The asset and liability under this capital lease is recorded at the fair value of the asset. The asset is being depreciated over the estimated useful life. Depreciation of the asset under the capital lease is included in depreciation expense for 2017 and 2016.

The following is a summary of property held under the capital lease at June 30, 2017:

Office equipment	\$ 21,237
Less: accumulated depreciation	<u>(15,574)</u>
	<u>\$ 5,663</u>

Minimum future lease payments under the capital lease as of June 30, 2017 are as follows:

2018	\$ 5,853
2019	<u>2,439</u>
	8,292
Less: Amount representing interest	<u>(778)</u>
Present value of net minimum lease payments	<u>\$ 7,514</u>

OUTDOOR RESORTS/PALM SPRINGS OWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

NOTE 7: PROFIT SHARING PLAN

The Association maintains a qualified 401(k) plan. The Association's funding policy is to match 100% of the employee's pre-tax contribution up to 6% of the employee's salary. The Association's contributions to this plan for the years ended June 30, 2017 and 2016 were \$33,830 and \$29,649, respectively.

NOTE 8: INTER-FUND TRANSFERS

Inter-fund transfers consist of \$35,019 of property and equipment purchased by the replacement fund and capitalized in the operating fund for the year ended June 30, 2017 and \$19,249 of property and equipment purchased by the replacement fund and capitalized in the operating fund for the year ended June 30, 2016.

OUTDOOR RESORTS/PALM SPRINGS OWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(UNAUDITED)

The Board of Directors engaged an outside consultant to conduct a study in February 2017, to estimate the remaining useful lives and the replacement costs of the components of common property. The study is based on current estimated replacement costs. Funding requirements consider an annual inflation rate of 3.0 percent and interest of 1.0 percent, before taxes, on amounts funded for future major repairs and replacements.

The following table is based on the study and presents significant information about the components of common property:

<u>Components</u>	<u>Estimated Remaining Useful Lives</u>	<u>Estimated Current Replacement Costs</u>	<u>2017/2018 Funding Requirement</u>
Administration	0 - 15	\$ 150,114	\$ 27,954
El Saguaro clubhouse	0 - 30	1,281,593	127,222
Golf course	0 - 23	2,158,435	220,106
Golf shack	0 - 8	9,013	1,653
La Palma clubhouse	0 - 29	1,504,557	191,104
Maintenance equipment	0 - 12	393,615	75,979
Vehicles	0 - 4	253,954	51,990
Other structures	0 - 6	384,142	163,404
Sat #1 (A)	0 - 21	211,239	22,083
Sat #2 (B)	0 - 21	191,546	22,174
Sat #3 (C)	0 - 17	192,349	22,225
Sat #4 (Laundry)	0 - 17	77,360	12,496
Sat #5 (D)	0 - 21	196,228	21,919
Sat #6 (E)	0 - 21	197,548	18,491
Sat #7 (F)	0 - 22	208,709	21,765
Sat - all	0 - 7	49,260	16,030
Guard shack	0 - 24	64,127	6,130
Streets	0 - 24	2,279,690	272,521
Taxes	-	-	238
		<u>\$9,803,479</u>	<u>\$1,295,484</u>

Replacement Fund Balance – June 30, 2017

\$2,586,782

The Association's percentage of funding at June 30, 2017, which is based on the ending replacement fund balance divided by the reserve components' fully funded amount, is 48.45%. The Association would be 100% funded if there were \$5,338,299 in the replacement fund.

RESTATED RULES & REGULATIONS

The Board of Directors conducted a thorough review of the Association's Architecture & Aesthetics Rules, Rules and Regulations, and Policies, to ensure conformance to the newly adopted Restated CC&Rs and Bylaws, and to generally reorganize, update, and clarify existing rules where necessary. In some cases, previous sections were combined and/or reordered.

The below outline identifies the significant changes to existing Rules & Regulations that are being proposed in the Restatement.

SUMMARY OF CHANGES – RULES & REGULATIONS		
Section	Proposed Rule Change – Restatement	Current Rule – Existing
1.A.2.b	Smoking prohibition expanded to disallow smoking within 20 feet of an Association building.	Smoking prohibited inside an Association building.
1.B Reservations of Facilities	Owners may reserve the Multi-Purpose Room in the Owners Lounge, East Room, West Room and Pergola. Room reservations made more than 60 days in advance of event require GM approval.	Silent
1.C Owners Lounge	To ensure full access to the Owners Lounge by all owners, the Owners Lounge (with the exception of the Multi-Purpose Room) cannot be reserved for private events.	Rental of Owners Lounge allowed.
1.D Pergola at ES	May be Reserved	Silent
	Rules relating to Activity Events with Meals Reservation Procedure - Eliminated	Authorized owner preference for ticket reservations with non-owners paying 20% above the price for owners.
1.H Prox Cards	Rewrote to conform to current practice; 2 prox cards issued at no charge.	1 prox card issued at no charge
1.I - Transponder	Rewrote to conform to current practice.	

2.- Swimming Pools & Spas	<p>Persons needing diapers must use a non-absorbent swim diaper.</p> <p>Sun protection clothing allowed in pools.</p>	<p>Persons needing diapers restricted to use the western most pool at the ES clubhouse</p> <p>Only a plain white shirt as a cover up from the sun was allowed.</p>
3 – Pets	<p>Pen area to be used only when the owner is present on the lot.</p>	<p>Pen area to be used only when the pet is in residence.</p>
4.A – Golf, Eligible Players	<p>Owners whose lot is occupied by a contract purchaser, lessee or renter, and their family members, guests or invites, are not entitled to play golf unless they are a guest of another owner or renter and would be required to pay current green fees. (Per CC&Rs)</p> <p>Up to two renters per lot rented may play the golf course without paying green fees.</p> <p>Guests of owners and renters must pay green fees.</p> <p>Process for booking tee times managed by the GM, posted and administered by Golf Shack employees</p> <p>Golf fees established by the Board annually with adoption of the budget and posted at the Starter Shack.</p> <p>Golfers must play all holes in sequence, unless directed otherwise.</p>	<p>Silent</p> <p>Renters were required to pay green fees.</p> <p>Silent</p> <p>Silent</p> <p>Silent</p> <p>Silent</p>
4.C – Golf, General Rules & Regulations	<p>The process for booking tee times is managed/approved by the GM posted and administered by the Golf Starter Shack employees.</p> <p>Unless otherwise directed, golfers must play all holes in sequence.</p> <p>Hole-in one verification by at least one person.</p>	<p>Silent</p> <p>Silent</p> <p>Hole-in-one verification required by three players.</p>
6.F – Tennis, League Play/Tournaments	<p>New section regarding leagues; approval of GM required for additional leagues; private owner tournaments to be approved by Tennis Committee unless held on weekend or holiday and then to be approved by the Board of Directors; private non-owner tennis tournaments not allowed.</p>	<p>Silent</p>

6.H –Tennis, Tennis Ball Machine	Rule amended to correct courts and conform to current practice.	
7.A – Motor Vehicles, Operating & Safety	Prohibits reckless or erratic driving of any motorized vehicle within the Resort Requires any vehicle in the Resort (including golf carts & motorcycles) to comply with the financial responsibility requirements (insurance) established per the California Vehicle Code.	Silent Silent
7.B – Motor Vehicle/Golf Cart Parking Rules	Allows golf carts to be parked on common area grass areas and along perimeter streets during golf events	Silent
7.C – General Rules	New rule to allow parking on lots without a Recreational Vehicle, upon approval by the A&A Committee.	No rule.
13.D – Miscellaneous Rules – Exterior Clothesline	Establishes rules regarding exterior clothesline	No rule.
13.E – Miscellaneous Rules – Compliance with Local, State or Federal Rules/Regs	Provides that owners are to comply with any restrictions or regulatory rules that are enacted by any local, state or federal agency. The Association has the right to enforce these obligations or regulatory rules even if the entity itself does not enforce them	No rule.
13.F – Business Regulations	Establishes rules regarding the operation of a business by owners within the resort.	Rules were previously within the Policies Manual; moved to Rules & Regulations as provided in the Cc&Rs.
Section 14 – Election Rules	Rewrite by legal counsel to bring into conformance with CC&Rs and California State statutes.	Existing Rules out of Compliance
Section 16 – Administration and Enforcement	New Section setting forth owner’s obligation to comply with rules and that the GM, or designee, is responsible for enforcement.	No rule; enforcement language included in various sections.

OUTDOOR RESORT PALM SPRINGS

RULES & REGULATIONS

(Restatement Adopted _____)

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SECTION 1 – USE OF ASSOCIATION FACILITIES

1.A GENERAL USAGE

1. Use of Association facilities shall be in accordance with the CC&R's.
2. Use of the facilities will be controlled and supervised by the Activities Office and/or the General Manager, and is subject to availability and the guidelines established by the Board of Directors as follows:
 - a. All private events shall be cleared with the Activities Director. ORPS events and activities have priority over private party functions and scheduling conflicts may require private party events to be rescheduled or moved to another location.
 - b. Smoking is prohibited in all Association buildings. Smoking is also prohibited within 20 feet of any entrance, exit or window of all Association buildings.
 - c. Use of the bulletin boards in main and satellite laundry rooms will be for Association use only. Other items put on these boards may be removed by a designated volunteer owner. Designated clubhouse bulletin boards will be for the use of owners and Association activities only.
 - d. In an emergency, i.e., wind, rain, extreme cold, etc., clubhouse facilities may be used with short notice (3-4 hours) if no activity is taking place. Approval must be obtained from the Activities Office and/or the Manager. During the weekend the owner would merely inform the Security Office. There will be no charge for the use of the facilities in these emergency situations if it is left clean: however, if the facilities require extra cleanup, the cost will be borne by the host.
 - e. Any person considered to be intoxicated or obnoxious will be requested by Security to leave the facility.
 - f. Tickets are required for any participation for any part of a ticketed event. *(Dancing only is not available for non-ticket holders.)*
 - g. The Activities Director, with the recommendation of the event chairman, will determine which volunteers will be given a complimentary meal for non-catered events.
 - h. Party supplies, excluding paper and plastic goods, may be used by checking out/in such equipment in the Activities Office.
 - i. Association business and Activities Office approved communications may be

distributed in the mail boxes by the mail staff.

- j. It is the intent of the Association to be in compliance with the State of California gambling statutes in all activities in both clubhouses.
- k. The Board of Directors or its designee reserves the right to refuse or rescind the rights granted under these Rules and Regulations.

1.B RESERVATIONS OF FACILITIES BY OWNERS FOR PRIVATE EVENTS

Use of facilities and equipment by an owner and/or a group of owners for a private party event requires submittal of a Facility Use Form, payment of all applicable fees, and approval by the Activities Director for events.

Prohibited private party events include, but are not limited to the following:

- Commercial or profit-making enterprises
- Merchandising
- Selling tickets and/or conducting games of chance
- Holding partisan political rallies and/or functions
- Functions where there is an admission charge*

*Fund-raising events may be held with prior approval of the Board of Directors (see Fund Raising Policy).

Owners may reserve the Multi-Purpose Room in the Owner's Lounge, the East Room at La Palma, and the West Room and Pergola at El Saguaro through the Activities Office upon submission of the Facility Use Form – attached as Exhibit A to these Rules and incorporated herein. For reservations of the Ballroom at either La Palma or El Saguaro, use the Facility Use Form attached as Exhibit B to these Rules and incorporated herein.

Room reservations may be made no more than 60 days in advance of the Event, without special advance approval by the General Manager. On-going, consecutive reservation of a room beyond 60 days is discouraged. Private activities that meet on the same night in the same room throughout the Season may be asked to relocate their activity to accommodate owner reservation requests for one-time events.

1.C OWNERS' LOUNGE

The Owners' Lounge is located on the east side of the El Saguaro Clubhouse and includes (1) a Gathering Room that includes an adjoining patio, a media viewing theater, conversation areas, and a full bar, (2) the Owners' Library, (3) a Multi-Purpose Room for card playing or small dinner parties, and (4) a Billiard Room.

1. The Owners' Lounge is for the use and enjoyment of owners, and their guests. An owner must accompany their guests at all times. Access is by prox card that is not transferable.

2. The Library is for the use of owners only. Borrowing books, tapes, etc. is on the honor system.
3. All activities in the Owners' Lounge must comply with all governing documents of ORPS Home Owners Association.
4. The Owners' Lounge will be available to owners at all times except when it is used for an ORPS-sponsored event. To ensure full access to the Owners Lounge by all owners, the Owners Lounge (with the exception of the Multi-Purpose Room) cannot not be reserved for private events.
5. Owners may reserve the Multi-Purpose Room through the Activities Department. Reservations will be approved after completion of the Facilities Use Form (Exhibit A) and the payment of all deposits and fees associated with the event.
6. Signs on entrance doors are not allowed. Decorations (such as signs, balloons, banners and the like) are only allowed on table tops except that free-standing, weighted items may be set about the lounge floor during the event.
7. No smoking allowed within the room including the patio area.
8. Meals are to be served and consumed in the Multipurpose Room only. To minimize the likelihood of stains or damage to the furnishings and carpeting, the consumption of food in the Owners' Lounge Gathering Room is discouraged except for finger-foods and small appetizers. No food or drinks are to be set on the pool tables in the Billiard Room.
9. Moving furniture is not allowed except for the chairs that are on casters. Card tables may be put to the side under the supervision of ORPS staff members.
10. The refrigerators at the bar in the Gathering Room and in the Multi-Purpose Room are to be used only in conjunction with a reserved event, or on the day of an informal get-together. All items placed in the refrigerators should be clearly marked with the owner's name and the date of intended use. Items that are unidentified or with expired intended use dates will be removed and discarded. Refrigerators will be cleaned every Monday.
11. NOTE: Do not attempt to scrub or otherwise treat spills on carpet or furniture. Simply blot and notify housekeeping for professional treatment.

