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MEADOW OAKS OWNER'S ASSOCIATION

**AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND RESERVATION OF EASEMENTS**

NOTE: AS MORE FULLY DESCRIBED IN ARTICLE XVII OF THIS DECLARATION, IN THE EVENT OF ANY DISPUTES ARISING HEREUNDER, SUCH DISPUTE SHALL BE HANDLED IN ACCORDANCE WITH THE JUDICIAL REFERENCE PROVISIONS SET FORTH HEREIN.

**AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATION OF EASEMENTS OF**

MEADOW OAKS

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**AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND RESERVATION OF EASEMENTS OF
MEADOW OAKS OWNERS ASSOCIATION**

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATION OF EASEMENTS (MEADOW OAKS) (this "**Declaration**") is made this _ day of _____, 2017, by M.O. HOMEOWNERS ASSOCIATION, a California nonprofit mutual benefit corporation ("**Declarant**").

RECITALS

WHEREAS, an AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS for MEADOW OAKS (the 'Prior Declaration') dated April 5, 1989 was recorded on April 13, 1989 as instrument number 116605 in the official records of Riverside County, California, encumbering that certain real property (the 'Property') in the County of Riverside, State of California, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference; and

WHEREAS, a FIRST AMENDMENT TO THE AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (MEADOW OAKS) dated July 12, 1989 was recorded on July 20, 1989 as instrument number 241561 in the official records of Riverside County, California; and

WHEREAS, Article VII, Section 4 of the Prior Declaration provides for the amendment of said Declaration by Owners holding at least fifty-one percent (51%) of the total voting power of the Association; and

WHEREAS, after notice duly given, at a meeting duly held on _____, 2017, Owners holding in excess of fifty-one percent (51%) of the voting power of the Association voted to cancel and supersede the Prior Declaration as previously amended in its entirety and to amend and restate the covenants, conditions and restrictions in this Declaration; and

WHEREAS, the Declarant intends to and does hereby establish for the mutual benefit of all existing and future owners or occupants of the Property and the project and each part thereof, certain easements and rights in, over and upon the Property and the project, and certain mutually beneficial covenants, conditions, restrictions and obligations with respect to the proper use, conduct and maintenance thereof; and

WHEREAS, Declarant intends that the owners, mortgagees and occupants and all other persons now owning or hereinafter acquiring any interest in the Property or the project, of any part thereof, shall at all times enjoy the benefits of, and shall hold, sell and convey their interests subject to the rights, easements, covenants, conditions, restrictions and obligations hereinafter set forth, and all of which are hereby declared to be in furtherance of a general plan to promote and protect the cooperative aspects of such development, and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property and the project.

WHEREAS, it is desirable for the efficient management of the Property and the preservation of the value, desirability and attractiveness of the Property to delegate and assign to a nonprofit mutual benefit corporation the powers of managing the Property and the project, maintaining and administering the "Common Areas" (as hereinafter defined) and administering and enforcing these covenants, conditions and restrictions and collecting and disbursing funds pursuant to the "Assessments" (as hereinafter defined) and charges hereinafter created and referred to, and to perform such other acts as shall generally benefit the Property. The M.O.

Homeowners Association, a California nonprofit mutual benefit corporation (the "**Association**"), was incorporated under the laws of the State of California for the purpose of exercising the powers and functions aforesaid.

NOW, THEREFORE, Declarant covenants and declares that the Prior Declaration as previously amended is cancelled and superseded in its entirety and the Property, the project and all of the lots, including any improvements added to or constructed on or about the project in the future, shall be held, conveyed, assigned, hypothecated, encumbered, leased, used, occupied, and improved subject to the following limitations, easements, covenants, conditions and restrictions, which are for the purpose of mutually benefiting the Property, the project and all of the lots and the owners thereof. All of the restrictions set forth herein shall constitute equitable servitudes which shall run with the land and which shall be binding on and inure to the benefit of all parties having any right, title, or interest in the Property, the project or any of the lots, or in any part there, their heirs, successors and/or assigns.

ARTICLE I DEFINITIONS

Unless the context clearly indicates otherwise, the following terms used in this Declaration are defined as follows:

Section 1.01 Architectural Control Committee. "Architectural Control Committee" shall mean and refer to the committee or committees provided for in the Article hereof entitled "*Architectural Control.*"

Section 1.02 Articles and Bylaws. "Articles" and "Bylaws" shall mean and refer to the Articles of Incorporation and Bylaws of the Association as the same may from time to time be duly amended.

Section 1.03 Assessments. The following meanings shall be given to the Assessments hereinafter defined:

(a) **Capital Improvement Assessment.** "Capital Improvement Assessment" shall mean a charge against each Owner and such Owner's Lot, representing a portion of the cost to the Association for installation or construction of any capital improvements on any of the Common Areas which the Association may from time to time authorize pursuant to the provisions of this Declaration.

