

Chapter Seven

Administration

These Design Guidelines are intended to ensure that the character, values, and vision embodied in the master plan for the Custom-Home Neighborhoods of Covenant Hills will be protected for the long term, and that every Custom Home will be developed to reinforce and enhance the overall character of Covenant Hills. Homeowners are encouraged

to design and construct homes that express the Homeowner's taste and complement the other homes in the community in a harmonious composition reminiscent of the classic communities of Southern California. The administrative oversight and reviews set forth in this chapter are intended to ensure that this goal is achieved.

The following sections describe the type of improvements that require design review, the design review process, the various submittals and approvals that are required, the various persons and professionals involved in building a Custom Home within Covenant Hills.

TEAM MEMBERS

Architect

A person trained and experienced in the design and construction of buildings and licensed to engage in the profession of architecture. Usually, the architect is the key professional who coordinates the work of the consultants (see below) and observes construction, with both activities critical to maintaining consistent design vision.

Landscape Architect

A person trained and experienced in the design and creation of landscapes and licensed to engage in the profession of landscape design. Frequently, the Landscape Architect will collaborate with the architect on, or personally create, the design of site structures, paving, water features, etc.

Geotechnical Engineer(s)

A person trained, experienced, and licensed in the exploration of geotechnical conditions. On residential projects, usually a soils engineer will provide a soils report and a geologist will provide a geology report.

Civil Engineer

A person trained, experienced, and licensed in the profession of civil engineering. On residential projects, the civil engineer's involvement is usually limited to drainage design, grading plans, and surveying.

Structural Engineer

A person trained and experienced in the design of structures and licensed to engage in the profession of structural engineering. Usually, the structural engineer will collaborate with the architect, calculate the structural loads, and create the structural drawings.

Interior Designer

A person trained and experienced in the design of interiors. Although not licensed, many are certified by professional societies of interior designers.

Energy Consultant

A person trained and experienced in issues of energy use, frequently a licensed mechanical engineer. On residential projects in California, an energy consultant will prepare an energy report (per Title 24), with particular attention to construction assemblies, windows and doors, and their effects on heat loss and heat gain.

General Contractor

A trained, experienced and licensed person or organization that contracts directly with an owner to supply all work and materials, and manage and supervise all activity on a construction project, including all work performed by subcontractors.

7.1 APPLICABILITY

These Design Guidelines are primarily concerned with the exterior effects that a Custom Home (and its ancillary improvements and landscaping) will have on the Custom-Home Neighborhood in which it is built. Areas that are within a Custom Home and that are not visible from the surrounding properties, streets, or common areas are not of great concern to the Design Review Board, as it is anticipated that Homeowners will spend the time, effort and money necessary to create exceptional interior spaces.

To assure that these Design Guidelines are appropriately administered, every Improvement which is visible from the outside of the Custom Home (including, without limitation, from the actual or potential second- or third-story of any other Custom Home within the Custom-Home Neighborhood) must be in compliance with these Design Guidelines and must be approved by the Design Review Board prior to constructing the same. As indicated previously, the word "Improvement" refers to all structures of any type, including, without limitation, buildings, outbuildings, walls, fences, gates, landscaping, hardscape, water elements, trellises and enclosures; the term is intended to be read in the broadest way possible. With respect to the initial design and construction of a Custom Home, this effectively requires that all Improvements and the plans be submitted and approved by the Design Review Board pursuant to Subchapter 7.4 below.

When reviewing the Homeowner's submittals, the Design Review Manager and the Design Review Board will consider the entirety of the design and the proposed improvements. Factors to be considered include, without limitation, the Custom Home's relationship to the community and the neighboring Custom Homes, noise, privacy, finishes, aesthetics and the proper facing of architectural elevations.

In addition to the review and approval of designs and specifications by the Design

Review Manager, or the Design Review Board, the Homeowner is responsible for obtaining the County's approval of the plans, as well as any applicable permits. The approvals and permits required by the County are wholly independent of the approvals required by these Design Guidelines. The approval by the Design Review Manager and the Design Review Board is limited solely to the purpose of satisfying the goals, criteria and requirements expressed herein and is not a guarantee or assurance that the plans and specifications will meet or satisfy County requirements.

7.2 TEAM MEMBERS

The Homeowner is responsible for selecting the design and construction team which will assist with the Custom Home. While the Design Review Manager and the Design Review Board cannot recommend a particular team member, they can provide information to the Homeowner to assist in the selection process.