1.D PERGOLA AT EL SAGUARO

The Pergola at El Saguaro is located at the west end of the El Saguaro pool and patio area, across from the Espresso Bar. Owners may reserve the Pergola for private party functions held after 3:00 pm until 10:00 pm daily. Reservations will be approved after completion of the Facilities Use Form (Exhibit A).

1.E FITNESS ROOM:

1. The Fitness room is open daily from 5:00 am to 10:00 pm for the use of the owners and renters. Access is by prox card that is not transferable. A maximum of two (2) guests per lot are allowed to accompany an owner or renter into the Fitness room. The owner or renter is responsible for the conduct of guest(s).
2. No one under fourteen (14) years of age will be allowed without being accompanied and supervised by an adult.
3. Food and beverages (except water in a plastic container) are not allowed in the Fitness room.

1.F LA PALMA AND EL SAGUARO KITCHENS

1. Use of the kitchens is for owner use only by prox cards that are NOT transferable.
2. Owners may reserve the kitchen and/or refrigerators for a specific event. The activities office will accept reservations if there are no scheduled ORPS activities or previous reservations by owners, the caterer or the café.
3. Items in the refrigerator must be identified with the name of owner and the date of the specific event. Items that are unidentified or with expired dates will be removed and discarded. The refrigerators will be cleaned every Monday.
4. The kitchen microwave, ovens and stoves may be used by owners on a first-come, first-served basis, if the room is not otherwise reserved. The kitchen facilities must be properly shut off and cleaned after each use. Owners that misuse the kitchen will be held responsible for any damages and negligent use.
5. ORPS security checks and secures the kitchens every day at 10 PM.

1.G. ALCOHOLIC BEVERAGE SERVICE

1. No alcoholic beverages may be brought in from the outside to the open bar when the bar is open at either clubhouse except that uncorked wine may be brought into ORPS sponsored events subject to a corkage fee.
2. When the bar is open in either clubhouse, only unopened wine or beer purchased at the bar may be taken from the premises (ABC Section 23396.5).
3. The bartender has the right to refuse service of alcoholic beverages to anyone (ABC Section 25602).
4. When the bar is not open or a room is reserved for a private function, “Bring your own bottle” (BYOB) is permitted subject to the following conditions:
 - a. No one under the age of twenty-one (21) will be allowed to consume alcoholic beverages.
 - b. Owner or owner’s guests who are considered to be intoxicated or obnoxious- shall not be allowed to consume additional alcoholic beverages.

1.H PROX CARDS:

1. Two prox cards are issued per lot at no charge to new owners upon close of escrow. Owners may purchase additional prox cards as follows:
 - Multiple owners: Additional cards may be purchased for multiple owners. Under this rule, the maximum number of cards that can be issued for one lot is four.

Additionally, individual owners are issued one prox card, regardless of how many lots they own.

2. Cards will be confiscated should they be found in the possession of a non-owner. Any owner that provides a prox card to a non-owner shall be subject to any member discipline and/or fines as set forth in the Association’s Enforcement Policy.

3. Lost or stolen cards will be replaced at a cost to the owner of fifty dollars (\$50.00), unless an owner has a police report.
4. If a prox card becomes unusable due to normal wear and tear, it can be replaced for a five dollar (\$5.00) charge.

1.I. TRANSPONDER TAG:

Transponder Tags must be purchased from Administration and placed on the vehicle windshield or headlight. If a new vehicle is purchased or the windshield replaced, a new tag must be purchased as the transponder tag is not able to be re-used. At time of purchase, vehicle information is to be completed on the Transponder & Prox Card Issuance form and submitted to the Administration Office.

SECTION 2 - SWIMMING POOLS & SPAS

1. Persons needing diapers must use a non-absorbent swim diaper.
2. Per state law, swimmers must shower before entering any pool or spa.
3. Flotation devices are prohibited in the swimming pool areas over Holiday weekends and Easter/Spring break periods.
4. Diving, jumping in, or any pushing and roughhousing are prohibited in any resort pool or spa. Running is not allowed in any pool area.
5. Glass (*except eyeglasses*) is prohibited in the swimming pool area.
6. Bathing suits are required. Other clothing is not permitted in the pool except that sun-protection clothing is allowed.
7. Chairs/lounges may not be saved by placing towels or other articles on them, unless the owner of the item is in the pool area.
8. Management reserves the right to deny use of the pool/spa to anyone at any time for due cause.
9. All persons using pool/spa do so at own risk. Association management is not responsible for accidents or injuries.

SECTION 3 – PETS

1. All pets, including cats, need to be tethered on a 6-foot leash whenever they are outside of the RV in which they are domiciled.
2. No more than two (2) pets (*dogs and cats*) are allowed on a lot.
3. Pets are not permitted in any building, lots other than your own, or in any common area (other than streets) including the golf course and corner areas except that Pet Relief areas are established as follows:
 - a. Area adjacent to the Maintenance Yard Entrance.
 - b. Common area adjacent to the front Pedestrian Gate that is bordered by a wall on the west, the loading/parking area to the north, and the access road into the resort and guard shack on the east, between the hours of 7:00 am and 9:00 pm.
4. Work/service dogs for the handicapped are permitted, as required by law. During a one year trial beginning January 18, 2016, pets will be allowed in the common area patio that lies between the restaurant and the convenience store at La Palma. Pets may not be left alone in this area and must be controlled in the immediate space of the table where the pet owner is sitting. Other conditions may be posted by the restaurant proprietor as necessary.
5. For the safety and well-being of pets, they may not be left unattended in or outside of the RV for extended periods of time.
6. Owners shall not allow pets to continue to bark, creating a disturbance or nuisance to other residents.
7. Whenever possible, owners should have their pets relieve themselves on the lot on which the pet is domiciled and residue should be picked up immediately and urine spots watered.
8. If a pet relieves itself in the street the residue must be picked up immediately.
9. A fenced pet walking area is provided near the main laundry room next to the maintenance yard entrance. Pets must be attended at all times,
10. One small pen is permissible, subject to guidelines specified in the A&A rules, restricted to owner's lot, and not interfering with routine maintenance. Pen area to be used only when the owner is present on the lot.
11. Pets are not to be let free to run at any time while in the resort.

SECTION 4 - GOLF

4.A ELIGIBLE PLAYERS

1. Owners: The golf course is available for play by all owners and members of their family without paying green fees. Owner family members for purposes of this rule include: Spouses, significant others that are registered with the HOA, parents, grandparents, children, children's spouse, and grandchildren. Note that owners whose lot is occupied by a contract purchaser, lessee or renter, and their family members, guests or invitees are not entitled to play golf unless they are a guest of another owner or renter and, in that case, would be required to pay current green fees (refer to CC&Rs Article 3, Section 3.12)
2. Renters: Up to two renters per lot rented that are named and registered with the HOA at time of check-in may play the golf course without paying green fees.
3. Guests of Owners and Renters: Guests of owners may play the golf course and will be charged current green fees. Guests and or family members of renters may play the golf course and will be charged current green fees.

4.B RULES OF THE GAME

1. All players must start from the #1 tee unless otherwise directed by the Golf Starter Shack.
2. Each player must use their own golf clubs and bag. No joint-use/sharing of golf clubs and bag in the same group is allowed.
3. Allow faster players to play through. Ready golf is encouraged at all times.
4. Repair all divots and ball marks, please.
5. Tees are required when teeing off on all holes.
6. Only one ball in play per person. Practicing with 2 or more balls is not allowed and player may be asked to leave the course.
7. You may retrieve only your own ball from the lake with an approved retriever (no rake types). Fishing for golf balls is not allowed.
8. USGA rules govern all play; except as modified by local rules below or on score card:
 - a. Lakes/ponds are to be played as lateral hazards. Player may proceed under stroke and distance rule provision of USGA Rule 27-1; or drop a ball outside the hazard within two club-lengths where the original ball crossed the hazard

- penalty of one (1) stroke. Nearest drop area may be used if it does not advance the ball closer to the hole – one (1) stroke penalty.
- b. Hole 12: The pump house is considered an “immovable obstruction.” If the ball lands and remains on top of the pump house, or interferes with your line of sight to the pin, you may take relief without penalty. You are allowed stance and one club length from the nearest point where you obtain line of sight to the pin, no closer to the hole. The bed surrounding the pump house is not considered a flower bed. If a ball in this bed is deemed unplayable, drop the ball within two club lengths from the point where the ball crossed into the hazard, no closer to the hole. Take a one-stroke penalty. If, after taking your two club length drop, your line of sight is still obstructed by the pump house, you make take your stance plus one club length relief from the point where you obtain line of sight to the pin, no closer to the hole. (One stroke penalty still in effect.)
- c. All flower beds are immovable obstructions – interference by an immovable obstruction occurs when a ball lies in or on the obstruction, or the obstruction interferes with the player’s stance or the area of the intended swing. Player may take relief from interference. If the ball is found player must lift the ball and drop, without penalty, within one (1) club-length of and not nearer the hole than the nearest point of relief - USGA Rule 24-2(b)i. If it is known or virtually certain that a ball that has not been found is in the flower bed the player make take relief under USGA Rule 24-3(b) – drop a ball, without penalty, within one (1) club-length of and not nearer the hole than the nearest point of relief – USGA Rule 24-2(b)i.
- d. Ball hit onto or over a private lot is out of bounds (OB). Private lot lines are four (4) feet to rear of electric meter posts. You may drop within two (2) club-lengths of approximate point ball went OB, no closer to the hole – one (1) stroke penalty. Do not enter onto or hit from private lots. Alternately player may proceed under USGA Rule 27-1, Stroke and Distance, and play a ball as nearly as possible at the spot from which the original ball was last played – one (1) stroke penalty.
- e. On holes #4 and #13, a ball coming to rest on, or across the roadway is considered “Out of Bounds.” Use designated drop area beside green on hole being played – one stroke penalty. Players are not allowed to hit across the roadway
- f. Wear spikeless or soft spike shoes only. No metal spikes on golf course.
- g. Six strokes maximum on any hole. Players must pick up after six strokes to maintain pace of play.

4.C GENERAL RULES & REGULATIONS

1. The golf starter shack will be open between the hours of 6:30 a.m. to 5:00 p.m. during Pacific Daylight-saving time, and from 7:00 a.m. to 4:00 p.m. during Pacific Standard Time, from opening day in November through May 31st.
2. No lessons allowed on golf course at any time.
3. Do not trespass on owners lots.

4. Each player is responsible and liable for any damage caused by their play. Any damage caused by golfer shall be promptly reported to the owner, starter, or General Manager's office.
5. Only regular type golf carts are allowed on the course. Only the GEM E825 model of the GEM carts is allowed on the Golf course. Contact the Starter with any questions regarding allowable carts.
6. All golf carts that have permission to be on golf course must display a handicapped flag.
7. Golfers younger than 17 years of age must be accompanied by an adult golfer.
8. In order for a Hole-in-One on the 18-hole course to be recognized, it must be witnessed by at least one player who must sign and date the card and provide a contact phone number. Additionally, in order to be counted, the player must complete all 18 holes. First Holes-in-One at ORPS will be recognized on a plaque in the Owner's Lounge.
9. Golfing privileges may be revoked for cause by the golf starter, Golf Marshal, or Security staff at any time.
10. Only golfers allowed on golf course, except for gallery events.
11. The process for booking tee times is managed/approved by the General Manager, posted and administered by Golf Starter Shack employees.
12. Private owner functions will not be held on Saturday, Sunday, or holidays. Permission for any exceptions must have approval of the board.
13. Golf fees, including per round green fees, ten-pass fees, twilight golf fees, and back-nine golf fees will be established by the Board of Directors annually with adoption of the Fiscal Year Budget and posted at the Golf Starter Shack.
14. Play on the Back Nine hole course is on a first come first served basis. Playing groups will collect a playing tag from the Starter before commencing play and return the tag when the 9 holes are completed.
15. Unless otherwise directed by a Starter or Marshal, golfers must play all holes in sequence. Golfers skipping holes will be asked to leave the course.

4.D GOLF CART USE ON GOLF COURSE

The Outdoor Resort Golf Course is a walking golf course. Golf carts may be used on the golf course, subject to the following rules, by individuals who have a need for special access on the golf course and display an authorized handicap flag as follows:

- **Annual/Seasonal Blue Handicap Flag*:**

A Blue handicap flag will be issued by the Golf Shack Attendant upon payment of an annual non-refundable \$25.00 fee (to cover the cost of the flag and the increased cost of maintaining the golf course) and presentation of documentation as follows: (1) a government-issued handicap permit or (2) a current letter from a physician, physical therapist, or chiropractor validating the special access need. For purposes of this rule, the annual season runs from October 1 through September 30.

Individuals who have purchased a blue handicap flag are required to re-validate their special access need to the golf course at the beginning of each season by paying the annual fee and providing the required documentation to the Golf Shack Attendant.