(b) **Reconstruction Assessment.** "Reconstruction Assessment" shall mean a charge against each Owner and such Owner's Lot representing a portion of the cost to the Association for reconstruction of any portion or portions of the Common Areas pursuant to the provisions of this Declaration.

(c) **Regular Assessment.** "Regular Assessment" shall mean the amount which is to be paid by each Owner to the Association for Common Expenses.

(d) **Reimbursement Assessment.** "Reimbursement Assessment" shall mean any charge designated as a Reimbursement Assessment in this Declaration, the Articles, Bylaws or Association Rules pursuant to Civil Code section 5725(a).

(e) **Penalty Assessment.** "Penalty Assessment" shall mean any charges and/or fines levied by the Association against a particular Owner who fails to comply with this Declaration, the Articles, Bylaws or Association Rules, together with attorneys' fees and other

charges payable by such Owner, pursuant to the provisions of this Declaration, plus interest thereon as provided for in this Declaration.

(f) **Special Assessment.** "Special Assessment" shall mean any charge designated as a Special Assessment in this Declaration, the Articles, Bylaws or Association Rules.

Section 1.04 Association. "Association" shall mean and refer to the M. O. Homeowners Association, a California nonprofit mutual benefit corporation, incorporated under the laws of the State of California, its successors and assigns, and more commonly known as Meadow Oaks Owners Association.

Section 1.05 Association Rules. "Association Rules" shall mean rules adopted by the Association pursuant to the Article hereof entitled "*Duties and Powers of the Association.*"

Section 1.06 Board. "Board" shall mean the Board of Directors of the Association.

Section 1.07 Business Day. "Business Day" shall mean any day other than a Saturday, Sunday, or California or national holiday on which banks in the County are customarily closed.

Section 1.08 Common Areas. "Common Areas" shall mean all real property and the improvements thereon owned or leased from time to time by the Association or over which the Association has an easement or license for maintenance and/or the common use and enjoyment of the Owners including, but not limited to, the roads, perimeter fence, and the entry building.

Section 1.09 Common Expenses. "Common Expenses" shall mean and refer to the actual and estimated costs of:

- (a) maintenance, management, operation, repair and replacement of the Common Areas and all other areas on the Property which are maintained by the Association;
- (b) unpaid Assessments;
- (c) costs of management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees;
- (d) the costs of utilities, trash pickup and disposal, graffiti removal gardening and other services which generally benefit and enhance the value and desirability of the Common Areas;
- (e) the costs of electricity for any street lights in the Property;
- (f) the costs of fire, casualty, liability, workmen's compensation and any other insurance covering the Common Areas;
- (g) the costs of any other insurance obtained by the Association;
- (h) costs of any fire prevention measures relating to the Common Areas;
- (i) reasonable reserves as deemed appropriate by the Board, and the cost of any reserve study pursuant to California Civil Code Section 5550;

(j) the costs of bonding of the members of the Board, any professional managing agent or any other person handling the funds of the Association;

(k) taxes paid by the Association;

(l) amounts paid by the Association for discharge of any lien or encumbrance levied against the Common Areas or portions thereof;

(m) costs incurred by the Architectural Control Committee or any other committee established by the Board (including costs of any third-party consultants hired by the Architectural Control Committee or other committee to review plans, inspect Improvements, make recommendations, etc.); and

(n) other expenses incurred by the Association for any reason whatsoever in connection with the Common Areas, or the costs of any other item or items designated by this Declaration, the Articles, Bylaws or Association Rules, or in furtherance of the purposes of the Association or in the discharge of any duties or powers of the Association.

Section 1.10 County. "County" shall mean and refer to the County of Riverside, State of California.

Section 1.11 County Recorder. "County Recorder" shall mean the office of the county recorder of the County.

Section 1.12 Property. "Property" shall mean and refer to real property described in Exhibit A.

Section 1.13 Declarant. "Declarant" shall mean and refer to M.O. Homeowners Association.

Section 1.14 Design Guidelines. "Design Guidelines" shall have the meaning set forth in Section Section 5.01 hereof.

Section 1.15 Design Professionals. "Design Professionals" shall have the meaning set forth in Section Section 5.05 hereof.

Section 1.16 Directors. "Directors" shall mean and refer to the members of the Board.

Section 1.17 Dwelling. "Dwelling" shall mean a residential structure constructed on a Lot.

Section 1.18 Government Agency. "Government Agency" shall mean the City, the County, municipal districts, and any other governmental or quasi-governmental agency or authority with jurisdiction over the development of the Property.

