Solar Energy Policy Statement

COTTAGE POINTE HOMEOWNERS ASSOCIATION

Section 1. Introduction and Purpose

This Solar Energy Policy Statement (this "**Policy Statement**") is adopted as of March 10, 2026, by Cottage Pointe Homeowners Association (the "**Association**"), the Michigan nonprofit corporation established to administer, operate and manage the affairs of Cottage Pointe (the "**Project**") to comply with Section 9 and the other requirements of the Homeowners' Energy Policy Act ("**HEPA**"), Act 68 of Michigan's Public Acts of 2024 (MCLA 559.301 – 559.317).

Section 2. Definitions

As used in this Policy Statement:

a. "**Common area**" means a portion of a building, land, or amenities owned or managed by the Association that is generally accessible to all members of the Association. To the extent the following features are now or later included in the Project and are generally accessible to all members of the Association, "common area" includes, but is not limited to, a hallway, a stairway, an elevator, a lobby, a laundry and recreational room, a playground, a community center, a garage, a public green space, a park, or a fitness room.

b. "**Electric vehicle supply equipment**" means a machine or other device located within this state that is supplied with electricity and designed or used for placing or delivering electricity into the battery storage system of a motor vehicle.

c. "**Energy-saving improvement or modification**" includes, but is not limited to, all of the following:

1. A clothesline.
2. Air source heat pumps.
3. Ground source heat pumps.
4. Insulation.
5. Rain barrels.
6. Reflective roofing.
7. Energy efficient appliances.
8. Solar water heaters.

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9. Electric vehicle supply equipment.

10. Energy-efficient windows.

11. Energy-efficient insulation materials.

d. "**Local unit of government**" means a county, township, city, or village.

e. "**Member**" means an owner of a home or unit that is within the jurisdiction of the Association.

f. "**Project document**" means any document pertaining to the Project which affects the operation, governance, management, and/or use of the Project and/or of the improvements and/or features contained within the Project.

g. "**Shared roof**" means a roof that serves more than one (1) home or unit in the Project, including, but not limited to, a contiguous roof that serves adjacent homes or units.

h. "**Solar collector**" means any of the following:

1. An assembly, a structure, or a design, including passive elements, used for gathering, concentrating, or absorbing direct and indirect solar energy, or specially designed for holding a substantial amount of useful thermal energy, that transfers that energy to gas, solid, or liquid or uses that energy directly.

2. A mechanism that absorbs solar energy and converts it into electricity.

3. A mechanism or process used for gathering solar energy through wind or thermal gradients.

4. A component used to transfer thermal energy to a gas, solid, or liquid or convert thermal energy into electricity.

i. "**Solar energy**" means radiant energy received from the sun at a wavelength that is suitable for heat transfer, photosynthetic use, or photovoltaic use.

j. "**Solar energy system**" means a complete assembly, structure, or design of a solar collector, or a solar storage mechanism that uses solar energy for generating electricity or heating or cooling gases, solids, liquids, or other materials. Solar energy system includes the design, materials, or elements of a solar energy system and its maintenance, operation, labor components, and the necessary components, if any, of supplemental conventional energy systems designed or constructed to interface with a solar energy system.

k. "**Solar storage mechanism**" means equipment or elements including, but not limited to, piping and transfer mechanisms, containers, heat exchangers, batteries,

or gases, solids, or liquids, or a combination of gases, solids, and liquids, that are used for storing solar energy gathered by a solar collector for subsequent use.

Section 3. Exceptions to HEPA and this Policy Statement

As set forth in Section 13 of HEPA, HEPA, and therefore the requirements of this Policy Statement, do not apply to either of the following in a common area or on a shared roof:

a. The replacement, maintenance, installation, or operation of an energy-saving improvement or modification.

b. The installation of a solar energy system.

Consequently, notwithstanding any provision of this Policy Statement to the contrary, an energy-saving improvement or modification and a solar energy system may not be installed, replaced, maintained, or operated in a common area or on a shared roof.