- **Daily Use White Handicap Flag*:**

A Daily Use White Handicap Flag will be issued upon (1) payment of a \$5.00 daily fee for owners and a \$7.00 daily fee for all others; (2) presentation of a government-issued handicap permit or a current letter from a physician, physical therapist, or chiropractor validating the special access need; and (3) deposit of the golfer's identification (driver's license or ORPS prox card) with the Golf Shack Attendant. The golfer's identification will be returned at the end of play when the white access flag is returned to the attendant or to Security if the attendant has left for the day.

*Individuals who are 85 years old or more are exempted from the requirement to provide documentation proving their special access need, but must pay fees and adhere to all rules relating to golf cart use on the golf course.

- **Use of Golf Carts on the Golf Course:**

1. A handicapped individual must be playing golf to drive on the course; non-handicapped persons are not permitted as passengers in the carts.
2. Handicapped persons playing in the same twosome/foursome must share a cart.
3. Golf carts are to be ridden and parked on the left side of the golf course whenever possible.
4. Parking on the tees is not allowed and golf carts may not be parked closer than 30 feet away from the green. Always park on the left side of the fairways and walk to the ball.

4.E DRESS CODE

ACCEPTABLE

Men's Shirts with sleeves **and** collars
Women's Shirts may have sleeves **or** collars
Mock turtle neck golf shirts
Shorts no shorter than mid-thigh
Proper golf shoes or tennis shoes,
soft spikes only.

NOT ACCEPTABLE

NOT ACCEPTABLE

Bare feet
Sandals except golf sandals
Long, elongated arm holes
Swim wear
Bike shorts (*tops/Bottoms*)
Bare midriff shirts
Men's "Muscle" tops
Low plunging necklines
Short shorts/hot pants
No boots or leather soled shoes
No jogging shorts or cut-off jeans

SECTION 5 - PICKLEBALL RULES

5.A GENERAL

The Pickleball Program at ORPS is designed to provide a quality Pickleball program for as many ORPS owners and renters as possible.

The ORPS Pickleball program is administered by the Pickleball Committee under the guidelines established by the ORPS Rules and Regulations and the ORPS Board of Directors.

5.B PICKLEBALL COMMITTEE

See Pickleball Committee Charter for information regarding the Officers of the Pickleball Committee.

5.C ORGANIZED PLAY

Organized play includes: Beginner, Novice, Intermediate, Advanced and Open Play. Tournaments will be defined by the Pickleball Committee.

All organized play will be reflected on the Pickleball Master Schedule. The Schedule is posted at the courts.

5.D PARTICIPATION/PROHIBITED USAGE

Participation in organized play, as defined above, shall be available to lot owners and lot renters.

Guests brought by owners and renters may use the ORPS pickleball courts as per the posted Pickleball Schedule. Tournaments will be scheduled by the Pickleball Committee. Tournament play is only for ORPS owners and renters, no outside guests are allowed.

Persons under fourteen (14) years of age, unless accompanied by parents grandparents, are prohibited access to the courts.

Use of lighted courts before 7:00am or after 10:00 pm is prohibited.

Chairs and tables only allowed in shaded area.

Pickleball courts will be used only for playing pickleball as designated by the Board of Directors. Any other use is prohibited.

5.E EQUIPMENT

Only the quiet ball, or equivalent, as demonstrated during the pickleball trial, will be allowed to be used at ORPS.

5.F ATTIRE

All persons on any pickleball court must wear non-marking tennis shoes. No street shoes, sandals, thongs or bare feet are permitted. All pickleball players are required to wear shorts, shirts, jackets, sweat suits or other such similar attire.

5.G PICKLEBALL BALL MACHINE

Access to and use of the ORPS pickleball ball machines and retrievers will be managed by the ORPS Pickleball Committee. Usage of the pickleball ball machines and retrievers are restricted to ORPS owners and renters.

SECTION 6 - TENNIS

6.A GENERAL

This Tennis Program at ORPS is designed to provide a quality tennis program for as many ORPS owners and renters as possible.

The ORPS tennis program is administered by the Tennis Committee under the guidelines established by the ORPS Rules and Regulations and the ORPS Board of Directors.

6.B TENNIS COMMITTEE

See Tennis Committee Charter for information regarding the officers of the Tennis Committee and Tennis Committee responsibilities for the responsibilities of the various members of the Tennis Committee.

6.C ORGANIZED PLAY

Organized play includes: The Daily Draws, Nets, Couples Only Tennis, The Horse Race, Mixed Team Tennis, Tournaments, Leagues, Top Gun, Doubles Challenge, and any other special tennis activities that may be defined and approved as organized play by the Tennis Committee.

All organized play will be reflected on the tennis court master schedule. The schedule is posted at each court.

Horse Races and general tennis meetings are generally scheduled on the first Saturday of each month. In case of rain or adverse court conditions, the Horse Race and general tennis meeting will be rescheduled to the following Saturday. The Tennis Committee will determine if adverse conditions exist that would preclude safe play. Regarding tennis tournaments, determining safe play will be the responsibility of the tournament chair.

6.D PARTICIPATION/PROHIBITED USAGE

1. Participation in organized play, as defined above, shall be available to lot owners and lot renters.
2. Guests brought by owners and renters may use the ORPS tennis courts only if not conflicting with organized play.
3. Persons under fourteen (14) years of age, unless accompanied by parents or grandparents, are prohibited access to the courts.
4. Use of lighted courts before 7:00am or after 10:00pm is prohibited.

5. Pool chairs, lounges, or tables are not permitted on the court surface.
6. Tennis courts will be used only for playing tennis or pickleball as designated by the Board of Directors. Any other use is prohibited.
7. Abuse of tennis facilities of any kind, such as using the courts for other games, marking courts, hitting and pushing tennis nets, and hitting balls against the windscreen, will not be tolerated.
8. All tennis courts will be locked. Owners may obtain keys from the Association office Monday through Friday, from 9:00am to 5:00pm, and weekends from Security. There is a limit of two keys per lot owner. Replacement keys will be issued in the Manager's office at a cost of \$25.00 each. Renters can obtain a key from the rental office (*on a temporary basis*).

6.E PROPER ATTIRE

1. All persons on any tennis court must wear non-marking tennis shoes. No street shoes, sandals, thongs or bare feet are permitted.
2. All tennis players are required to wear proper attire, including shorts, shirts, jackets, sweat suits or other such similar attire.

6.F. LEAGUE PLAY/TOURNAMENTS

1. Four women's leagues and two men's leagues are authorized for tournament play; additional leagues must be approved by the General Manager.
2. Private owner tennis tournaments must be approved by the Tennis Committee; Private owner tournaments to be held on Saturday, Sunday or Holidays must be approved by the Board of Directors upon recommendation of the Tennis Committee.
3. Private non-owner tennis tournaments are not allowed.

6.G. COURT RESERVATIONS

Players may reserve courts on a first-come basis on the sign-up sheets posted at the entrance to the courts. Sheets are posted daily during the season. Courts may be reserved for the current and following day.

1. During the calendar season, the La Palma courts, the El Saguaro courts and the four satellite courts (B, C, D, E) are reserved for organized play from 8:00am to noon daily. Courts A & F are available for open play. However, these open courts may be reserved for organized play from January 1 through April 1, on an "as needed" basis.

- a. Organized play includes: The Daily Draws, Nets, Couples only tennis, The Horse Race, Mixed Team tennis, Tournaments, Leagues, Top Gun, Doubles challenge, and other special tennis activity that may be defined and approved as organized play by the Tennis committee. Horse Race's and General Tennis meetings are generally scheduled on the first Saturday of each month.
2. The committee may need to approve the reservation of all courts for tournaments or other special events during the season of peak usage.
3. Courts may be reserved on Sunday's at 2:00pm for organized play.
4. Courts may be reserved for a maximum of two (2) hours for any one group (*singles or doubles*) in any twenty-four (24) hour period.
5. If play is not commenced within fifteen (15) minutes on a reserved court, the reservation will be void and the court will be available for open play.
6. Satellite courts will be secured and equipment removed from May 1 to October 1.
7. Court reservations for special events need to be scheduled by the committee.

6.H TENNIS BALL MACHINE

1. The ORPS ball machines and retrievers will be located (*chained and locked*) at La Palma and Satellite F courts, or as designated by the Tennis Committee.
2. Access to, and usage of, the ball machines are restricted to owners 18 years of age and older.
3. The keys to unlock the ball machines can be obtained at the ORPS Security Station or the Golf Starter Shack. Owners will leave their owner's card as a deposit.
4. A "log out/log in" record of keys to the ball machines will be maintained at the ORPS Security Station and the Golf Starter Shack. In the event the starter shack is closed when the key is to be returned, then the key shall be returned by 7:45 a.m. the following day.
5. The ball machines will not be available during tournament play, nor any special event requiring use of the La Palma or El Saguaro courts.
6. To ensure that a ball machine/court is available, reservations should be made for both. Ball machine reservations may be made twenty-four (24) hours in advance at the Security station or the golf starter shack. Court reservations are made on the court sign-up sheet as indicated above.

Note: If one person has a reservation for the ball machine, and a different person has reserved the corresponding court at the same time, the person with the court reservation shall have precedent.

7. Ball machine usage is limited to two (2) hours at any one time for individual use.
8. Ball machine use and responsibilities:
 - a. Tennis balls must be picked up and returned to the container before leaving the court and locking up the equipment.
 - b. Ball machines and ball retrievers must be returned to the fence, the ball machines covered, and all equipment locked to the fence.
 - c. The ball machine key should be returned to Security or golf starter shack and the owner's card retrieved.
 - d. Any ball machine malfunctions should be reported to the Security guard on duty. Security will notify a member of the Tennis Committee for resolution. A Tennis Committee representative will notify Security when the ball machine is not available for use.

SECTION 7 - MOTOR VEHICLES

7.A MOTOR VEHICLES OPERATION & SAFETY (INCLUDING GOLF CARTS AND MOTORCYCLES)

1. Drivers shall not exceed 10 miles per hour and shall stop at all stop signs.
2. Reckless or erratic driving of any motorized vehicle (including, but not limited to, motor vehicles, motorcycles, golf carts, etc.) within the Resort is prohibited.
3. Drivers of any vehicle in the Resort, must have a valid current driver's license in their possession when operating the vehicle and must comply with the financial responsibility requirements (insurance) established per the California Vehicle Code.
4. Learners driving permits are allowed only when accompanied by a licensed adult, per California Vehicle Code.
4. Golf carts drive after dark are required to have functioning headlights and tail-lights.
5. State helmet laws shall apply to all motorcycle riders.

7.B MOTOR VEHICLE/GOLF CART PARKING RULES

1. Motor Vehicles including golf carts are not allowed to be parked on perimeter streets or on the grass area of any lot or common area, with the following exceptions:
 - a. Curbside parking is allowed on the perimeter streets immediately adjoining the clubhouses for golf carts and motor vehicles only during special events.
 - b. Golf carts are allowed to park curbside on either side of the street immediately in front of the El Saguaro clubhouse between 7:00 am and 4:00 pm. During this time period, motor vehicles are not allowed to park in this area except during a special event. After 4:00 pm, both golf carts and motor vehicles are allowed to park in this area.
 - c. Parking in the El Saguaro driveway is prohibited.
 - d. The turnout driveway at La Palma Clubhouse is for temporary parking only.
 - e. The parking area at the west side of the La Palma tennis courts is designated parking for the Convenience Store and Restaurant when either are open.,
 - f. No curbside parking is allowed on the west side of the La Palma Clubhouse
 - g. During golf events, golf carts are allowed to be parked on common area grass areas and along perimeter streets, as long as no driveway is blocked

and/or the passage of traffic on the street is not impeded.

2. A vehicle parked on a lot shall be parked so as not to protrude into the street.
3. Vehicle parking by owners or guests of owners on a lot other than their own is not permitted without the written permission of the lot owner. Security will issue a parking permit for said vehicle on said lot if a written permission card is on file. A vehicle parked overnight on another lot without a visible parking permit in their vehicle will be considered illegally parked and may be cited by Security.
4. Illegally parked vehicle(s) blocking access to a lot or common area may be towed without prior notification at the vehicle owner's expense.
5. There is no overnight parking at any of the clubhouses, main laundry, or satellite parking areas without a temporary parking permit. A temporary parking permit not to exceed 72 hours may be issued by Security; any request for a permit in excess of 72 hours must be approved by the General Manager or his/her designee.

7.C GENERAL RULES

1. Any authorized van conversion which may or may not have an RVIA sticker is not allowed to be connected to any utility, or used for a sleep facility.
2. Three or four-wheeled ATV's or vehicles whose primary design is for off-road use only are not permitted to operate in the resort.
3. Only two (2) approved golf carts and one (1) licensed passenger vehicle or one (1) approved golf cart and two (2) licensed passenger vehicles will be allowed on each lot.
4. Motorcycles are to be counted as one of the above-allotted vehicles (*limited to two (2)*).
5. All lots within Outdoor Resort are to be used solely for recreational vehicles. However, with prior approval of the A&A Committee, an owner may be permitted to use the lot for parking of vehicles after taking into consideration the appearance and aesthetics of the lot. Parking restrictions and vehicle limitations will be in accordance with Section 7.B and 7.C above.
6. Large commercial trucks (extending more than 24' in length) will not be permitted to remain in the resort overnight unless a special permit, not to exceed twenty-four (24) hours, is displayed in the windshield of the vehicle. Permit can be obtained from the General Manager in advance.
7. Tractor trailers (*commercial*) are not permitted into the resort except for delivery of goods,

SECTION 8 - TOW DOLLY & TRAILER USE

8.A RESTRICTIONS

1. Trailers transporting vehicles and other personal items will not be parked on the resort common area, i.e., roadways, parking Lots, or green belts (grass) overnight, or at any other time, except to load or unload, which time shall not exceed one (1) hour.
2. Trailers used for the following purpose are not permitted to remain on any lot prior to sunrise or after sunset.
 - a. Transporting of off-road vehicles and off loading of vehicles is not permitted.
 - b. Transporting golf carts.
 - c. Transporting construction tools or materials.
 - d. Combination trailers for cars and boats.
 - e. Trailers having an open or tall metal structure.