Section 1.19 Improvements. "Improvements" shall mean and refer to all structures and appurtenances thereto of every kind whatsoever, including, but not limited to, dwellings, outbuildings (e.g., guest or caretaker units, sheds, etc.), garages, carports, open parking areas, driveways, electro-mechanical entry gate systems and related equipment, entry monuments, street lights, sidewalks, walkways, pavements, trails, fences, retaining walls, walls, footings, columns, gates, decorative or informative signs, mail boxes, private utility lines and connections, private storm drains and sewer lines and laterals, antennas, grading, all trees, all shrubs and other landscaping, and all landscape irrigation systems. Improvements shall also mean and refer to all exterior modifications to a Lot or dwelling, including, but not limited to, (a)

painting the exterior of any dwelling or other structure; (b) changing the roof material, windows or exterior doors of any dwelling or other structure; (c) building, constructing or erecting any room additions and/or demolishing or conducting any exterior remodeling; (d) building, constructing, erecting or installing, as the case may be, any swimming pools, spas, tennis courts, guest houses, patio covers, decks, planters, gazebos, stairs, trellises, sunshades, screening walls, wind screens, awnings, screen doors, skylights, poles, signs, solar heating, air conditioning and/or water softening or refining fixtures or systems; and/or grading. Improvements also include all amenities, fixtures and facilities constructed on the Common Areas (including, but not limited to, any recreational amenities, entry gate facilities, storm and water quality control facilities, landscaping, fencing, etc.).

Section 1.20 **Institutional Mortgagee.** "Institutional Mortgagee" shall mean and refer to a First Mortgagee which is a bank or savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any corporation or insurance company, any federal or state agency, or any other institution regulated by federal or state law.

Section 1.21 **Lot.** "Lot" shall mean and refer to any one of the 53 lots which are a part of Tract No. 13403. See Exhibit A.

Section 1.22 **Maintenance Requirements.** "Maintenance Requirements" shall have the meaning set forth in Article VII hereof.

Section 1.23 **Mortgage.** "Mortgage" shall mean and refer to any duly recorded mortgage or deed of trust encumbering a Lot. A "**First Mortgage**" shall refer to a Mortgage, which has priority over all other Mortgages encumbering a specific Lot.

Section 1.24 **Mortgagee.** "Mortgagee" shall mean and refer to the mortgagee or beneficiary under any Mortgage. A "**First Mortgagee**" shall mean the holder of a First Mortgage.

Section 1.25 **Notice and Hearing.** "Notice and Hearing" shall have the meaning ascribed to such terms in the Bylaws and Article 18 hereof.

Section 1.26 **Official Records.** "Official Records" shall mean the official records of the County.

Section 1.27 **Owner.** "Owner" shall mean and refer to every "Person" (as hereinafter defined) who is an owner of record of a Lot in the Association. "Owner" is synonymous with "Member".

Section 1.28 **Ownership.** "Ownership" shall mean the Ownership in the Association held by any Owner.

Section 1.29 **Person.** "Person" shall mean and refer to a natural individual, corporation, partnership, limited liability company, or any other entity with the legal right to hold title to real property.

Section 1.30 **Record or Recordation.** "Record" or "Recordation" shall mean recordation of any document or instrument in the Official Records of the County Recorder.

Section 1.31 **Voting Power.** "Voting Power" shall mean the total number of lots authorized to vote, not including any membership that is suspended or not in good standing.

ARTICLE II HOMEOWNERS ASSOCIATION

Section 2.01 Organization. The Association is a California nonprofit mutual benefit corporation charged with the duties and vested in the powers prescribed by law and set forth the Articles, the By-laws and this Declaration. Neither the Articles nor Bylaws, shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. In the event of any such inconsistency the provisions of this Declaration shall prevail. The Board of Directors and such officers as the Board may elect or appoint, shall conduct the affairs of the Association in accordance with this Declaration, the Articles and the Bylaws, as the same may be amended from time to time.

Section 2.02 Ownership. The terms and provisions set forth in this Declaration, which are binding upon all Owners, are not exclusive, as Owners shall, in addition, be subject to the terms and provisions of the Articles, Bylaws, Design Guidelines, and Association Rules to the extent the provisions thereof are not in conflict with this Declaration. Ownership of Owners shall be appurtenant to, and may not be separated from, the interest of such Owner in any Lot. Ownership of a Lot shall be the sole qualification for Ownership; *provided, however*, an Owner's voting rights or privileges in the Common Areas may be regulated or suspended as provided in this Declaration, the Bylaws or the Association Rules. Not more than one Ownership shall exist based upon ownership of a single Lot.

Section 2.03 Transfer. No Ownership shall be transferred, pledged or alienated in any way, except that such Ownership shall automatically be transferred to the transferee of the interest of an Owner required for Ownership. Any attempt to make a prohibited Ownership transfer is void and will not be reflected upon the books and records of the Association. The Association shall have the right to record the Ownership transfer upon the books of the Association without any further action or consent by the transferring Owner.