It is strongly recommended that the Homeowner's team, at a minimum, consist of an architect, a landscape architect, a geotechnical engineer, a civil engineer, a structural engineer, an interior designer, an energy consultant, and a general contractor. A brief description of each team member is in the adjacent sidebar.

Further, it is strongly recommended that the entire team be involved as early as possible in order to avoid costly errors and to accelerate the design and construction process.

7.3 DESIGN REVIEWERS

The Design Review Board is responsible for reviewing and approving the plans and specifications for any Improvements constructed on the Homesites, as well as the general administration of these Design Guidelines.

With respect to the initial Custom Home constructed on a Homesite, DMB Ladera shall have the sole right to determine the size of

the Design Review Board, to appoint all of its members, and to change such appointments from time to time at its sole discretion.

Following the completion of an initial Custom Home, the "Aesthetics Review Committee" (as described in the Master Codes, Covenants & Restrictions [CC&Rs]) formed by the Ladera Ranch Maintenance Corporation (LARMAC) shall have the rights and responsibilities of the Design Review Board hereunder. DMB Ladera shall have the right, but not the obligation, to turn over all rights and responsibilities of the Design Review Board to LARMAC's Aesthetics Review Committee at any time prior to the completion of all Custom Homes within the Custom-Home Neighborhoods. Upon the turnover of responsibility to LARMAC's Aesthetics Review Committee for any reason, these Design Guidelines shall constitute the "Design Standards" for purposes of the Master CC&Rs.

The Design Review Board shall have the right, but not the obligation, to appoint a Design Review Manager (who may be a member of the Design Review Board). This individual shall be the Homeowner's initial contact and primary resource with respect to these Design Guidelines. If a Design Review Manager is not appointed, then the Design Review Board shall be responsible for all matters that the Design Review Manager is responsible for under these Design Guidelines.

The Homeowner is encouraged to consult with the Design Review Manager and members of the Design Review Board throughout the design and construction process. These individuals are familiar with the design process and the goals for the Custom Home Neighborhoods and are a valuable source of information to the Homeowner.

Neither DMB Ladera, LLC, the members of the Design Review Board nor the Design Review Manager shall be liable for damages to any person submitting plans or specifications for approval or to any other owner on account

of such member's or the Design Review Manager's mistake in judgment, negligence or non-feasibility, failure to approve or disapprove any plans or specifications, or for any injury or damage caused by any Improvements constructed from such plans and specifications.

7.4 DESIGN REVIEWS

Each Custom Home should express the individual taste of the Homeowner, while respecting the sensitivities of its neighbors. This design review process is intended to provide Homeowners and their design team the information necessary to pursue their individual goals within the context of the design goals for Covenant Hills. This process includes a series of submittals and workshops which are designed to ensure conformity of the plans and elevations with these Design Guidelines.

The Homeowner is responsible for assuring that all submittal items are adequately prepared and that all drawings are complete. All submittal items must be submitted in a single, complete package; incomplete or partial submittals will be rejected and will not be reviewed.

While the Design Review Manager and the Design Review Board will take reasonable steps to review and respond to submittals in an efficient manner, the Design Review Manager and/or the Design Review Board shall have up to forty-five days (unless another time period is expressly specified) to either approve or disapprove each submittal which satisfies the requirements set forth below.

The Homeowner should allow adequate time to complete the design review process. Though the average time required to complete all submittals and reviews is anticipated to range from six to twelve months, there are many variables affecting the process, including, without limitation, the selection and approval of team members, the decision making process of the Homeowner, the processing time with the County, and the size and intricacy of the Custom Home.

STEP 1: CONCEPTUAL DESIGN WORKSHOPS

Workshop 1a: Introduction

Topics of discussion at this initial meeting include:

- Review of the Homesite opportunities, constraints and adjacencies;
- The design-review process;
- The architectural styles permitted within the Custom-Home Neighborhoods and the Homeowner's preferences for a particular style;
- Overview of the Design Guidelines;
- Architectural and landscape composition and design and;
- An introduction to the resources available to the Homeowner.

Workshop 1b: Conceptual Design

Once the architectural style of the Custom Home has been selected, the conceptual site plan, building massing, and preliminary development of the floor plans, roof plan, and exterior elevations for the Custom Home should be prepared by the Homeowner and the Homeowner's design team. Once these conceptual plans are prepared, the Homeowner should submit these plans for review. A workshop shall be scheduled where the Homeowner and the Homeowner's design team shall present conceptual designs to the Design Review Board, who will then determine if the design is meeting the general requirements and intent of the Design Guidelines and other Controlling Documents.

