

## Exhibit B

### TDA Covenants and Restrictions - Excerpts from,

#### Article V. Environmental and Architectural Regulation

##### Section 1. Environmental Control Committee Approval of Improvements.

(a) Approval Generally. Before commencing construction or installation of any Improvement (as defined in Article I, section 20 hereof) on any Separate Interest within the Properties, the Owner planning such Improvement must submit a written request for approval to the Association's Environmental Control Committee. The Owner's request shall include structural plans, specifications and plot plans satisfying the requirements of the Environmental Control Committee Rules (see section 5 below). Although the initial application for approval must be signed by the Owner, the application can designate an individual as the Owner's representative and agent for subsequent processing and review of the proposed project by the Environmental Control Committee. Unless the Committee's approval of the proposal is first obtained, no work on the Improvement shall be undertaken. The Committee shall base its decision to approve, disapprove or conditionally approve any proposed Improvement on the criteria described in section 6 of this Article.

Section 6. Basis for Approval of Improvements. When a proposed work of Improvement is submitted to the Environmental Control Committee for review, the Committee shall grant the requested approval only if the Committee, in its sole discretion, finds that all of the following provisions have been satisfied:

(a) The Owner's plans and specifications: (i) conform to this Declaration and to the ECC Rules in effect at the time such plans are submitted to the Committee; (ii) will result in the construction of an Improvement that is in harmony with the external design of other structures and/or landscaping within the Properties; and (iii) will not interfere with the reasonable enjoyment of any other Lot Owner of his or her property, including, without limitation, the other Owner's rights to scenic and solar access free of unreasonable obstructions; and

(b) The proposed Improvement(s), if approved, will otherwise be consistent with the architectural and aesthetic standards prevailing within the Properties and with the overall plan and scheme of development of the Properties and the purposes of this Declaration.

While it is recognized that the Committee's determination to approve or disapprove an Improvement will, of necessity, be subjective to some degree, the members of the Committee shall act reasonably and in good faith. Factors commonly considered by the Committee in reviewing proposed Improvements include the quality of workmanship and materials proposed for the Improvement project, the harmony of the proposed Improvement's exterior design, finish materials and color with that of other existing structures, and the proposed location of the Improvement in

relation to existing topography, finished grade elevations, roads, Common Areas and other structures.

The Committee shall be entitled to determine that a proposed Improvement or component thereof is unacceptable in the context of a particular Lot, even if the same or a similar Improvement/component has previously been approved for use at another location or locations within the Properties. Factors which may cause the Committee to reject a proposal which was previously approved at another site include: poor drainage, unique topography, visibility from roads, Common Areas or other Lots or prior adverse experience with the product or design of the proposed Improvement or any component thereof.

The Committee shall have no jurisdiction with respect to the interior portions of any Improvement or Structure unless some portion of the proposed interior will have a direct and material adverse impact on the exterior components of the improvement (such as the design of the superstructure for roofs or load-bearing walls).

**Section 8. Variances.** The Environmental Control Committee shall be entitled to allow reasonable variances in any procedures specified in this Article, the ECC Rules, the minimum construction standards specified in Article VI or in any land use restrictions specified in Article VIII in order to overcome practical difficulties, avoid unnecessary expense or prevent unnecessary hardship to Owner-applicants. Before a variance can be granted, however, all of the following conditions must be met:

(a) If the requested variance will necessitate deviation from, or modification of, a property use restriction that would otherwise be applicable under this Declaration, the Committee must conduct a public hearing on the proposed variance after giving prior written notice to the Board and to any Owner of a Separate Interest located within 500 feet of the Separate Interest affected by the variance.

(b) The Committee must make a good faith written determination that issuance of the variance will be consistent with either of the following criteria: (i) the requested variance will not constitute a material deviation from any restriction contained herein or that the proposal allows the objectives of the violated requirement(s) to be substantially achieved despite noncompliance; or (ii) the variance relates to a requirement land use restriction or minimum construction standard otherwise applicable hereunder that is unnecessary or burdensome under the circumstances. No variance will be granted if the ECC concludes that the request, if granted, will result in a material detriment, or create an unreasonable nuisance with respect, to any portion of the Properties.

#### **Article VI Minimum Construction Standards**

Unless a variance is requested from, and granted by, the Environmental Control Committee in accordance with Article V, section 8, hereof, improvements constructed on any Lot shall conform to the following minimum construction standards:

**Section 1. Minimum Construction Standards Applicable to All Lots.**

(a) **Setback Lines.** All improvements shall be constructed in accordance with applicable building line and setback provisions of applicable zoning ordinances, in compliance with all laws, and in compliance with all setback requirements prescribed herein.

**Section 2. Minimum Construction Standards -- Residential Lots.**

(c) **Set Back Lines.** No structure or improvement (other than a fence for which a permit has been granted by the Environmental Control Committee) shall be constructed, erected, placed or maintained upon any Residential Lot within the following prescribed set back areas:

(i) A front yard set back area, the minimum depth of which shall be at least 20 feet measured from the front lot line of such Lot.