8.B PERMITTED TRAILERS

1. Only licensed trailers which transport motor vehicles are permitted, subject to the following limitations:
 - a. One (1) single-axel dolly (licensed or unlicensed) may be parked on a lot at any time, provided it is completely parked on the concrete pad, directly behind the RV.

SECTION 9 - STAGING AREA

9.A PERMITTED VEHICLES

1. RVs permitted within the Resort, as defined in the A&A Rules, Section 2.A.
2. Trucks or other vehicles on which trailers or 5th wheels are attached.
3. Visitor trucks, RV's, or other licensed passenger vehicles.
4. Resort vehicles (*golf carts*) used for sales and rentals, and staff use.
5. Passenger motor vehicles of prospective buyers and guests while visiting Sales/Rental Office.
6. As more specifically identified in the Architecture & Aesthetic (A&A) Rules, park trailers/destination trailers are not permitted within the Resort (See Section 2, Subsection A.5, of the A&A Rules)

9.B PARKING RULES

1. The staging area is primarily for parking RV's while the guests are registering and is not intended to be used as a long-term parking or storage facility.
2. No vehicle is allowed to park overnight in the staging area without a temporary parking permit issued by security, a temporary parking permit for up to 72 hours may be issued by security. Any request for parking in excess of 72 hours must be requested from and approved by the General Manager or his/her designee parking is based on availability of two designated spaces.
3. Guests arriving after 10:00 p.m. with prior reservations will be allowed to park overnight in the staging area.
4. The exit road turnout is for temporary parking and is restricted to thirty (30) minute parking. Engines must be shut off while unit is parked in this area. Only the General Manager or the Security Director may authorize parking in those areas in excess of 30 minutes.

SECTION 10. - BICYCLES, PEDESTRIANS AND SKATERS

10.A BICYCLES, PEDESTRIANS AND SKATERS

1. Bicycles shall be ridden on the right side of the roadway and not more than two (2) abreast. Bicycles shall be ridden with traffic. Bicyclists, joggers, and skaters shall observe all posted stop signs.
2. Bicycles ridden after dark (one-half hour after sunset) are required to have a front illuminated headlight or secured flashlight and a rear reflector.
3. There shall be no parking of bicycles in El Saguaro driveway.
4. Per state law, bicycle helmets are required for children under 18 years of age.
5. Bicycles are not allowed on any paths in the resort.

10.B PEDESTRIANS, ROLLER & IN-LINE SKATERS

1. Pedestrians shall walk or jog against traffic on left side of road.
2. Pedestrians who walk or jog at night must carry a lighted flashlight.
3. Skaters shall yield right-of-way to motor vehicles at all times and skate on the right side of the road going with the traffic.
4. All paths (except those accessing the golf course) are for pedestrian use only.

10.C MISCELLANEOUS

1. The following are prohibited in the resort:
 - Skateboards of any kind
 - Push scooters
 - Motor driven toys
 - Radio-controlled toys
2. Motorized scooters may be ridden by individuals with a valid State Operators license.

SECTION 11 - VENDOR/CONTRACTOR RULES

11.A QUIET HOURS

1. Work will not be allowed to start prior to 07:00 hrs during the week (Mon-Fri) and 09:00 on Saturday's.
2. There will be no Vendor activity in the resort on Sundays, except in the case of an emergency.
3. All Vendor work and activity will stop and Vendors will be off the property by 18:00 hrs (6:00 pm) daily. *Note this means off the property and not in the process of cleaning up to leave*
4. On the prescribed holidays noted below, there will be no vendor activity in the resort except in the case of an emergency.
 - a. Christmas Day
 - b. New Year's Day
 - c. Thanksgiving Day
 - d. Labor Day
 - e. Independence Day
 - f. Memorial Day

11.B ENFORCEMENT

1. Vendors found in the resort during the quiet hour time noted above will be escorted off the property by Security.
2. A second offense will result in the Vendor being escorted off resort property and not allowed re-entry to the resort until specific authorization is granted by the resort General Manager.

11.C ADDITIONAL RULES

1. All work sites will have the approved permit posted and in plain site before any work starts, all work will be stopped if the permit is not properly posted.
2. All curbside parking will be marked with traffic cones to assist with traffic safety.
3. All sites with any kind of heavy construction/destruction will be cordoned off for safety.
4. Only the necessary number of vehicles to facilitate the effective completion of the job will be at the work site. All others will be parked in a location designated by security or off the property.
5. At no time will a vendor allow his equipment to create a barrier to the safe ingress or egress of normal traffic or emergency vehicles.
6. At no time will a vendor or his employees leave their vehicles and or equipment unattended at the work site.
7. At no time will the vendor leave his equipment in the resort overnight.
8. At no time will the vendor use an opposing lot or resort common area as a staging area for materials, only the lot being worked on will serve as the staging area for supplies and or materials, otherwise the materials will need to be kept off site until needed.
9. The Vendor will not allow any run-off of materials such as chemicals, concrete, etc., to enter into the irrigation water system of the resort via the gutter system. All

waste will be contained, cleaned up and removed off property by the vendor.

10. Vendor will insure that the work site is kept safe at all times for the residents around the site.
11. All dust will be controlled by the vendor to insure that the neighboring residents and their property are not adversely affected.
12. All vendors will insure that the work site is properly cleaned up and made safe at the end of each work day.
13. Vendors will not touch any resort related:
 - a. Irrigation systems
 - b. Fresh water lines
 - c. Electrical lines and or fixtures
 - d. Landscaping fixtures or plantings

Note: Any work needed to re-route any water or electrical items or the removal of any landscaping features that belong to the resort will require a request and approval to have these items taken care of. Any approved work will be accomplished by resort staff members unless otherwise directed by Management.

14. Any concrete deliveries in excess of four (4) sq. yards per load will need to be pre-approved during the permit process.
15. Vendors will attempt to notify the neighbors of any pending loud noise construction items and when they are expected to occur and for how long they will go on.

SECTION 12 - STANDARDS OF CONDUCT

These rules & regulations are considered necessary to provide for, and promote, the health, safety, general welfare of, and quiet enjoyment of all residents of the resort.

12.A CONDUCT

1. Improper conduct by a member-owner, their family member(s) or guest(s) which;
 - a. Tends to injure the good name of other member-owners, or the association, its directors, officers, agents, or employees in the performance of their designated duties;
 - b. disturbs said association's well-being; or,
 - c. hampers the associations representatives in their work is a violation of the intent of the provisions of the association's CC & R's.
2. Such prohibited improper conduct directed toward, or in the presence of, an association representative or between member-owners shall also include the following:
 - a. Profanity and abusive language.
 - b. Threatening or offensive gestures and words.
3. Guests of member-owners who subject other member-owners, tenant guests of members, and association representatives to the improper conduct cited in section 1 and 2 above, are to be summarily evicted from the resort by security or by a peace officer.
4. Disciplinary action may be taken against a member-owner or their family member(s) for violation(s) of these rules & regulations.

12.B VANDALISM

Vandalism will be punished to the fullest extent of the law. Removing or altering any signs in the resort will not be tolerated, moving exercise equipment, tennis court equipment, golf course markers, equipment or signs are punishable by immediate fines, established by the Board of Directors. Tampering with resort equipment is prohibited.

12.C SEXUAL HARASSMENT

1. It is the policy of this association that all owners, guests, agents, and employees shall adhere to a standard of conduct that is respectful, courteous, and professional. Harassment or discrimination on the basis of sex or race is a violation of Section 703 of Title VII of the Civil Rights act of 1964, as amended by the Civil Rights Act of 1972.
2. Sexual harassment is defined (EEOC part 1604) as:
Unwelcome sexual advances, request(s) for sexual favors, and other verbal or

physical conduct of a sexual nature when:

- a. submission to such conduct is made either explicitly or implicitly a term or condition of an Individual's employment.
- b. submission to, or rejection of, such conduct by an individual is used as the basis for employment decisions affecting such individual(s).
- c. such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

12.D DISCRIMINATION

1. Discrimination is defined as:
Unequal treatment of employees or applicants for employment without adequate justification based on race, religious creed, color, national origin, ancestry, physical/mental handicap, medical condition, pregnancy, marital status, sex, age, political beliefs, or other non merit factors,
2. Discrimination is illegal.
3. Examples of acts of discrimination which will not be tolerated include:

The use of verbal derogatory comments slurs or jokes, derogatory pictures, cartoons or posters, and actions which result in an employee being treated unequally.

SECTION 13 - MISCELLANEOUS RULES

13.A SIGNIFICANT OTHER

1. “Significant Others,” sometimes referred to as domestic partners, are two adults who are not married and have chosen to share one another’s lives (living together).
2. The Board has established that “Significant Others” should have the same rights and responsibilities as married couples/spouses with regard exclusively to the use and care of all the facilities, sports and entertainment at ORPS, to include, without being limited, golf, tennis, pickleball, the fitness center, the clubhouses, the pools and the owners’ lounge.
3. For ORPS purposes only, to establish such a relationship, the owner of record must file with the ORPS Owners’ Association a “Declaration of Significant Other” naming the significant other. The Declaration of Significant Other is attached and incorporated herein to this rule.
4. A “Significant Other” relationship as established herein shall be terminated upon one of the following events:
 - a. The owner no longer owns a lot at ORPS;
 - b. The death of either party; or
 - c. The written notice to ORPS of termination of the “Significant Other” relationship by the owner.
5. A “Significant Other” is subject to all Governing Documents of the Association.
6. All other ORPS rules in conflict herewith are hereby rescinded to the extent of said conflict.

DECLARATION OF SIGNIFICANT OTHER

This is to declare that _____

Is my significant other and as such has the same rights and responsibilities as married couples/spouses with regard exclusively to the use and care of all the facilities, sports and entertainment at ORPS, to include without limitation golf, tennis, pickleball, the fitness center, the clubhouses, the pools and the owners' lounge.

By: _____
Print Name

Signature: _____

Owner of Record, Lot # _____

Date: _____

13.B MAXIMUM RV OCCUPANCY

Maximum Occupancy for any Recreational Vehicle is limited to three individuals remaining in the Recreational Vehicle overnight, except as provided below.

1. Owners prior to April 26, 2017, are allowed to have up to six individuals occupy the Recreational Vehicle on an overnight basis (OCCUPANCY defined in the CC&Rs) until the Lot is sold to a new owner at which time this provision expires.
2. Owners of record after April 26, 2017 and guests of Owners are allowed a maximum of three individuals remaining in the Recreational Vehicle on an overnight basis. The exception is that a MAXIMUM of six individuals can remain in the Recreational Vehicle overnight up to 14 consecutive days in three instance periods in a calendar year. Periods cannot run consecutively.
3. All tenants, either short or long term, may have a MAXIMUM of six individuals remain in the Recreational Vehicle overnight for up to 30 days, ONE instance per calendar year.

13.C WASHER/DRYER USE

Commercial usage of all ORPS-owned washers and dryers is prohibited and violations will be subject to the Enforcement Policy.

13.D EXTERIOR CLOTHESLINE

Exterior clotheslines may be used in a location in the backyard of a Lot at times and in a manner so as to reduce and limit visibility from adjacent properties and the common areas. Clotheslines or drying racks must be set back a minimum of 20 feet from the front property line and be located on the patio side of the lot. Any clotheslines or drying racks that will be permanently installed must follow the architectural review process and obtain architectural approval prior to installation. Clotheslines and drying racks may not include any stairs, railing, awning or other exterior portion of the RV.

13.E COMPLIANCE WITH LOCAL, STATE OR FEDERAL RULES/REGULATIONS

Owners are to comply with any restrictions or regulatory rules that are enacted by any local, state or federal agency. The Association has the right, but not the obligation, to enforce these restrictions or regulatory rules even if the entity itself does not enforce them.

13.F BUSINESS REGULATIONS

Conducting any business or trade is prohibited, except that an Owner or Occupant residing in a Dwelling Unit may conduct business activities which are commonly conducted within residential areas within the Dwelling Unit so long as:

1. The existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Dwelling Unit;
2. the business activity conforms to all zoning requirements for the Properties;
3. the business activity does not involve visitation to the Lot or Dwelling Unit by clients, customers, suppliers, or other business invitees or door-to-door solicitation of residents of the Properties; and
4. the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board.

SECTION 14 ELECTION RULES

Applicability of Election Rules

1. These Election Rules shall apply to elections required to be held by secret ballot pursuant to *Civil Code* Section 5100(a). The Board of Directors may, in its discretion, also determine to apply these Election Rules to govern an election on any topic that is not expressly required by statute to be conducted by secret ballot.