Three full-sized copies of the following exhibits shall be prepared and submitted to the Design Review Board:

- **Preliminary Research and Imagery:** extensive historical images that are relevant to forms, spaces, materials and colors, doors, windows, and details being considered for the proposed design.
- **Conceptual Site Plan (scale 1/8" = 1'):** preliminary determination and delineation of the Building Envelope and confirmation of lot coverage, setback criteria, and easement locations.
- **Conceptual Floor Plans (scale 1/4" = 1'):** delineation of primary spaces and floor layout and determination of square-footage calculations.
- **Conceptual Elevations and Sections (scale 1/4" = 1'):** elevations of all sides of the Custom Home and sections taken at relevant locations, including Rough Grade and Top-Plate Height information and rooftop elevations.
- **Conceptual Roof Plan (scale 1/4" = 1'):** delineate layout of roof forms and chimney and skylight locations. Indicate roof pitch and roof overhangs.
- **Conceptual Landscape/Grading Plan (scale 1/8" = 1'):** site work (walls, paving, driveways, hardscape, water features, game courts, etc.), grading, planting areas, tree placement, etc.
- **Reference landscape images:** specifically pertaining to chosen style, plant types and proposed design.
- **Massing Model (scale 1/8" = 1'):** not required, but recommended.
- **Diagrams (scale 1/4" = 1'):** a single-line, plan-overlay diagram demonstrating all Building Area calculations, including square-footage calculations for the First-Story Area, Second-Story Area, Third-Story Area, Basement Areas, and Covered Outdoor Areas. Use hatching to indicate Indoor Areas and cross-hatching to indicate first-story Exempt Covered Outdoor Area.

OVERVIEW OF DESIGN REVIEWS

Step 1: Conceptual Design Workshops

Workshop 1a: Introduction

- Review of the Homesite opportunities and constraints and adjacencies
 - The design-review process
 - The architectural styles permitted within the Custom-Home Neighborhoods and the Homeowner's preferences for a particular style
 - Overview of the Design Guidelines
 - Architectural and landscape composition and design and
 - an introduction to the resources available to the Homeowner
- #### Workshop 1b: Conceptual Design
- preliminary research and imagery for architecture and landscape design
 - conceptual site plan, floor plans, elevations, sections, and roof plan
 - conceptual landscape/grading plan
 - plan-overlay diagram demonstrating all Building Area calculations

Step 2: Design Development Review

A: Basic Submittals

- Design Development Review submittal forms
- response to Design Review Manager's final comments from Step 1
- letter describing any and all differences between the plans approved at Step 1 and the plans and documents being submitted
- Green Development Program checklist
- Material Specifications checklist

B: Architectural Submittals

- site plan, roof plan, floor plans, diagrams, elevations, site- and building sections, and details

C: Color and Material Submittals

- color renderings, exterior elevations, color and sample board(s), and a design development model

D: Landscape and Hardscape Submittals

- grading and drainage plan, sitework plan, landscape planting plan, details

Step 3: Construction Document Review

- response to Design Review Manager's comments from Step 2
- letter describing all plan changes from the Design Development Review and the plans and documents being submitted
- community structured wiring specification
- architectural working drawings
- a plan-overlay diagram demonstrating all Building Area calculations
- landscape and hardscape working drawings
- engineering grading and drainage plan

Step 4: Final Design Review

- descriptions and illustrations of final revisions

Step 5: Construction Document Review

Submittal 5a: Certified Survey of Foundations

- foundations, boundaries, and setbacks

Submittal 5b: Certified Survey of Framing

- building envelope and -height

Submittal 5c: Certified Survey of Walls, Fences, Drainage Swale and Final Construction

- resolution of all outstanding issues

MODELS

Massing Model (recommended)

Sometimes called a "study model" or a "white model", a massing model is an invaluable tool for the Homeowner, Architect, and Design Reviewers. Usually undertaken in the earliest phases of design, it can reveal areas requiring resolution and can illustrate design intent effectively.

A massing model, as contrasted to a presentation model, is not intended to illustrate colors, textures, materials, or finishes—only massing: forms, their composition and scale relative to each other. Elevations should be affixed to graphically represent door and window relationships.