Section 4. General Provisions; Required Statements

a. This Policy Statement:

1. Does not prohibit elements of the solar energy system from being installed on a roof face.
2. Does not require that a specific technology be utilized for the installation of a solar energy system including, but not limited to, solar shingles rather than traditional solar panels.
3. Requires that any standards enforced under this Policy Statement may not result in a reduction in the production of electricity by the solar energy system by more than ten percent (10%) or increase the total cost of the installation of the solar energy system to the member by more than One Thousand Dollars ($1,000.00). As used in this subdivision, "production" means the estimated annual electrical production of the solar energy system.

b. The Association will not do any of the following:

1. Inquire into a member's energy usage.
2. Impose conditions that impair the operation of a solar energy system.
3. Impose conditions that negatively impact any component industry standard warranty.
4. Require post-installation reporting.

5. Require a fee for submitting an application to install a solar energy system above that which is assessed for other applications related to a change to the property.

6. Prohibit a member from resubmitting an application to install a solar energy system after a written application was denied by the Association.

c. The member shall comply with state and local building codes and permit requirements in the replacement, maintenance, installation or operation of an energy-saving improvement or modification or installation of a solar energy system. Upon demand, a member must deliver to the Association written proof satisfactory to the Association, of such compliance.

d. A member who wants to install a solar energy system shall comply with the application requirements in Section 5 and pay the required application fee (which shall be the same fee which the Association assesses for other applications or requests for approval to make changes to a member's home, unit, or other real property interest in the Project).

Section 5. Applications, Approvals and Denials

a. Beginning on March 31, 2026, a member who wants to install a solar energy system on the member's home or unit shall submit a written application to the Association. The written application under this section must include all of the following information:

1. The member's name.

2. The street address of the location where the solar energy system will be installed.

3. The name and contact information of the company that will install the solar energy system.

4. An image that shows the layout of the solar energy system on the member's home or unit.

5. A description of the solar energy system to be installed including sufficient specificity to enable the Association to be able to identify relevant details concerning the solar energy systems such as (if known or easily obtainable by the applicant) the make, model number, size, color(s), and major component materials.

b. The approval of an adjacent home or unit owner is not required to approve a member's application to install a solar energy system on the member's home or unit.

c. The Association may deny an application to install a solar energy system or require the removal of a solar energy system if one (1) or more of the following apply:

1. A court has found that the installation of the solar energy system violates a law.

2. The installed solar energy system does not substantially conform with the member's application to install the solar energy system as approved by the Association.

3. The Association has determined that the solar energy system will be installed on the roof of a home or unit of the member requesting installation and one (1) or more of the following apply:

   - The solar energy system will extend above or beyond the roof of that home or unit by more than six (6) inches.
   - The solar energy system does not conform to the slope of the roof and has a top edge that is not parallel to the roof line.
   - The solar energy system has a frame, support bracket, or visible conduit of wiring that is not silver, bronze, or black tone that are commonly available in the marketplace.

4. The Association has determined that **both** of the following apply:

   - The solar energy system will be installed in a fenced yard or patio rather than on the roof of a home or unit.
   - The solar energy system will be taller than the fence line.

d. The Association will not deny a member's application to install a solar energy system because of the identity of the entity that owns the solar energy system or the financing method chosen by the member.

e. If a written application for the installation of a solar energy system is duly submitted to the Association after the adoption of this Policy Statement, then the Association must approve or deny the member's request to install a solar energy system within thirty (30) days after receipt of the written application. If a written application for the installation of a solar energy system was duly submitted to the Association before this Policy Statement was adopted, then the Association must approve or deny the member's request to install the solar energy system within one hundred twenty (120) days after receipt of the written application.

f. If the Association fails to approve or deny the member's request to install the solar energy system within the time period specified under Subsection 5d above, the member may proceed with the installation of the solar energy system. If the member proceeds with the installation of the solar energy system, the Association shall not impose fines or otherwise penalize the member for complying with HEPA.

g. A member who submitted a written application to install a solar energy system and was denied by the Association prior to the effective date of HEPA may resubmit a written application to install a solar energy system. On receipt of the resubmitted written application, the Association shall re-evaluate the application under HEPA.