Access to Association Communications

2. No member shall be provided access to association media within the period thirty days prior to the date the first election ballot material is sent to the membership. The term "association media" does not include within its definition the official ballot materials sent to the membership inclusive, for board of director election, any statement advocating their candidacy, biographical description, and/or photographs of candidates. To the extent that any candidate or member advocating a point of view is provided access to association media, newsletters, or Internet Web sites during a campaign, for purposes that are reasonably related to that election, equal access shall be provided to all candidates and members advocating a point of view.
3. The Association will not edit or redact (black out) any content from communications set forth in Section 2. The Association may include a statement that the candidate or Member, and not the Association, is solely responsible for the content of the communication.
4. Candidates, including those who are not incumbents, and Members advocating a point of view reasonably related to the election, shall have equal access to any Common Area meeting space, if any exists. This access shall be provided at no charge for purposes reasonably related to the election, except that the Association may require cleaning/security deposits or other procedures to reserve Common Area meeting spaces.

Candidate Qualifications

5. Qualifications for candidates to the Board of Directors shall include:
 - a. Candidates must be Members of the Association.
 - b. Only one Owner per Lot shall be eligible to serve on the Board at any time. Candidate must not be related by blood or marriage to or reside in the same household with any other Board member or another candidate.
 - c. Candidates must not be delinquent in the payment of any Association

assessments, late charges, collection costs, fees, or other financial obligations imposed by the Association at the time the candidate's name is placed in nomination and at the date of election or tabulation of ballots.

- d. Candidates must not be in violation of the Association's Governing Documents for the three (3) months immediately preceding the date of the election.
- e. Candidates must not have any outstanding fines/penalties or suspension of membership privileges.
- f. Candidates must be in Good Standing. For purposes of these Election Rules, "Good Standing" means that the candidate meets all the qualifications listed in this Section 5 and any other standards set forth in the Association's Governing Documents.
- g. Candidates must meet any other qualification requirements in the Association's Governing Documents.

Nominations

- 6. Procedures for nomination of candidates to the Board shall allow for nomination by a Nominating Committee, by personal declaration of candidacy, or by nomination of any other Member. If the Board chooses to appoint a Nominating Committee, it shall consist of two (2) or more Members appointed by the Board.

Voting Qualifications

- 7. Qualifications for voting shall include, but not be limited to, the following (as further described in the Association's Governing Documents):
 - a. Member must be an Owner of record of a Lot and the Member's name must appear on the official records of the Association as of the record cut-off date set by the Inspector(s) of Elections and/or Board of Directors. If no record is set, the cut-off date shall be 60 days before the date first set for tabulation of ballots.
 - b. Member must be in Good Standing under the same criteria as candidates, as set forth in Section 5.
 - c. Member's voting privileges cannot have been suspended.
- 8. The voting power of each Member shall be as described in the Association's Bylaws and/or Declaration.
- 9. If the Governing Documents allow the voting power of the Association to be reduced due to suspension of voting privileges, the Inspector(s) of Elections shall have the authority to use any reduced voting power for purposes of establishing the quorum requirement.
- 10. The Inspector(s) of Elections has the discretion to count ballots submitted by Members not in Good Standing only for the purpose of establishing the

required quorum.

Inspector(s) of Elections

11. Inspector(s) of Elections (i.e. independent third parties) shall be appointed by the Board. The number of Inspector(s) of Elections shall be one (1) or three (3). If there are three (3) Inspectors of Elections, the decision or act of a majority shall be the decision or act of all.
12. The following persons may not serve as Inspector(s) of Elections: Board members, candidates, persons who are related to Board members or persons who are related to candidates.
13. The following persons are independent third parties and may serve as Inspector(s) of Elections: The Association's CPA, Property Manager, Attorney, or other professional hired by the Association. Association Members who are not Directors or a candidate or a person related to a Director or a candidate may serve as Inspector(s) of Elections.
14. Independent third parties may be compensated for performing Inspector(s) of Elections services. Association Members, however, are not entitled to compensation for serving as Inspector(s) of Elections.
15. Inspector(s) of Elections may appoint and oversee additional independent third parties to verify signatures and to count and tabulate votes.
16. The Inspector(s) of Elections are charged with performing the following duties:
 - a. Determine the number of memberships entitled to vote and the voting power of each.
 - b. Determine the authenticity, validity and effect of proxies, if any.
 - c. Receive ballots.
 - d. Verify the Member's information and signature on the outer envelope. For mailed ballots, the Inspector(s) may verify the Member's information and signature on the outer envelope prior to the election;
 - e. Hear and determine challenges and questions in any way arising out of balloting or the election.
 - f. Count and tabulate all votes.
 - g. Determine when the polls shall close, consistent with the Association's Governing Documents.
 - h. Determine the tabulated results of the election.
 - i. Report the tabulated results of the election or balloting promptly to the Board of Directors to ensure that the Board can publicize the results to the homeowners within 15 days of the election.
 - j. Retain the ballots at a location designated by the Inspector(s) of Elections pursuant to *Civil Code* Section 5125.
 - k. Perform any acts as may be proper to conduct the election with fairness to all Members in accordance with the Association's Governing

Documents, *Civil Code* Sections 5100 - 5145, the Corporations Code, and these Election Rules to the extent not in conflict with *Civil Code* Sections 5100 - 5145.

Election Procedures

17. The voting period for elections shall commence when the notice of the meeting and/or ballots have been mailed to all Members and shall terminate as stated in the notice and/or ballot or as determined by the Inspector(s) of Elections, consistent with the Governing Documents and as set forth below:
 - a. **Set Date of Annual Meeting:** No less than 90 days before the Annual Meeting.
 - b. **Provide notice of pending election and ask for candidates for Board of Director Elections:** 60 - 90 days before the Annual Meeting
 - c. **Appoint Inspector of Elections:** 45 – 60 days before Annual Meeting
 - d. **Establish Date of Record:** 30 days prior to mailing of election materials. Only members in Good Standing as of the date of record shall be entitled to vote on any issue or matter presented to the Members.
 - e. **Set date for the close of nominations:** No less than 30 days prior to mailing of ballot
 - f. **Hold Candidates Forum:** After nominations close; before mailing of ballot materials. Forum held to allow the members to meet and ask questions of all nominees. For ballot measures that are required to be submitted to the membership, that are unrelated to Board of Director elections, the Association shall have a town hall meeting prior to the time election materials are sent to the membership to amend the bylaws/CC&Rs or similar ballot measures requiring membership approval.
 - g. **Mail ballots:** No less than 30 days prior to the day initially set to turn in ballots.
 - h. **Cut-off for Inspectors of Election to receive ballots:** At the call-to-order of the Annual Meeting and before the Inspector(s) of Election proceed to count and tabulate the ballots and/or the date set forth in the meeting notice and/or any extension thereof.
18. The form and content of election materials, i.e., secret written ballot, envelopes, proxies, etc., shall conform to the requirements of *Civil Code* Section 5115(a).
19. Once a ballot has been received by the Inspector(s) of Elections, it shall be irrevocable. If proxies are allowed, if a Member submits both a proxy and a

ballot to the Inspector(s) of Elections, the ballot will supersede the proxy.

20. The authenticity, validity and effect of proxies submitted by Members shall be determined by the Inspector(s) of Elections, consistent with the Association's Governing Documents and California law.
21. Proxies may not be used in lieu of a ballot. Proxies may be revoked by the Member prior to receipt of the ballot by the Inspector(s) of Elections.
22. Votes shall be counted and tabulated by the Inspector(s) of Elections or their designee(s) in public at a properly noticed open meeting of the Board or Members. Any candidate or other Member may witness the counting and tabulation of the votes. To ensure anonymity of the voting, Members must stand at least five (5) feet away from the Inspector(s) of Elections or their designee(s) during the tabulation process. Members are prohibited from speaking to the Inspector(s) of Elections or their designee(s) during the tabulation process or interrupting the tabulation process in any way.
23. Notice of the tabulated results of the election shall be provided to the Members by general notice within fifteen (15) days of the election.
24. Ballots shall be retained in the custody of the Inspector(s) of Elections or at a location designated by the Inspector(s) of Elections as set forth in *Civil Code* Section 5125, at which time the ballots shall be transferred to the Association.
25. If there is a recount or other challenge to the election process, the Inspector(s) of Elections shall, upon written request, make the ballots available for inspection and review by an Association Member or his or her authorized representative, at a location and time as determined by the Inspector(s) of Elections. The recount shall be conducted in a manner that preserves the confidentiality of the vote. The candidate or Member requesting the recount shall be responsible for any and all costs related to the recount, including compensation to the Inspector(s) of Elections, if applicable.

SECTION 15 - SCHEDULE OF SPECIAL INDIVIDUAL ASSESSMENTS FOR VIOLATIONS OF GOVERNING DOCUMENTS

The Board of Directors is charged with overseeing the enforcement of the Association's Governing Documents. It has the authority to conduct violation hearings, impose specified individual assessments, including but not limited to fines, and cause violations to be remedied.

An Enforcement Procedure has been adopted by Resolution of the Board of Directors and stipulates that citations will be issued for violations of governing documents.

Special Individual Assessments for Violations of Governing Documents, other than those relating to the Architectural and Landscape Violations, or the failure to maintain a lot or RV to standards, are established below.

Note that Violators may contest citations and request a hearing before the Board of Directors as prescribed in the Enforcement Procedure.

Recurring Violations may result in further disciplinary action such as suspension of privileges or use of the recreational amenities, in accordance with the Association's Collections and Enforcement Policies.

TRAFFIC VIOLATIONS

Fines for speeding:

1 st citation:	written warning
2 nd citation:	\$50.00
3 rd citation:	\$100.00
4 th citation:	\$200.00
Recurring violations:	Loss of vehicle privileges.

Failure to stop at a stop sign:

1 st citation:	written warning
2 nd citation:	\$50.00
3 rd citation:	\$100.00

Parking violations:

1 st citation:	written warning
2 nd citation:	\$50.00
3 rd citation:	\$100.00

Parking violation exception:

Unauthorized use of another lot, \$50.00 plus any towing expenses

No registration decal on vehicle or golf cart: (Note: Effective when decals are available within the Resort)

- 1st citation: written warning
- 2nd citation: \$50.00
- 3rd citation: \$100.00 plus restricted to lot until registered.

Unlicensed operator of Golf Cart:

- 1st citation: written warning
- 2nd citation: \$50.00
- 3rd citation: Loss of resort vehicle privileges.

MISCELLANEOUS VIOLATIONS

Verbal abuse of an Owner, Employee, or Guest:

- 1st citation: \$150.00
- 2nd citation: \$300.00

Threatening gestures, physical abuse:

- 1st citation: \$300.00
- 2nd citation: \$500.00

Special Note: Victim of verbal abuse, threatening gestures, physical abuse, must report incident to Security Post Commander.

Pet Violations: (effective November 1, 2015)

1. Off leash
2. Leash in excess of six feet
3. Excreting on other owner's lawn and/or common area grass
4. Excretion not picked up by pet owner
5. Barking dogs
6. Aggressive pets
 - 1st citation: written warning
 - 2nd citation: \$50.00
 - 3rd citation: \$100.00
 - 4th citation: removal from property.

NOTE: Other violations of the rules relating to pets set forth in the Rules and Regulations will be cited on the same schedule as above.

A & A Lot Compliance Violations

Refer to Enforcement Procedures

Failure to obtain a Lot Revision Permit:

Refer to Enforcement Procedures

Any vandalism, destruction or malicious damage to property:

- 1st offense: \$500
- 2nd offense: permanent removal from property.

RECREATION FACILITIES ABUSE:

Playing on tennis court with inappropriate dress and shoes:

- 1st citation: removal from tennis court

2nd citation: \$50.00
 3rd citation: permanent loss of tennis privileges.
 Providing non-owner with tennis court key without owner presence:
 1st citation: confiscation of key and warning letter
 2nd citation: \$50.00
 3rd citation: permanent loss of tennis privileges.

Leaving tennis court unsecured:
 1st citation: warning letter
 2nd citation: \$50.00

Improper golf attire:
 1st citation: warning & escort from the golf course
 2nd citation: \$50.00

Playing golf on the golf course without registering & paying fee or starting from other than No. 1 tee (except during sanctioned Golf Committee events):
 1st citation: warning & escort from the golf course.
 2nd citation: \$50.00

Golf cart on course without proper authorization:
 1st citation: warning & escort from the golf course
 2nd citation: \$50.00

Golfing without proper equipment:
 1st citation: warning & escort from the golf course
 2nd citation: \$50.00

Exercising in fitness center without proper attire:
 1st citation: warning & escort from the fitness center.

Unauthorized entry and using fitness center:
 1st citation: warning & escort from the fitness center, confiscation of proxy cards.
 2nd citation: \$50.00, confiscation of proxy card.

Other violation of recreation facility rules:
 1st citation: warning letter
 2nd citation: \$50.00
 3rd citation: loss of recreation facility privileges.

SECTION 16 – ADMINISTRATION AND ENFORCEMENT

In accordance with Article 15 of the Association's CC&Rs, it is the obligation of each owner, lessee, licensee, guest, resident and occupant to comply with the provisions of the Association's Governing Documents, including these Rules & Regulations.

Failure to comply with any of these rules shall be grounds for enforcement action by the Association, as set forth in the Association's Enforcement Policy.

Enforcement of these rules will be administered by the General Manager, his designee and/or Security staff.