STEP 2: DESIGN DEVELOPMENT REVIEW

After successfully completing the Conceptual Design Review, the Homeowner may prepare exhibits for Design Development Review. These exhibits shall accurately depict all revisions and refinements subsequent to the Conceptual Design Review.

The Design Development Review is the Design Review Board's opportunity to review and approve the final design drawings prior to completing construction drawings. The Design Review Board will review complete submissions only and will respond with comments on the submittals.

After receiving a response from the Design Review Board, the Homeowner and the Homeowner's design team shall evaluate the comments and make changes and modifications to the design; additionally, the Homeowner will need to respond in writing to the Design Review Board's comments on an item-by-item basis.

A) Basic Submittals

The following exhibits shall be prepared and submitted to the Design Review Board:

- ♦ **Design Review Board's Comments** from Conceptual Design Review with attached item-by-item responses from Homeowner's design team.

- ♦ **Letter** describing any and all differences between the plans approved through the Conceptual Design Review and the plans and documents being submitted. All changes to the plans must be clouded for review.

- ♦ **Green Development Program Checklist**
- ♦ **Material Specifications Checklist**

B) Architectural Submittals

Three full-size sets of all architectural drawings are required.

The following exhibits shall be prepared and submitted to the Design Review Board:

- ♦ **Site Plan (scale: 1/8" = 1')**, per Conceptual Design Review submittal requirements.

- ♦ **Roof Plan (scale: 1/4" = 1')**, per Conceptual Design Review submittal requirements.

- ♦ **Floor Plans (scale: 1/4" = 1')**, per Conceptual Design Review submittal requirements.

- ♦ **Diagrams (scale: 1/4" = 1')**, a CAD file version of the plan-overlay diagrams per the Conceptual Design Review submittal requirements demonstrating all Building Area calculations.

- ♦ **Elevations (scale: 1/4" = 1')**, per Conceptual Design Review submittal requirements. Additionally, all Top-Plate Heights shall be clearly marked from rough grade.

- ♦ **Site- and Building Sections (scale: 1/4" = 1')**, per Conceptual Design Review submittal requirements.

- ♦ **Details (scale: 1/2" = 1', to 3" = 1')**, which shall include, at a minimum:

- All exterior building components including, but not limited to, eaves, window trim and sills, door trim, metal-fabrication details, chimney caps, pot shelves, column capitals and bases, trellises, gutters and downspouts, tile details, decorative elements, handrails, guardrails, etc.

C) Color and Material Submittal

The following exhibits shall be prepared:

- ♦ **Color Renderings** or rendered elevations of all elevations that clearly depict the proposed use of materials and colors;

- ♦ **Exterior Elevations** keyed with material specifications and colors;

- ♦ **Color and Sample Board(s)** (size 18" x 24") that shall include, at a minimum:

- Actual samples of proposed materials for all walls, doors, windows, roofing, site walls, site structures and paving, finished and firmly affixed to the board. Associated mortar for all masonry material and roofing material should be included;

- Finished materials for all trim, metal fabrications, downspouts and gutters, fences, and any other visible components; and

- Original catalog pages, with all technical specifications, for all proposed exterior lighting fixtures, including any proposed security lighting or lighted address markers.

- ♦ **A Design Development Model (scale 1/8" = 1')**, that shall include all of the detail of a massing model and, at a minimum, shall also include:

- All retaining walls, site walls and fences, and similar structures;
- Window and door openings as recesses cut in to the exterior walls (preferred), or with prints of exterior elevations pasted to the exterior walls (acceptable);
- All proposed paving in a neutral tone which contrasts with the terrain tone; and
- All water within proposed pools, spas, or fountains in blue.

D) Landscape and Hardscape Submittals

Three full-size sets of all landscape drawings are required.

The following exhibits shall be prepared and submitted to the Design Review Board:

- ♦ **Grading and Drainage Plan (scale: 1/8" = 1')**, per Conceptual Design Review submittal requirements. Additionally, show all drain-line locations and all downspout connection points.

- ♦ **Sitework Plan (scale: 1/8" = 1')**, per Conceptual Design Review submittal requirements.

- ♦ **Landscape Planting Plan (scale: 1/8" = 1')**, per Conceptual Design Review submittal requirements.

- ♦ **Details (scale: 1/8" = 1', or larger as appropriate)**, showing all exterior structural and vertical components such as metal-fabrication details, benches, trellises, arbors, gazebos, walls, retaining walls, fences, gates, sculptures, fountains, barbecues, pools, spas, fireplaces, etc.