(ii) A side yard set back area, the minimum width of which shall be ten feet along any single inner side lot line of such Lot. The ten foot side yard set back is required in order to avoid snow shedding from the Residence onto the adjacent Lot and to prevent a row house appearance of adjoining Residences. The Committee shall be entitled to permit exceptions to this side yard set back requirement to a minimum of five feet, without compliance with the variance procedures specified in article V, section 8, when such is deemed necessary to accommodate special circumstances which would otherwise lead to burdensome costs to the Owner. Side yard set backs shall be measured from the eave of the Residence's roof, rather than from the foundation.

(iii) A rear yard, the minimum depth of which, having an area equal to at least 20 percent of the gross area of such Lot. The resulting depth shall not in any case be less than 25 feet.

**Article IX Easements**

**Section 1. Utility Easements.** Easements for installation and maintenance of utilities and drainage facilities are shown on the Subdivision Maps. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may change or interfere with the installation and maintenance of utilities, or which may damage, interfere or change the direction of flow of drainage facilities in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, or, if in a Common Area by the Association, except for those improvements for which a public authority or utility company is responsible.

**Architectural Standards Rules, Procedures and Restrictions for Land Use – Excerpts from,**

**II. PLAN SUBMITTAL REQUIREMENTS**

- A. GENERAL: Before any owner may proceed with any alteration to his lot or an existing structure, the ASC must review and approve the plans and specifications, and issue an ASC permit. (As provided in the C&Rs, Article V, Section 1a)

### III. SPECIFIC BUILDING REQUIREMENTS

B. SETBACKS: No structure or improvement shall be constructed, erected, placed or maintained within setback areas. The following are setback requirements which must be observed when positioning structures on the lot.

- 1) FRONT SETBACK: A minimum 20' setback from the property lines on all street side(s) of the property. On some parcels, the ASC may require the setback to be greater than 20' to be compatible with houses on adjacent lots.
- 2) SIDE SETBACK: A minimum 10' setback from the side property lines to the nearest eaveline of the roof. The ASC will consider exceptions on a case-by-case basis.
- 3) REAR YARD SETBACK: Running parallel to the rear lot line, a minimum setback equal to 20% of the gross area of the lot is required, but in no event shall the minimum setback depth be less than 25'. An exception is made for a corner lot when the setback may be in alignment with adjacent lot(s) or a triangular lot that may also have the rear setback in alignment to the adjacent lots.

The rear yard setback is intended to be preserved as a greenbelt area. This will be considered in reviewing applications for permits to remove trees in this area.

The owner is exclusively responsible for identification of property boundaries, easements, and setbacks. Neither the Association nor the ASC has any responsibility to certify that any improvement, structure or activity does not encroach upon any easement, setback, or adjacent property line.

E. EASEMENTS: Any access, recreational, drainage, public utility or slope easement must be shown. No portion of a structure may extend into or over any easement.

In approving plans for improvements on lots affected by access easements, it is not the responsibility of the ASC to verify that the location of any existing access road conforms to the location shown on the recorded subdivision map or is as described on any deed; nor shall ASC confirm whether the public roadway is constructed within the Town right-of-way. It is not the responsibility of the ASC to survey or otherwise confirm the appropriate location of any roadways or easements.

Owners of lots with such easements may use them for ingress or egress to the public roadway, provided that such use does not interfere with use by adjacent Owners entitled to use the easement. 11

Driveways installed on said easements must comply with grade requirements of the Town of Truckee. Installation and maintenance of such access driveways are the responsibility of the Owners. It is also the responsibility of Owners to establish terms for use of the easement.

Public Utility Easements - "PUE" Each property has utility easements which are rights-of-way for electrical, water, gas, sewer and drainage lines. The PUEs generally consist of 10' at the front of the property parallel to the road lines and 5' along and parallel to the rear and side lot lines. Units 1 through 7 still retain the original 8' PUEs and these are so noted on our maps. No structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of the utilities, or damage, interfere with or change the direction of flow of drainage facilities.

## XII. VARIANCES

The C&Rs grant to the ASC the power to allow reasonable variances in order to overcome practical difficulties and to prevent unnecessary hardships, provided that the variance will not be materially detrimental to adjacent properties or Tahoe Donner, in general.

Any application for a variance from any provision of the C&Rs or any AS Rule must specifically explain the reason that the applicant's property is rendered less usable by application of the Rule or restriction than similar lots in Tahoe Donner, and how and why a variance would alleviate that impact. Applicants should familiarize themselves with the bases for such variances as described in the C&Rs.

Owners of properties within a 500' radius of the applicant's property will be notified of the pending variance application and of the date of the ASC Hearing scheduled for its consideration. All costs incurred by ASC in responding to the application will be borne by the applicant as per the current ASC schedule. As each request is considered individually, a variance granted to one owner shall not be considered a precedent for other such requests, nor shall the granting of any variance be deemed a waiver of the provision from which the variance is granted.

If an Owner requests a setback variance which will require the removal of trees that would not otherwise need to be removed, special mitigation measures may be required in conjunction with the granting of the variance, such as:

For every inch of tree diameter removed, trees which will equal the total diameter removed must be planted and maintained in a nearby location. For example, if two trees totaling 15" in diameter are removed, these may be replaced with five 3" trees.

Any variance granted by the ASC will expire if the action or work for which the variance was requested and granted is not commenced within one (1) year from the date of approval.

Any variance obtained from the ASC will not relieve the Owner from the necessity of obtaining a variance from the Town of Truckee or other agencies, if applicable.