

APPENDIX A: HOME OCCUPATION POLICY
99-1-1

Background Information:

Section 5.2.1(C) of the Declaration of Covenants, Conditions & Restrictions states that "No gainful occupation, profession, trade, or other nonresidential use shall be conducted on or in any Lot."

Taken literally and conclusively, this section could be construed to suggest that no persons could conduct any professional activities on any lot, no children's lemonade stands could ever be placed, etc. As many professional people use a home office as a portion of their professional efforts, the need to clarify this section of the CC&R's is apparent.

Procedural Considerations:

WHERE AS: Section 5.2.1(c) is written in such a manner as to be open for interpretation regarding the use of homes and lots as a professional or business use;

WHERE AS: The Vistoso Community Association Board of Directors, may establish Rules and Regulations pursuant to Section 12.2 having equal authority as the CC&R's;

WHERE AS: The Vistoso Community Association Board of Directors, pursuant to Section 16.2 has the exclusive right to interpret the land use restrictions in Section V of the CC&R's;

THEREFORE: The Vistoso Community Association Board of Directors hereby adopts 99-1-1, Appendix A, which is revised to replace Board Rule 94-9-1, related to the use of lots and homes for professional purposes. This Rule is adopted and shall be effective on this 1st day of January, 1999. All previous interpretation of Section 5.2.1(C) are hereby revised to the stipulations of this rule and all previous uses of lots and homes related to this Rule are hereby required to meet the requirements of this Rule. For the sake of clarification, there is no grand fathering of any previous interpretation of this Rule or of any previous use of lots related to Section 5.2.1(C)

Section A) This Rule is applicable to all Vistoso Community Association members, their guests, their lessees and all other occupants of their residence.

Section B) The use of any residence that involves a business, manufacturing, or a commercial enterprise as a primary use, or which involves business or commercial activities that are publicly discernable in a material way is prohibited. Without limiting the generality of the foregoing, business or commercial uses that are merely incidental to the residential use of a Lot may include working within the home by computer or telephone.

Section C) No signs or promotional items of any type shall be visible from any residence related to any business activities, shipping or receiving to be conducted from any residence related to any business activity on any Lot is subject to reasonable rules as established by the Board of Directors. No commerce will take place on any Lot. As clarification of commerce in this example, no customers shall come to the Lot to conduct business, no monies will exchange hands on any Lot related to such business and no solicitations to potential customers will be premitted upon any lot.

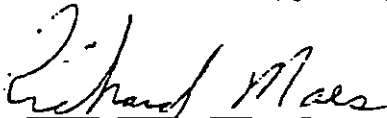
Section D) In the event a member desired to hold a Tupperware party, set up a lemonade stand, have an occasional garage sale, etc., prior written approval throughtgh the Association, pursuant to Section 5.5 granting a variance, shall be required on a case by case basis.

Section E) Nothing in this Rule is intended to prevent professional service providers or craftsmen from performing their services upon any Lot, nor the collection of a fee for such services. Nothing in this Rule relates to non residential parcels and nothing in this Rule relates to model homes, rental offices and other such activities as determined acceptable uses by the Association Board of Directors.

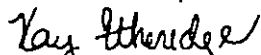
Section F) No Lot shall be advertised as a business address. However, a business telephone (Limited to 1 phone number), may be advertised as such. (Telephone Number must not list the residence as the business address.)

Section G) Any interpretation as to the applicability of this Rule, its relationship to Section 5.2.1 (C) or its relationship to any other provision of any other Vistoso Community Association governing document shall be determined by the Board of Directors and is not subject ot any Association appeal process.

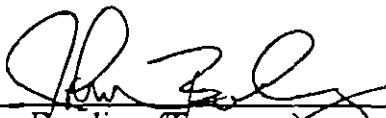
BOARD RULE 99-1-1 ADOPTED 1/1/99, APPENDIX A, HOME OCCUPATION POLICY IS HEREBY REVISED TO REPLACE BOARD RULE 94-9-1.



Richard Maes (President)
Vistoso Community Association



Kay Etheridge (Secretary)
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