STEP 3: CONSTRUCTION DOCUMENT REVIEW

Upon completion of the Design Development process and having made any additional adjustments requested by the DRC the Homeowner may proceed with completion of the Construction Documents required for this submittal. After receiving comments from the DRC the custom home design team shall evaluate the comments and make changes and modifications to the Construction Documents to bring them into full compliance with the design approvals. The completed Construction Documents will be reviewed for conformance with the approved home design. Final approval of Construction Documents must be obtained from the DRC prior to the Homeowner submitting Construction Documents to the County of Orange for building and construction permits.

Three full-size sets of the following exhibits shall be prepared and submitted to the Design Review Board:

- ♦ **Letter addressing Design Review Board's Comments** from Design Development with attached item-by-item responses from Homeowner's design team.
- ♦ **Letter** describing any and all differences between the plans approved through the Design Development Review and the plans and documents being submitted. All changes to the plans must be clouded for review.
- ♦ **Letter from Structural Engineer** stating that the structural design for the vehicular and pedestrian swale crossing meets or exceeds the Covenant Hills Swale Crossing Structural Guidelines dated June 1, 2004.
- ♦ **Letter from Title-24 Consultant** stating that the Title-24 design meets the 'Energy-Star' program requirements of exceeding California Title-24 requirements by 15 percent.
- ♦ **Architectural Working Drawings** with electrical plans that comply with Community Structured Wiring System.
- ♦ **Diagrams:** a single-line, plan-overlay diagram demonstrating all Building Area

calculations, including square-footage calculations for the First-Story Area, Second-Story Area, Third-Story Area, Basement Areas, and Covered Outdoor Areas.

- ♦ **Landscape And Hardscape Working Drawings**
- ♦ **Engineered Grading & Drainage Plan**

STEP 4: FINAL DESIGN REVIEW

Prior to the issuance of any grading permits or building permits by the County or any other governing jurisdiction, the Homeowner shall submit copies of the County's plan-check comments and the corrected, final, working drawings to the Design Review Board, together with all final landscape plans and grading and drainage plans. The purpose of the Final Design Review is to give the Design Review Board the opportunity to review the County's comments and any required changes to the final construction plans.

The Design Review Board reserves the right to impose additional requirements or changes on the Homeowner if the County's comments require any exterior changes or modifications to the plans previously approved by the Design Review Board. Once the Final Design Review comments are resolved and the following items are received, the Design Review Board will issue a Certificate of Design Compliance. This certificate is required prior to obtaining a grading permit or building permit from the County of Orange.

The following exhibits shall be prepared and submitted to the Design Review Board:

- A) **Basic Submittals**
 - ♦ **Letter Addressing Design Review Board's Comments** from Construction Document Review with attached item-by-item response from Homeowner's design team.
 - ♦ **The County of Orange's Plan-Check Documents** and other comments to construction drawings submitted in Step 3: Construction Document Review, along with

an item-by-item responses from Homeowner's design team.

- ♦ **Letter** describing all differences between the plans approved through the Construction Document Review and the plans being submitted for Final Design Review.

B) Architectural, Landscape and Engineering Submittal.

Three full-sized sets are required.

- ♦ **Architectural Drawings** showing and highlighting any changes or deviations from Step 3: Construction Document Review.
- ♦ **Diagrams** demonstrating all Building Area calculations.
- ♦ **Landscape and Hardscape Drawings** (including irrigation plans with details and notes, lighting plans and pool- and spa plans), showing and highlighting any changes or deviations from Step 3: Construction Document Review.
- ♦ **Engineered Grading Plan**, showing drainage design.
- ♦ **Digital Site Plan**, a CAD file version of the building footprint.

STEP 5: CONSTRUCTION SUBMITTALS

Construction of the Custom Home may begin after the Certificate of Design Compliance and all governmental permits, including the grading permit, the building permit, and any retaining wall permits are secured. During the construction process the Homeowner, with the assistance of the Homeowner's contractor and design team, shall submit certain construction certificates to the Design Review Board showing consistency with approved drawings and specifications. Prior to commencing construction, a pre-construction orientation meeting between the Homeowner, the Homeowner's general contractor, and superintendent and a representative of the Design Review Board, DMB Ladera, and LARMAC will be necessary. The following

MODELS**Design Development Model (required)**

A model is highly valuable tool for all involved in the project. Perhaps more so than other media, it can effectively represent the design intent by illustrating forms, their composition and relative scale, doors and windows, sitework—and color, texture, materials and finishes. It can also highlight problem areas, allowing pre-construction resolution.