OUTDOOR RESORT PALM SPRINGS
ARCHITECTURE & AESTHETICS (A&A) RULES
(Restatement Adopted _____)

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SECTION 1- ARCHITECTURE & AESTHETICS (A&A) COMMITTEE

- A.** Duties of the A&A Committee: An Architectural & Aesthetic Committee is established pursuant to Article 7, Architectural and Aesthetic Control, of the Association's CC&Rs.
- B.** Committee Membership: The A&A Committee shall consist of not less than three and not more than nine members who are Owners of the Association. With the exception of the Committee Chair, members will be appointed to a three year term and may be appointed for three additional one-year terms, for a total of six consecutive years on the Committee. The Committee Chair will be appointed by the Board of Directors annually following Director elections when Officers of the Board are selected. The Board may approve requests for extended membership terms where circumstance requires continuity of knowledge, experience and work effort.
- C.** Committee Vacancies: When a Committee vacancy occurs, the A&A Committee will identify potential candidates from the general ownership giving consideration to candidates who have background, knowledge or interest in the Committee's area of responsibility. Once an individual is selected by the Committee, their name shall be submitted to the Board for approval.
- D.** Attendance at Meetings: Committee members should attend each meeting. If a Committee member misses two consecutive meetings without a reasonable excuse that member may be subject to being replaced. The General Manager and the Community Standards Coordinator will be invited to attend each Committee meeting.

SECTION 2- GENERAL

A. Size and Type of RVs Allowed in the Resort:

All Recreational Vehicles allowed in the resort must be in compliance with industry standards relating to square feet of gross area and are certified with an approved RVIA sticker and must be at least 24 feet in length. Recreational Vehicles owned prior to the date of the Restatement adoption that do not meet the minimum length requirement are grandfathered and may remain in the Resort.

B. RVs Not Allowed in the Resort

RVs with tip-outs, truck campers, cab-over campers, tent trailers, pop-up trailers, tents, van conversions, bus conversions, park models or park trailers are not allowed in the Resort. Destination trailers (also known as extended stay trailers) are also deemed park trailers based on the criteria listed below and, therefore, are not permitted within the Resort. Destination trailers (also known as extended stay trailers) are also deemed park trailers.

C. Maintenance Required (Aesthetics)

In order to maintain the high aesthetic quality of the Resort and to preserve the value of the property, all lots, RVs and landscaping must be kept neat and orderly as determined at the sole discretion of the A&A Committee or other designee of the Association as further described below.

RV's must be maintained in a first class road-worthy and well-kept condition as to both the general visual aesthetics of the RV and the specific elements of the RV listed below which are not inclusive of every element that may require repair. Any deterioration or neglect of the RV will be cited for remedial action as described in the Enforcement Procedure. By way of example and not limitation, the following elements of an RV must be repaired, replaced or restored:

1. Oxidized cladding/ fiberglass;
2. Fading paint, dents or scratches on sidewalls;
3. Obvious discoloration of exterior wall due to removal of decals;
4. Peeling, faded or deteriorated decals;
5. Peeling or deteriorated cap rails;
6. Faded, torn or missing awnings;
7. Cracked, loose or missing slide-out seals;
8. Cracked, missing or fogged windows and broken or missing seals;
9. Sagging door, rotting or failing wood, faded or deteriorated paint on front storage enclosure;

10. Sagging, deteriorating, rotting or failing steps, landings and/or ramps;
11. Broken or rotted wood or faded/deteriorated paint on skirting/lattice;
12. Road-worthy. For example, no flat or missing tires; towables are capable of being towed and self-propelled are capable of being driven.
13. RVs must be in compliance with California State laws.

In addition, remedial action will be required for the repair and/or removal of any deteriorating or unsightly personal property including, but not limited to patio furnishings of any type, vehicles, trash and/or debris, or any other personal property.

The A&A Committee or other designee of the Association will use the Inspection Criteria identified on Exhibit "F" to rate the condition of an RV in question. If an RV fails to satisfy any of the Criteria, the Owner will be required to make all identified repairs. In the event that the Owner fails to make the identified repairs, the Board of Directors may require, in its sole discretion, that the RV be permanently removed from the resort and mandate that it cannot be sold or transferred within the Resort or to a third party purchasing a Lot within the resort.

D. Inspection of RV at Time of Sale/Change of Title

1. Sale of Lot and/or RV

Upon receiving notice of the opening of escrow on a Lot, the A&A Committee or other designee of the Association will perform an inspection of the RV if it is to remain on the Lot after the sale concludes. The A&A Committee or other designee of the Association will use the Inspection Criteria identified on Exhibit "F-" to rate the condition of the RV. If an RV fails to satisfy any of the Criteria, a copy of the completed chart and a listing of the required repairs will be provided to the Owner and escrow agent. The Owner will be required to make the necessary repairs prior to the close of escrow. In the event that the Owner fails to make the necessary repairs within this timeframe, the RV must be permanently removed from the resort at the close of escrow.

2. Sale of RV Within Resort

If an Owner wants to sell an RV and the RV will remain in the resort, the Owner must provide notice to the Association of the proposed sale. Once notice is received, the A&A Committee or other designee of the Association will perform an inspection of the RV using the Inspection Criteria identified on Exhibit "F" to rate the condition of the RV. If the RV fails to satisfy any of the Criteria, a copy of the completed chart and a listing of the required repairs will be provided to the Owner. The Owner will be required to make the necessary repairs prior to sale of the RV and, in the event that the Owner fails to do so, the RV may not be sold within the resort and may be subject to removal.

SECTION 3 – RESTRICTIONS

- A. No storage enclosure of any kind may be used to surround a slide out. Lattice facades may be used to screen the sewer hook-up, utilities, and stabilizer jacks. Storage is not allowed on the driver's side of the RV if it is in view of other lots.
- B. Toy Haulers are prohibited from opening their rear doors or ramps within the Resort.
- C. Covers, Shades, Netting and Extensions to Awnings
 - 1. Shades that are manufactured to snap or fasten over RV windows are allowed.
 - 2. Partial RV covers that are manufactured to snap or fasten over portions of the RV are allowed. Netting or other protective fabric that is draped over portions of the RV are not allowed.
 - 3. Full RV covers are allowed beginning March 15 and must be removed by no later than November 15 each year.
 - 4. Drop-down extensions to awnings are allowed but must be fabricated from material that is similar in color to the awning and/or of a neutral color palette.

SECTION 4 - PERMITS REQUIRED

A. Permit Required Except for limited, routine maintenance items described below, before any improvement is done on any Lot, a permit is required to ensure that all modifications and improvements comply with the Association's Governing Documents. For purposes of this requirement, the term "Improvement" includes, without limitation, the construction, installation, alteration, removal, or remodeling of any buildings, walls, decks, fences, pools, landscaping, antennas, utility lines structures, installations and improvements of any kind. Refer to CC&Rs, Article 7.3.

B. Permit Approvals – Subject to CC&Rs, Article 7.3, it is the responsibility of the A&A Committee to approve all permit applications except that the Board can delegate to the General Manager the duty to review and make decisions on applications submitted during the summer months.

In the event a Permit Application is not approved by the A&A Committee, the Owner may appeal in writing to the Board of Directors, as provided in Article 7.9 of the CC&Rs and in Section 12 if the A&A Rules.

C. Lot Improvement Permit Application Guidelines:

1. No permit required for routine maintenance, sealing lot hardscape surface, annual bed cleaning in the Spring and replanting in the Fall, and maintenance of Palm Trees
2. Permits are required for the following lot modifications; No fee will apply to these permits, however, an inspection is required when the work is completed.
 - a. Repair of Lot Light
 - b. Repair of Fifth Wheel Enclosure
 - c. Repair of Fifth Wheel Stairs
 - d. Removal of trees, hedges or landscape material.
3. Permits are required for all other improvements subject to an established Permit Application Fee.

D. General Requirements

1. Before a permit is issued, detailed specifications and plans for all changes, including any relocation of utilities must be submitted along with the Permit for Lot Modification Application (Attached as Exhibit A to these Rules).

2. An approved permit must be posted in a visible location (on the front Washingtonian Palm) and be kept on the lot at all times during construction.
3. Any addition/deletion to an approved permit application is subject to review and approval by the A&A Committee.
4. The Owner is responsible for replacement or modification of any common Area landscaping, utilities, or irrigation components affected in the course of installing approved lot modifications. All irrigation modifications must be completed by the Association's contracted vendor for Landscape Maintenance, at owner's expense.
5. All improvements must be within the boundaries of the lot (refer to Section 11 of these rules for procedures to determine lot line boundaries.)
6. Before a permit will be issued for any change to a lot that is not in compliance with all ORPS rules, regulations, and policies, the Owner requesting the permit must agree to bring the lot into compliance as part of the modification.
7. A final inspection is required by the A&A Committee, or designee, at the completion of the approved lot modifications. Any deviation from the original approved specifications/plans will be removed at Owner's expense
8. Permits required by local authorities are the responsibility of the owner.
9. Improvements done on a lot without a permit are subject to additional permit fees.

E. City Permits

1. Improvements or Lot Modifications that entail work subject to City of Cathedral City permitting requirements, including but not limited to electrical work, plumbing work, or in connection with a retaining wall, will require applicable permit(s) from the City of Cathedral City.
2. If so, the Owner is responsible to apply for a City of Cathedral Permit which should occur following submittal of a Lot Improvement Permit Application and preliminary approval of design by the A&A Committee (as required by the City of Cathedral City).
3. Once pertinent permits have been issued by the City, the A&A Committee will approve the Lot Improvement Permit Application and authorize work to proceed. A copy of approved City permits will be provided to ORPS and maintained in the lot file.
4. Final inspection will be scheduled following receipt of a signed off permit from the City ensuring that all work has been completed according to code.

SECTION 5 – LOT MODIFICATIONS/IMPROVEMENTS

A. FIFTH WHEEL ENCLOSURES AND SKIRTS

1. Solid material, such as plywood, T-111, and rigid plastic or vinyl panels, may be used to enclose a 5th Wheel pin well. Concrete blocks no thicker than three inches (3") must be used as a footing for a water barrier between the concrete pad and the enclosure. The bottom edge of the siding material must be one inch (1") above the concrete pad. The enclosure must be readily removable and disassembled.
2. Skirting under and to the rear of the pin well may be created using lattice of wood or vinyl which has been painted, stained, or otherwise properly colored. Canvas or vinyl fabric, properly colored, may also be used. Solid material, such as plywood, is not allowed. Wheel wells may be covered with lattice or with the same materials as the front enclosure. Such enclosures must be readily removable.
3. 5th wheel pin well enclosures and skirting must be harmonious with the architectural style and color scheme of the RV.
4. The forward edge of the pin well enclosure must be positioned no further forward than six inches (6") in front of the pin hitch unless this location is behind the furthestmost protrusion of the front of the 5th wheel, in which case the forward edge of the pin well enclosure may be extended to match the furthestmost protrusion of the front of the 5th wheel. The pin well enclosure cannot be wider or higher than the pin well area.
5. Enclosures must have a top vent or vents totaling at least 48 square inches located no less than 12 inches from the top. Enclosures must also have a bottom vent or vents totaling at least 48 square inches located as close to the bottom as possible.
6. Refrigerators and Freezers that are installed in conformance to electrical codes, are allowed in the enclosure; all other appliances are prohibited.

B. STAIRS & STAIRWAYS

1. All stairs and stairways must be constructed of a solid material (wrought iron railings are permissible). Material shall be the lightest color aesthetically compatible with the RV.

2. The footprint of the landing and stairs must not exceed thirty-six (36) square feet. The design is the responsibility of the Owner and must provide for safe ingress and egress.

C. WALLS/FENCING/PET ENCLOSURES

1. No solid fence or wall shall be constructed of material of any kind, including any type of fabric, except for approved retaining walls on perimeter lots.

The construction of such a wall requires:

- a. An application for a permit
 - b. Approval by the A&A Committee
 - c. A variance granted by the Board of Directors
 - d. A permit from Cathedral City, if required.
2. Pet enclosures are subject to the following conditions:
 - a. May not exceed three feet in height, must be set back a minimum of 15 feet from the street, and are restricted to the patio side of the lot;
 - b. Must be constructed of high quality metal, in tones of black, brass, bronze or silver;
 - c. Must be temporary, removable and cannot restrict access to lot for maintenance purposes;
 - d. Must be removed if RV not occupied.
 - e. Must be aesthetically acceptable to the A&A Committee.

D. TRELLIS

1. A request for a permit to construct or install a trellis on a side lot line must include written approval of the bordering neighbors if it will extend more than one foot (1') to the rear of the utility pedestal.
2. Trellises must be white and constructed of vinyl material. Wood trellises are not allowed. They must also be continually maintained and kept structurally sound and aesthetically pleasing. They must also be constructed from one of the approved patterns which can be viewed at the Association's office.
3. A trellis must have a concrete, brick, or block border completely surrounding the structure. Maintenance of landscaping under and around the trellis is the responsibility of the Owner. Trellises may not be installed on Common Areas.
4. Trellises must not prevent ingress or egress to/from any lot.
5. Trellises can only be placed on or parallel to the side and rear lot line, set back a minimum of fifteen feet (15') from the front lot line and cannot exceed thirty-six feet

(36') in aggregate length, nor five feet (5') in height. Plants grown on a trellis shall not exceed ten feet (10') in maximum height and may not exceed five feet (5') in height without approval of the A&A Committee. (Measure Trellis from highest point to ground level of Lot.) Requests for plants grown on a trellis to exceed five feet and requests for variances from these setback and height restrictions may be requested by submittal of a Request for Variance to the A&A Committee. Neighboring owners shall be notified of the Request for Variance and given opportunity to comment before the A&A Committee shall approve and/or disapprove the Request.