Section 6. Maintenance, Repair, and Replacement Obligations

a. A member who owns or uses a solar energy system or energy-saving improvement or modification is required to maintain, repair and replace such system, improvement, or modification in condition and appearance according to the same standards required by the Association for nonsolar energy improvements to the member's home, unit or other property interests.

b. The colors, sizes, shapes, materials, and other features of solar energy systems and energy-saving improvements and modifications, to the fullest extent reasonably possible, shall be harmonious and consistent with the nonsolar energy improvements in the Project and the Association may require the member who owns or uses a system, improvement, or modification to adjust, modify, or remove any system or improvement, or modification that violates this subsection by following the same procedures it would utilize for nonsolar energy improvements.

c. If the installation or operation of a solar energy system or energy-saving improvement or modification interferes with the Association's operation, maintenance, or repair obligations with respect to the Project or increases the Association's costs, the member causing the increased costs shall reimburse the Association for such increased costs within thirty (30) days of the date of receipt of written demand for reimbursement.

d. All expenses of purchasing, installing, operating, repairing, improving and replacing a solar energy system and energy-saving improvement or modification are the obligation of the applicable member, who shall indemnify the Association against and hold the Association harmless from all claims, liabilities and expenses arising from such system, improvement, or modification. The member's obligations set forth in this subsection are automatically imposed upon installation, but the Association may require the member to confirm the indemnification and hold harmless obligations by written agreement.

e. A member who owns or uses a solar energy system or an energy-saving improvement or modification must insure such system, improvement, or modification and confirm that its installation and use will not cause cancellation of any of the member's insurance policies. The Association may require written confirmation, to the Association's satisfaction, of compliance with this subsection.

f. Upon transfer of a member's home or unit, the new member automatically assumes all obligations with respect to an appurtenant solar energy system and energy-

saving improvement or modification regardless of whether such assumption is confirmed in writing. The Association may require written confirmation, to the Association's satisfaction, of the new member's assumption of such obligations.

g. Unless the installation of a solar energy system or an energy-saving improvement or modification behind or on the back-side (not street-side) of a member's home or unit would impair the operation of the solar energy system or energy-saving improvement or modification, such system, improvement, or modification shall be installed behind or on the back-side of the home or unit rather than in front of or on the street-side of the home or unit.

h. The provisions of this Section 6 shall not be interpreted or enforced to impose conditions or requirements on a member that are more burdensome than the conditions or requirements imposed on nonsolar energy improvements or modifications.

Section 7. Conflict Between Project Documents and HEPA

As required by Sections 5 and 7 of HEPA, any of the following provisions contained in a Project document is invalid and unenforceable as contrary to public policy:

a. A provision that prohibits or requires the approval of the Association for, a member to replace, maintain, install, or operate an energy-saving improvement or modification.

b. A provision that compels, or requires Association approval for, a member to make auxiliary changes needed for the installation of an energy-saving improvement or modification.

c. A provision that prohibits or has the effect of prohibiting the installation of a solar energy system.

Section 8. Conflict Between this Policy Statement and HEPA

As required by Sections 7 and 9 of HEPA , any provision contained in this Policy Statement that prohibits or has the effect of prohibiting the installation of a solar energy system or that contradicts HEPA is invalid, void and unenforceable as contrary to public policy.

Section 9. Severability

If any provision of this Policy Statement is held by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the invalidity, illegality, or unenforceability will not affect any other

provision of this Policy Statement and the provision shall be enforced to the fullest extent permitted by law, if reasonable and practical and, if not, shall be removed from this Policy Statement.

Section 10. Duration and Amendment

This Policy Statement shall remain in effect for so long as HEPA remains in effect and this Policy Statement shall automatically incorporate any amendments to HEPA to the extent that such incorporations are necessary for this Policy Statement to remain in compliance with HEPA. Other amendments may be made to this Policy Statement by resolutions duly adopted by the Association's Board of Directors.

Section 11. Availability of this Policy Statement

The Association shall:

a. make a copy of this Policy Statement available to all members within thirty (30) days after the adoption of this Policy and upon request and

b. post a copy of the Policy Statement on the Association's website (if any) and/or at such other location(s) where Association policies are shared.