SAMPLE BOARDS

Sample Boards (required)

Sample boards exhibit physical samples of proposed materials and finishes. When selected early in the design phases, effective use of materials and finishes can greatly enhance a design and avoid costly subsequent changes.

exhibits shall be submitted to the Design Review Manager at this meeting:

- ♦ One full set of architectural working drawings, precise-grade plans and retaining wall plans approved and stamped by the County of Orange.
- ♦ One full set of final landscape working drawings.

Any proposed changes or deviations from the approved plans occurring during construction shall be submitted to the Design Review Board for review prior to the commencement of any such changes. The Design Review Board will use reasonable efforts to review all submissions for such proposed changes or deviations within fourteen days. Failure to comply with this requirement may result in the compulsory removal of any or all unapproved construction.

During construction, certain surveys shall be submitted to the Design Review Board for its review. Each survey shall be prepared and certified by either a land surveyor or a civil engineer; either shall be registered and licensed to practice in California. All surveys shall be certified with the licensed professional's stamp and actual signature; copies are not acceptable.

The purpose of the survey submittals is to ensure that the Custom Home is being constructed within the requirements of the Building Envelope and is otherwise in accordance with the approved plans and specifications. The Design Review Board shall have the right to enter upon the Homesite at any point during the construction process for the purpose of reviewing the Improvements and confirming that they are being constructed in accordance with the approved plans and specifications.

The following surveys shall be submitted to the Design Review Board:

Submittal 5a: Certified Survey of Foundations, Line and Grade

Prior to pouring any foundations, the Homeowner shall provide an engineer's certification that house and retaining wall foundation forms have been set in compliance with the setbacks required on the approved plans and specifications. This certified survey shall be submitted to the Design Review Board for review prior to pouring the foundations

Submittal 5b: Certified Survey of Framing

After the Homeowner has framed the roof ridges of the Custom Home, and prior to loading roofing materials, the Homeowner shall obtain a certified survey, as described above, showing, at a minimum, the locations of all exterior walls and ridgeline heights, as measured from Rough Grade. The Homeowner shall submit this certified survey to the Design Review Board, and shall allow adequate time for review prior to loading roofing materials. This submittal and any other modifications that were made to the Improvements will be reviewed at the Homesite. The purpose of this submittal is to ensure that the building envelope restrictions, height restrictions, and other requirements have not been violated, and that the construction of the Improvements will be consistent with the approved drawings.

Submittal 5c: Certified Survey of Walls, Fences and Drainage Swale and Conformance Exhibit

After the Homeowner has completed construction of the Custom Home and all other Improvements and received a Certificate of Occupancy from the County of Orange (and/or any other governmental agency), the Homeowner shall submit the following materials to the Design Review Board for review:

- ♦ A Certified Survey that the parkway swale maintains the original line, grade and cross-sectional shape as found prior to site move-on;

♦ A Certified Survey demonstrating that the location and height of all site walls and fences is in conformance with the approved plans and specifications; and

♦ A Letter stating that all Improvements are complete and conform to the plans and specifications approved by the Design Review Board pursuant to these Design Guidelines.

Following receipt of this submittal, the Design Review Board will review the Improvements to verify whether construction complies with the approved drawings and/or whether all outstanding issues have been resolved. After inspection, the Design Review Board shall either issue a Certificate of Completion or notify the Homeowner of any items that do not comply with the approved plans and specifications. A Certificate of Completion is required prior to the release of any unused, refundable deposits held by LARMAC or the Design Review Board, or the release of any bonds or insurance policies.

7.5 FEES AND COSTS OF DESIGN REVIEW

Each Homesite review will be subject to a non-refundable initial review fee of \$10,000, which must be paid prior to attending the Conceptual Design Workshops. In most cases, the initial review fee will be collected through escrow in connection with the Homeowner's purchase of the Homesite from DMB Ladera, LLC. The initial review fee is designed to cover the costs and fees associated with the submittals and steps described in this Chapter 7, assuming the same are performed one time and pursuant to complete submittals. At the Design Review Board's discretion, additional review fees may be charged if the cost of such review exceeds the initial review fee or if a particular review requires services outside of the scope of the initial review fee (including, without limitation, on account of multiple, same-step submittals or incomplete submittals). Review fees are solely for the initial improvements constructed on a Homesite; additions or alterations may be subject to additional review fees.