E. HEDGES (A boundary formed by a dense row of shrubs or low trees selected from an approved listing of plants allowed. Ficus hedges are no longer allowed in the resort.)

1. Trees and hedges planted on a lot must not block the view from adjacent lots or overhang another lot.
2. Hedges must be set back a minimum of fifteen feet (15') from the front property line.
3. Hedges in the rear of the lot shall not in any case exceed ten feet (10') in height and may not exceed five feet (5') in height without approval by the A&A Committee
4. Hedges cannot impede access to pedestal.
5. Hedge and plant material cannot create a hazard for vehicle or pedestrian traffic.
6. Shrubs and hedges planted for the purpose of separating property lines must be maintained:
 - a. Existing hedges that are within fifteen feet (15') from the front property line shall not exceed four feet (4') in height.
 - b. The segment beginning fifteen feet (15') from the front property line and extending to the rear property line shall not exceed ten feet (10') in height and may not exceed five feet (5') in height without approval by the A&A Committee.
7. Requests for approval of shrubs and hedges to be maintained at ten feet (10') in height, or variances from setback and height restrictions of shrubs and hedges may be requested by submittal of a Request for Variance to the A&A Committee. Neighboring owners shall be notified of the Request for Variance and given opportunity to comment before the A&A Committee shall approve and/or disapprove the request.

F. GOLF NETTING OR SCREENS

1. Golf ball netting or screen can be installed only on a lot that is adjacent to the golf course, for the sole purpose of preventing stray golf balls from hitting any items on that lot.
2. Requests for a permit to install golf ball netting or screen must be approved by the A&A Committee. Neighboring owners shall be notified of the Request and given opportunity to comment before the A&A Committee shall approve and/or disapprove the Request.
3. Side and center poles must be made from a rigid material. Poles are to be painted the same color as the netting.
4. Each section of netting or screen may be up to thirteen feet (13') high and ten feet (10') wide. No more than two sections can be in place at one time.
5. Trees or plantings may be required in front of the netting for aesthetic value. No plantings will be allowed to grow on the golf screen.

G. OUTDOOR KITCHENS/BBQ BACKING

1. Specifications for Outdoor Kitchens
 - a. Design:
 - i. Kitchen must be placed on hardscape and set back a minimum of 20 feet from the road property line and a minimum of one foot from the patio side property line. Maximum height allowed is 42"; maximum height of backsplash is eight inches (8"); the maximum surface area allowed is 80 sq. ft.
 - ii. Units may include built-in extensions, barbeques, grills, and side burners. Built-in refrigerators, sinks, dishwashers and ovens are allowed but must be designed and constructed for outdoor use. All built-in cooking units must be powered by propane or electricity.
 - iii. Sinks and dishwashers must be plumbed to water source and sewer and cannot be drained or emptied onto any lot or common area.
 - iv. The placement of an Outdoor Kitchen on a lot must be approved by the A&A Committee and will take into consideration lot shape, configuration, and placed to minimize impacts on neighbors.
 - b. Requirements:
 - i. ORPS: Approved Lot Improvement Permit Application with Outdoor Kitchens Specification Sheet (Attached as Exhibit B to these rules).
 - ii. CATHEDRAL CITY: An electrical permit is required if electrical circuits do not meet required or recommended wattage for the unit. Units must include a GFCI breaker. A plumbing permit is also required when installing sinks and dishwashers.
 - iii. CONSTRUCTION:

- Units must be made of nonflammable materials such as steel studs and fire-resistant board designed for the purpose and must meet fire code specifications.
- The exterior of the unit must be of tile, stone, brick (new or used), flagstone, stucco, or other material that blends with the architecture of the community.
- Complete, detailed plans which include specifications, elevations and/or photographs must be submitted for approval.

2. BBQ Backing (If Separate from Outdoor Kitchen)

Specifications: Backing must be constructed of non-flammable materials such as brick, stone or stucco. The unit may not exceed fifty inches (50") in height, eight feet (8') in length, or be no more than one brick in thickness (4"). A thickness greater than stated to accommodate décor of Lot may be allowed subject to review and approval by the A&A Committee. BBQ backings must be supported by pilasters or other suitable support. No more than two BBQ backings will be allowed on one lot and BBQ Backings must comply with setbacks as specified under Outdoor Kitchens.

H. LOT HARDSCAPE/SOFTSCAPE REQUIREMENTS

A lot may have up to 85% of its area covered in hardscape with a minimum of 15% of its area covered in softscape and/or desertscape, as defined below.

Hardscape: Includes concrete, pavers, brick, interlocking floor tiles and/or benches. Note that allowed interlocking floor tiles should be manufactured from polypropylene, or like material (similar to the Ribtrax modular floor manufactured by Swisstrax), and installations shall be from an approved neutral color palette consisting of black, grey, brown or beige earth tones. Predominant patterns such as checker-board are not allowed, nor are installations that incorporate logos, family crests, or the like, in the pattern. Variations to the type of floor tile and color palette specified will be considered by the A&A Committee upon written request.

Softscape: Includes decorative planters and their borders, grass, artificial turf, flowers, decorative rock or other vegetation.

Desertscape: Is defined as a landscape design appropriate to a desert environment. The design should depict the desert environment in the simplest and cleanest form and incorporate natural colors, texture and placement.

I. LOT PLANTINGS

1. General Requirements

- a. Applications for a Lot Renovation Permit, and the finished work, require approval by the A&A Committee.
- b. All maintenance of flower beds, shrubs, hedges, and trees planted on a lot is the responsibility of the Owner at all times, that is, twelve months a year. All owners are required to make arrangements for keeping these areas neat, orderly, and weed free at all times.
- c. Flowerbeds and hedges must be enclosed by hard surface borders, such as concrete, brick, or stone, which function as mowing strips. Wood or plastic border material is not allowed. The Association will not be responsible for damages to unprotected plantings damaged by mowing or trimming.
- d. An Owner who no longer wishes to maintain flower beds or other planting areas (adjacent to grass areas) may apply to the A&A Committee to have these areas converted to grass and maintained by the Association. However, if approved, said conversion to grass will be at Owner's expense and Owner will have to remove all borders, flowers and plantings at Owner's expense.
- e. Weed killers should not be used around palm trees.

2. Artificial Turf

- a. Artificial turf is allowed on individual lots subject to a completed, approved Permit for Installation of Artificial Turf. Permit fee is \$25.00.
- b. Artificial turf counts toward the 15% softscape requirement for individual lots.
- c. In order to insure consistency and to control for quality, style, and color of artificial turf, all Artificial Turf installations must be by a specified vendor with a product approved by the A&A Committee and identified at time of permit application. No other products or vendors will be allowed.
- d. Artificial turf installations that show signs of wear, discoloration, or failure of any type, as determined by the A&A Committee, must be replaced at owner's expense.
- e. Regarding the installation of artificial turf:
 - i. Artificial turf will not be allowed in the common area.
 - ii. An eight inch (8") brick or concrete border, reinforced with two #3 rebar, will be required whenever artificial turf abuts common area grass;
 - iii. In no case can the corridor that lies between two lots be installed ½ in artificial turf and ½ in natural grass and no brick or concrete borders to divide the two treatments will be allowed. Whenever one owner wishes to install artificial turf in this area, the permission of the neighboring owners must be received. Additionally, future maintenance shall be the responsibility of each lot owner.
 - iv. It is recognized that some lots may not be suitable for artificial turf installation, such as in cases where the transition from artificial turf to common area would be unacceptable, or in cases where a neighbor's permission is not received. The A&A Committee will consider these factors before approving the Permit for Installation of Artificial Turf.

3. Desertscape

The use of Desertscape is encouraged on individual lots within the resort subject to a completed, approved Permit for Lot Modification Including Installation of Desertscape.

J. LIGHTING – LOT NUMBER ILLUMINATION

1. Illuminated lot number fixtures must be operative throughout the year. Turning off electricity at the meter box when the lot is unoccupied is not allowed. The Association must have access to the meter box at all times; if the meter box is locked, the key must be left with security.
2. All lot number light fixtures must be on a light sensor-controlled device. This light sensor will be maintained by the Association.
3. The Association is responsible for replacement of light bulbs in lot number light fixtures. The design and construction of replacement and/or modified lot lights must allow easy access to the light bulb. If a modified or replacement lot light does not accommodate light bulbs used by the Association, the owner will be responsible for light bulb replacements. Additionally, if the Association's employees are not able to easily access the light bulb due to circumstances including but not limited to: heavy weighted caps, plants, pots, or other materials on top of the structure, etc., the owner will be responsible for light bulb replacements for the lot number light.
4. In order to improve lot identification for safety and emergency service response:
 - a. When hardscape changes are made to a lot, the Owner must arrange for the lot number light fixture to be relocated as set forth below in 5.4.b, and replaced if necessary. Any replacement fixture must be approved by the A&A Committee.
 - b. The lot number light fixture must be on the left side of the lot, viewed from street, no more than six feet (6') from the street, facing the street and illuminated by a standard 110 volt, 25 watt bulb or the equivalent. No low voltage lighting is permitted. The design must allow for easy access to the bulb.
5. Illumination from outdoor lighting shall not unreasonably disturb any Owner's or tenant's enjoyment of his or her lot or the common area. Without limiting the foregoing, the following standards are set:
 - a. Sodium and Mercury vapor lamps are prohibited.
 - b. Security lighting shall not be triggered by activities from adjoining properties.
 - c. Any owner having a lighting grievance may submit a request to the A&A Committee for determination. Any decision by the A&A Committee may be

appealed to the Board and the decision of the Board shall be final. Management shall be responsible for enforcement per the Enforcement Procedures.

K. SHADE STRUCTURES

Shade structures are allowed within Outdoor Resort Palm Springs, upon submission of an Application for Shade Structure (attached as Exhibit H to these Rules and incorporated herein) and approval as to design, installation method and placement of the shade structure on the lot. General requirements are as follows:

1. One shade structure per lot, not to exceed 120 sq. ft.
2. Must be secured to hardscape and in accordance with manufacturer's specifications.
3. Must be set-back from the street property line a minimum of 20 feet, or more as determined by the A&A Committee.
4. Shade structure canopy must be fabric (Sunbrella or similar fabric) and designed for removal in the summer or in high wind events; no metal or hard roof structures are allowed.
5. Only light, earth-tone colors are allowed.
6. Side-curtains can only be used on a temporary basis to provide protection from the elements. Side curtains are not intended to create an outdoor room. Non-compliance with this provision may result in removal of the shade structure and/or other remedies as provided in the Association's Enforcement Policy.
7. Approval of shade structure placement on a lot will take into consideration lot shape, location, proximity to common areas and the golf course, and placed to minimize impacts on neighbors (i.e., interfere with views and/or privacy).

SECTION 6 – PATIO FURNISHINGS

- A. All furnishings left on an unoccupied lot must be neatly grouped together. A single collapsible framed covering not to exceed 10.5 feet square and 4.5 feet high may be placed over these furnishings. The covering material must be heavy-duty canvas, vinyl or leather in light earth-tone colors.
- B. Golf cart and/or automobile covers must be kept in good condition and neatly secured. These covers must be heavy-duty canvas, vinyl or leather in light earth-tone colors.
- C. Fire Pits. All fire pits, chimineas and other similar outdoor equipment as permitted by the Association must be fueled by electricity or propane. Wood, wood product fires and charcoal are not permitted.
- D. Deck Boxes: Up to two portable deck boxes of identical dimension and color may be placed on one lot. Deck boxes may not exceed thirty inches (30") in height, with a maximum capacity of 150 gallons, must be in earth tones and commercially made of high density polyethylene for UV protected outdoor use. Plastic totes, stackable storage containers and homemade boxes are not allowed. Deck boxes should be located to the rear of a lot, or placed in a location that is screened from street view to the extent possible.

SECTION 7 – SATELLITE DISH REQUIREMENTS

- A. Definitions – The term “satellite dish” as used within these A&A Rules shall include all direct broadcast satellite dishes, fixed or portable, and television or other aerial, antenna, dish, tower, or other signal receiving/transmitting structure. Satellite dishes that exceed a diameter or diagonal measurement of 39.6 inches are not allowed.
- B. Satellite Dish Placement and Mounting
1. Satellite dishes, fixed or portable, shall be mounted on the roof or ladder of the RV and shall not be mounted on the ground or any other part of the lot, unless reception cannot adequately be received.
 2. Installations not mounted as per above because of reception issues must be sited in the least obtrusive location possible and be approved by The A&A Committee. Requests must be submitted using the Satellite Dish Siting Form, attached as Exhibit C to the A&A Rules.
 3. No more than two satellite dishes are allowed to be sited on a lot.
 4. Regardless of how mounted, installation shall be accomplished by a qualified person who is knowledgeable about the proper installation of satellite dishes and antennas and have a professional look when installed.
 5. Installation shall be made in accordance with applicable building, fire, electrical and related codes. A permit shall be obtained if required by the local jurisdiction.
- C. Owner/Applicant Responsibility
1. Owner/applicant shall be responsible for the maintenance, repair and replacement of any satellite dish installation and shall be required to repaint, if for any reason the exterior surface of the antenna becomes worn or deteriorated.
 2. Owner/Applicant shall be responsible for any damage to any and all real or personal property or for any injury resulting from the installation of the satellite dish and/or its continued use or maintenance.

