



Lake of the Pines Association Policies & Procedures

This policy is not an Operating Rule as defined in the Davis-Stirling Common Interest Development Act.

Home Business or Occupation

A. General

The Covenants, Conditions and Restrictions (CC&R's) of Lake of the Pines stipulate that lots shall be used for residential purposes only (CC&R's, Article VIII, Section 4). However, the CC&R's (Article VIII, Section 12) also provide that variances may be granted by the Environmental Control Committee (ECC).

It shall be the policy of the Association and of the ECC to permit home businesses or occupations as a revokable privilege only if they are carried out in such manner as does not clearly violate the letter and spirit of the Association's governing documents or any other governmental requirements.

Application must be submitted to and approved by the Environmental Control Committee.

Our governing documents were established for the benefit of all lot owners for the purpose of enhancing and protecting the value, desirability and attractiveness of the properties; therefore, the Association has established the Guidelines listed below:

B. Guidelines

Home business or occupations will be permitted as a revokable privilege so long as the person(s) involved comply with all of the Association Governing Documents and applicable law.

C. Enforcement

Any complaints or violations will be investigated by the E.C. Department and a written directive will be issued to the person(s) responsible for the home business or occupation advising that correction must be made within a specified period of time. The directive will also include a warning regarding any future complaints or violations.

- 23 -

Should the person(s) involved fail to comply with the directive or should a person(s) cause a second complaint or violation, the matter will be referred to the General Manager for further handling. Established Association procedures could ultimately result in revocation of home business or occupation privilege, fine or any other action deemed appropriate.



Lake of the Pines Association Policies & Procedures

If a tenant's home business or occupation activity results in a violation or creates a reason for a complaint, both the tenant and lot owner will be responsible and subject to any action required.

D. Definition:

A home occupation shall be defined as any commercial activity conducted totally within a dwelling unit, or accessory building provided that:

1. No person other than a resident of the property shall be engaged in any home occupation conducted thereon.
2. The use of the property for any home occupation shall be clearly incidental and subordinate to its use for residential purposes and shall be contained entirely within any one building located on the property; and further provided that not more than 25% of the floor area of the dwelling unit nor more than 400 square feet of the floor area, whichever is greater, shall be used in conducting any such home occupation, nor shall any home occupation be conducted in more than one accessory building, the use thereof which shall not exceed 1,000 square feet.
3. There shall be no change in the outside appearance of the building or the premises or other visible evidence of the conduct of any such home occupation (including but not limited to the storage of material and/or equipment outside of any building).
4. Any business, trade, occupation or other commercial activity, which customarily depends on customer traffic shall not be deemed to be a home occupation; provided, however, a home occupation permit may be granted for such commercial activities, providing that the hours of operation thereof are limited to a maximum of five hours during any normal

- 23A -

working day and does not generate more than six business related vehicular trips in any single day. Gate entry for Home Business related guests is the same as any other guest.

5. No equipment or process shall be used in such home occupation which creates vibration, glare, fumes, odors or electrical interference detectable off the premises and no equipment or process shall be used which creates visual or audible interference in any radio or television receivers off the premises or causes fluctuations in line wire voltage off the premises.
6. No equipment or process shall be used in any such home occupation which creates noise in excess of 55 decibels measured at any property line. (Any noise level measurement made pursuant to this section shall be measured with a sound level meter using the A-weighted scale, and the "slow" response pursuant to the manufacturer's instruction).
7. A permit shall be required for all home occupations and the permit shall be renewed annually at a cost of \$25.00. The permit shall be issued by the Environmental Control Committee for all home occupations which meet the above criteria. Applications for home occupation permits



Lake of the Pines Association Policies & Procedures

shall contain a statement of fact as to how the applicant intends to operate the home occupation and a brief description thereof Said statement shall then restrict the use as described within the application. A reasonable fee may be collected for the issuance of said home occupation permit, said fee shall be established pursuant to the latest adopted resolution of Lake of the Pines Board of Directors.

8. The Environmental Control Committee may solicit from neighbors within a reasonable distance a statement indicating approval and take comments from neighbors in consideration in deciding whether or not to grant a home occupation permit.