7.6 THE FINE PRINT

These Design Guidelines and the design review process are intended to serve aesthetic purposes only and do not replace building codes, structural requirements, or life-safety requirements. In concert with the various provisions and restrictions in the Controlling Documents, they are intended to preserve and maintain the design character, the desirability, and the attractiveness of the Custom-Home Neighborhoods. Although reasonable efforts have been made to eliminate errors and inconsistencies, it is the Homeowner's responsibility to confirm that all Improvements constructed on the Homesite comply with all applicable County, State, and Federal zoning and building requirements, regulations, ordinances, codes and laws. In those instances where a conflict or inconsistency exists between these Design Guidelines, and sound construction practices or applicable laws, the more restrictive or stringent requirement shall apply and control.

The Design Guidelines cannot address all designs, situations, or conditions that can arise with respect to a Custom Home. For those occasions where no guideline exists or where the design direction is unclear, the Covenant Hills Design Review Board shall have the discretion to apply basic design principles using the roots of a particular Architectural Style. While theatrical solutions, highly mannered reinterpretations, or contrived aberrations are discouraged, thoughtful variations to these Design Guidelines may be considered and approved by the Design Review Board where compelling and authenticating research and imagery is presented by the Homeowner.

The Design Review Board shall have the power and authority to interpret these Design Guidelines and the power (but not the obligation) to adopt additional rules and procedures regarding the interpretation of these Design Guidelines as long as the same are reasonably applied. Additionally, the Design Review Board may authorize variances from these Design Guidelines (or may impose certain conditions or modifications to the plans and specifications) when circumstances such as conformity of the site development to the spirit and intent of these Design Guidelines, conformity and harmony of external design with neighboring Homesites, topography, natural obstructions, aesthetics, privacy, noise or environmental conditions require. Approval by the Design Review Board of any designs or plans (or any variances from these Design Guidelines) shall not be deemed to a waiver of the Design Review Board's right to withhold approval of any similar design or plan subsequently or additionally submitted.

These Design Guidelines shall apply solely to Improvements placed on Homesites that are encumbered by the Custom Homesite Declaration.

Notwithstanding anything to the contrary contained herein (including, without limitation, any references to the number of Homesites within the Homesite Neighborhoods or any map or diagram specifying the boundaries of the Homesite Neighborhoods), DMB Ladera shall have the right to specify alternative design guidelines or standards for any property within Covenant Hills that is not originally subject to the Custom Homesite Declaration, or thereafter annexed into the property that is subject to the Custom Homesite Declaration. Nothing contained herein shall preclude DMB Ladera from modifying its development plan for any portion of Covenant Hills or Ladera Ranch.

The photographs and imagery contained in these Design Guidelines are general representations and examples of the design intent and are presented for illustrative purposes only. Inclusion of such photographs and imagery does not suggest or constitute approval of the elements shown or depicted therein. Graphic representations are included for example purposes only.

7.7 THE NEW HOME COMPANY AND WILLIAM LYON LOTS ONLY

For the Custom Sites, including Lots 3, 5, 9, 11-31 and 102-108 of Tract 16586, Lots 7-32, 33 and 45 of Tract 15988 and Lots 48 and 51 of Tract 15985, these Design Guidelines shall apply, as fully set forth herein, and in addition, the following shall also apply: All Improvements proposed to be built, following transfer of jurisdiction to LARMAC's Aesthetics Review Committee ("ARC") in accordance with the relevant provisions of the Amended and Completely Restated Custom Homesite Declaration, including but not limited to initial plans for landscape, hardscape, water elements, trellises, and enclosures shall be submitted for review to LARMAC's ARC in accordance with LARMAC's CC&Rs and Aesthetic Standards. The fee for said submittals, shall be \$350.00, or as reflected in LARMAC's duly adopted Fee Schedule, whichever is greater. Solely as it relates to all landscape related improvements for the foregoing Lots, all references in these Design Guidelines to "Design Review Board" shall be interpreted and intended to refer to LARMAC's ARC, and all references to "DMB" shall be interpreted and intended to refer to LARMAC. For additional information related to LARMAC's procedures for architectural submittals, please refer to LARMAC's Aesthetic Standards.