SECTION 8 – UTILITIES

- A. If it is necessary to remove concrete, other than the original slab, for relocation or repair of utilities or irrigation components, the Owner will be responsible for removal and replacement.
- B. Electricity - The electric panel is the sole responsibility of the Owner.
- C. Water
 - 1. The Association is responsible for maintenance of the original piping installed by the developer for conveyance of potable water to all sites and common areas. Maintenance of any piping modified or added to accommodate lot revisions requested by the Owner is the responsibility of the Owner.
 - 2. The Association is responsible for maintenance and/or replacement of all pipes that provide irrigation water to all sites and common areas. Maintenance of any piping modified or added to accommodate lot modifications requested by an Owner is the responsibility of the Owner.
 - 3. Repair/replacement of water faucets is the responsibility of the Owner. Arrangements must be made with management to have the water shut off.
 - 4. Potable water may not be used for irrigation or sprinkler systems.
- D. Telephone and Telephone Cable - Any modification or improvement to a lot that would impact telephone and or telephone cable service should be coordinated with the telephone and cable service providers through the General Manager's Office.

SECTION 9 – SIGNS

- A. Up to two signs per lot may be displayed on one stake: One ORPS Rental sign and/or one Lot For Sale Sign. Each sign will be sized as required under Section 13.B (9" high by 12" wide), affixed to one stake, and bunted next to each other (one on top of the other) to give the appearance of one sign. All other requirements of this section apply. (CC&Rs, Article VI, Section 7)
- B. Sign requirements:
 - 1. Official signs, purchased from the association, must be used.
 - 2. Signs must be made with a beige background and dark green letters.
 - 3. The allowed size is 9 inches by 12 inches.
 - 4. Signs must have spaces for a telephone number and lot number only.
- C. Sign placement
 - 1. A sign must be attached to a stake, unless it is placed in/on a vehicle.
 - 2. Signs must be placed at the front of the lot between the street and the palm tree, or in/on a vehicle.
 - 3. Maximum height from the ground to the top of the sign can be no higher than 30".
 - 4. Signs may not be fastened to a tree.
- D. Signs cannot be placed on any lot for any commercial purpose.
- E. Signs for Resort Activities

Resort-supported activities include: Onsite café/restaurant, beauty salon, convenience store, espresso/snack bar, bingo, and/or or real estate.

Resort-sponsored activities include: Meetings of the Board of Directors, Townhall Meetings, Committee Meetings, Special Events and/or Activities such as Movie Night, Happy Hour, Concerts in the Park, etc.

The General Manager shall approve all requests for signage for resort-supported and resort-sponsored activities within the Resort to ensure they are in compliance with standardized criteria as approved by the General Manager. The General Manager shall also approve the location and placement of signs to ensure their placement does not impede traffic or pedestrian movement, pose a safety hazard, and to control the number of signs at any one location.

Signage for resort-sponsored activities must be removed immediately after the event has occurred.

SECTION 10 - RV PLACEMENT ON LOTS

- A. When the slides are fully extended, the RV must be at least two feet (2') from the property line on the driver's side, with no part of the unit extending over natural grass and/or past the sewer outlet.
- B. Rear Property Line Setbacks:
 - 1. RVs on interior lots can be placed no closer than three feet from the rear property line.
 - 2. RVs on Common Area lots (including the golf course) can be placed at least six inches (6") from the back edge of the concrete pad without regard to the location of the rear property line.
- C. No portion of the RV, including tow bars and bike racks, may extend beyond the edge of the concrete pad.
- D. With awnings extended, there must be at least ten feet (10') between RVs, awning to awning.
- E. To assist with rig placement, a Rig Placement on Lot Form (attached as Exhibit "G" to these rules and incorporated herein) must be acknowledged by the RV owner and a copy maintained in Lot file.

SECTION 11 – PROCEDURES FOR ADDRESSING LOT LINE DISPUTES DURING THE LAND MODIFICATION PROCESS

- A. Unless it is apparent that the actual occupancy line (existence of actual improvements) has been utilized by the adjoining lot owners on a long term basis, the existing pins/monuments shall be utilized in the event of any lot line boundary disputes. In the event there are no pins or monuments that establish or set forth the boundary lines between Lots, the parties may hire a surveyor to determine the Lot lines or may utilize the procedure set forth below.
- B. Where no pins/monuments exist, or where there is a dispute between owners, the parties are urged to hire a land surveyor to determine the Lot Line boundaries. If a land surveyor is not hired, the parties may utilize the procedures outlined herein to resolve the dispute. The parties may also ask the A&A Committee for an opinion on the matter. It should be noted that the members of the A&A Committee are volunteers and are neither professional engineers nor land surveyors. The members of the A&A Committee will not perform any land surveying and their recommendations are advisory in nature and not official or binding. The procedures follow:
 - 1. Primary consideration shall be given to the actual occupancy lines currently being utilized by the adjoining owners on both sides of the lot in question. Historical records and procedures can be reviewed on the lots in question to assist in making this determination. Except for some corner lots and some other exceptions, most lots at ORPS are approximately 35 feet wide. A three foot measurement from the original concrete pads was historically used to assist in determining lot lines. The owners can request assistance from the A&A Committee at this stage.
 - 2. If this preliminary assessment of the lot boundary lines does not result in resolution, the owners of the lots must hire a licensed engineer or land surveyor to determine the actual boundary line of the lots.
- C. No work on the improvement or modification on the applicant's lot can commence until the A&A Committee has received confirmation from the parties that the dispute has been resolved or the A&A Committee receives a survey from a licensed surveyor. Until such time as this information is received, the application will be denied.
- D. In the event that both parties in the lot boundary dispute hire a licensed engineer or land surveyor and can still not agree on said boundaries, the owners have a right to litigate the lot line disputes in court. Should this occur and a decision be made by the court, the decision shall be final and binding on the litigants and ORPS.

SECTION 12 – VARIANCES AND RIGHTS OF APPEAL

A. VARIANCES:

The A&A Committee will consider requests to allow reasonable variances with respect to these rules in order to overcome practical difficulties, avoid unnecessary hardships, under guidelines as specified in Section 7.6 of the Association's CC&Rs.

Requests for Variances to the Architectural and Aesthetic (A&A) Rules must be submitted using the Request for Variance form, included as Exhibit D to these Rules.

B. RIGHTS OF APPEAL:

In the event plans and specifications submitted to the A&A Committee are disapproved or if a Request for Variance is denied by the A&A Committee, the Owner may appeal in writing to the Board using the Request for Appeal of A&A Committee Determination Form attached as Exhibit E to these Rules.

A Request for Appeal of A&A Committee Determination (Exhibit E) must be submitted to the Board within 45 days following the decision of the A&A Committee. The Board shall hold an open meeting to consider the appeal and make a decision regarding the appeal within 45 days of receipt of the Request for Appeal. The Board's decision shall be final. Failure of the Board to render a decision within the 45 day period shall be deemed a decision in favor of the owner.

SECTION 13 - GENERAL MANAGER APPROVAL

- A. Notwithstanding anything contained herein to the contrary, the Architectural and Aesthetic Committee may designate and allow the General Manager to approve plans and specifications that relate to customary matters for which clear A&A rules, guidelines and/or policies have been established, (and in which there is no boundary line dispute) when the A&A Committee is absent. The Committee must notify the Board and the General Manager in writing when the Committee will be absent.
- B. In lieu of the A&A Committee during the summer months, the General Manager shall have the authority to determine whether lots are being maintained and, if not, to start action to enforce the Association's governing documents subject to any hearing requirements contained within the Association's Enforcement Procedure.

SECTION 14 – ENFORCEMENT AND ADMINISTRATION

In accordance with Article 15 of the Association's CC&Rs, it is the obligation of each owner, lessee, licensee, guest, resident and occupant to comply with the provisions of the Association's Governing Documents, including these Architecture & Aesthetics (A&A) Rules.

Failure to comply with any of these rules shall be grounds for enforcement action by the Association, as set forth in the Association's Enforcement Policy.

Enforcement of these rules will be administered by the General Manager, his designee and/or Security staff.

RESTATED ARCHITECTURE & AESTHETICS (A&A) RULES

The Board of Directors conducted a thorough review of the Architecture & Aesthetics Rules, Rules and Regulations, and Policies, to ensure conformance to the newly adopted Restated CC&Rs and Bylaws, and to generally reorganize, update, and clarify existing rules where necessary. In some cases, previous sections were combined and/or reordered.

The below outline identifies the significant changes to existing A&A Rules that are being proposed in the Restatement.

ARCHITECTURE & AESTHETICS RULES		
Section	Proposed Rule Change – Restatement	Current Rule – Existing
1 – A&A Committee	New Section to delineate the duties and membership (including appointments, terms, and vacancies) of the A&A Committee	No Rule (Previously in the CC&Rs; Restated CC&Rs eliminated and referred to Rules)
2.A - Size & Type of RV allowed in the Resort	Establishes a Minimum Length of 24 feet for RVs allowed in the Resort . RVs that do not meet the minimum length requirement and are owned prior to date of Restatement adoption are grandfathered.	No Minimum Length
2.B - RVs Not Allowed in the Resort	Conforms to CC&Rs.	
2 - General	Deletes Seasonal Decorations; moved to Policies	
3. - Restrictions	Eliminates language on vertical supports; no longer applicable. Specifies that Toy Haulers may not open their rear doors or ramps within the Resort Deletes Restriction of RVs with tip-outs; covered in Section 2.B Eliminates restriction on vertical drop of extensions to awnings	Moved from Policies Vertical drop of extensions to awnings restricted to no more than two feet.
4 – Permits Required	New Section that reorganizes and clarifies rules and processes relating to permits for lot modifications. No change from current policy or practice.	

ARCHITECTURE & AESTHETICS RULES

Section	Proposed Rule Change – Restatement	Current Rule – Existing
5 – Lot Modifications	Reorganized to group all lot modifications in one section	
5 .A - 5th Wheel Enclosures & Skirts	Deletes statement that removal of pin and/or pin holders from the 5 th wheel is prohibited. Allows refrigerators and freezers in the 5 th Wheel Enclosure	Appliances were not allowed in 5 th Wheel Enclosure
5.C – Walls/Fencing/ Pet Enclosures	Adds new section on fencing and includes requirements for Pet Enclosures	No rules on Pet Enclosures
5.D – Trellis	A&A Approval required for plants grown on a trellis to exceed 5' in height, with notice and opportunity to comment to adjacent owners.	Required consent of the owners of adjacent lots with consent not binding on a new owner.
5.E - Hedges	Specifies Ficus hedges not allowed Requires setback of 15' from front property line Hedges cannot impede access to pedestal Hedges cannot create a hazard for vehicle or pedestrian traffic A&A approval required for hedges to exceed five feet with notice and opportunity to comment to adjacent owners.	Silent Silent Silent Silent Required consent of the owners of adjacent lots with consent not binding on a new owner.
5.F – Golf Netting	A&A approval required with notice and opportunity to comment to adjacent owners.	Required consent of owners of adjacent lots with consent not binding on a new owner
5.G – Outdoor Kitchens	Requires Outdoor Kitchen Specification Sheet as part of the Lot Modification Permit Form and adopts form as an Exhibit to Rules	Outdoor Kitchen Specification Sheet not included.
5.I – Common Area Plantings & Lot Plantings	Deletes Common Area Plantings as plantings are NOT allowed in the Common Area per Board Resolution	Included requirements for Common Area Plantings.
5.J – Lighting	Specifies that owners will be responsible for lot light bulb replacement when a replaced or modified lot light does not accommodate light bulbs used by the	Specified the Association was responsible for replacement of light bulbs in lot number light fixtures with no exception.

ARCHITECTURE & AESTHETICS RULES

Section	Proposed Rule Change – Restatement	Current Rule – Existing
	Association or if the light bulb is not easily accessible by Association employees.	
5.K – Shade Structure	New rule that allows Shade Structures within the Resort	Shade Structures not allowed
8. - Utilities	Rewrites Telephone Service and Television Cable information to conform to current practice.	Rule confusing and inaccurate
9 - Signs	Places responsibility for management of signs for resort-supported and resort-sponsored activities and the development of standardized criteria with the General Manager	Authority either unstated or assigned to the A&A Committee
10 – RV Placement on Lot	Clarifies language; requires a Rig Placement on Lot Form to be acknowledged by the RV owner and a copy maintained in the lot file. Form adopted as Exhibit to Rules.	Rig Placement on Lot Form not included.
12 – Variances and Appeals	New Section on Procedures to Request a Variance to the Rules and/or Appeal a decision of the A&A Committee	Language included in various sections.
14 – Enforcement and Administration	New Section setting forth owner’s obligation to comply with rules and that the GM, or designee, is responsible for enforcement.	No rule. Language included in various sections.
EXHIBITS	Renumbered	
Exhibit B	New Exhibit – Outdoor Kitchen Specification Sheet	Not in Rules
Exhibit G	New Exhibit – Illustration of Rig Placement on Lot for RV owners to acknowledge	Not in Rules
Exhibit H	New Exhibit - Application for Shade Structure	Not in Rules