Section 2.04 Voting Rights. All voting rights shall be subject to the restrictions and limitations provided herein and in the Articles, Bylaws and Association Rules.

Section 2.05 Classes of Voting Ownership. The Association shall have only one class of voting Ownership, i.e. each Owner shall be entitled to one vote for each Lot owned. When more than one person owns a Lot, each such person shall be an Owner and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot - fractional votes will not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners cast a vote representing a certain Lot, it shall thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other Owners of the same Lot. In the event that more than one vote is cast for a particular Lot then none of said votes shall be counted and all said votes shall be deemed void.

Section 2.06 Approval of Owners Unless elsewhere otherwise specifically provided in this Declaration or the Bylaws, any provision of this Declaration or the Bylaws which requires the vote or written assent of the voting power of the Association shall be deemed satisfied by either of the following:

(a) the vote of the Owners constituting a quorum casting a majority of the voting power at a meeting duly called and noticed pursuant to the provisions of the Bylaws dealing with annual or special meetings of the Owners; or

(b) written consents signed by the Owners constituting a quorum casting a majority of the votes.

**ARTICLE III
COVENANT FOR MAINTENANCE ASSESSMENTS**

Section 3.01 Creation of the Lien and Personal Obligation of Assessments.

Each Owner of any Lot by acceptance of a deed or other conveyance, creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: Regular Assessments, Special Assessments, Reimbursement Assessments, Capital Improvement Assessments, Penalty Assessments, and Reconstruction Assessments. Such Assessments shall be fixed, established and collected from time to time as provided in this Declaration. The Regular, Special, Reimbursement, Capital Improvement, and Reconstruction Assessments, together with interest thereon, late charges, attorneys' fees and court costs, and other costs of collection thereof, as hereinafter provided, shall be a charge upon the Lot against which each such Assessment is made. Each such Assessment, including Penalty Assessments, together with such interest, late charges, costs and attorneys' fees, shall also be the personal obligation of the Owner of such Lot at the time when the Assessment becomes due. The personal obligation for delinquent Assessments shall not pass to the successors in title of an Owner unless expressly assumed by such successors. No Owner may waive or otherwise escape liability for Assessments by nonuse of the Common Areas or any part thereof, or abandonment of such Owner's Lot.

Section 3.02 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purposes of carrying out and/or enforcing the provisions of this Declaration, and promoting the recreation, health, safety and welfare of the Owners, the management of the Property, enhancing the quality of life in the Property, and the value of the Property including, without limitation, the improvement and maintenance of the properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, or in furtherance of any other duty or power of the Association. The Association shall not impose or collect an assessment, penalty or fee that exceeds the amount necessary (including applicable reserve amounts) for the purpose or purposes for which it is levied.

Section 3.03 Regular Assessments.. The Board shall determine the amount of the Regular Assessment to be paid by each Owner. The Association shall provide written notice to all Owners of any change in Regular Assessments, or the due dates therefore, not less than thirty (30) days, nor more than sixty (60) days, prior to the due date for such Regular Assessments via first-class mail or by electronic mail (if the Owner has agreed to receipt of notice by electronic mail). Each Owner shall thereafter pay to the Association his or her Regular Assessment in installments by the due date established by the Board. In the event the Board shall determine that the estimate of total charges for the current year is, or will become inadequate to meet all Common Expenses for any reason, it shall then immediately determine the approximate amount of such inadequacy and issue a supplemental estimate of the Common Expenses and determine the revised amount of Regular Assessment against each Owner, and the date or dates when due. The Board may not, however, increase the amount of the annual Regular Assessment by more than twenty percent (20%) in one year without the approval of a majority of a quorum of the Owners at Owner meeting or election. The Association shall comply with the provisions of Section 5605 of the California Civil Code, prior to any increase in Regular Assessments. In the event the amount budgeted to meet Common Expenses for the then-current year proves to be excessive in light of the actual Common Expenses, the Board in its discretion may either reduce the amount of the Regular Assessment or may abate collection of Regular Assessments as it deems appropriate. Regular Assessments may not be reduced if such reduction would diminish the quantity or quality of services provided by the Association. Notwithstanding the foregoing, Regular Assessment increases shall not be limited in the case of "emergency situations" as provided in Section 5610 of the California Civil Code.

Section 3.04 Capital Improvement Assessments. In addition to the Regular Assessments, the Association may levy in any calendar year, a Capital Improvement Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or replacement (other than due to destruction) of a described capital improvement upon the Common Areas to the extent the same is not covered by the provisions affecting Reconstruction Assessments in the Article hereof entitled "*Destruction of Improvements*," including the necessary fixtures and personal property related thereto. The Association shall not impose a Capital Improvement Assessment, the total amount of which exceeds five percent (5%) of the estimated Common Expenses as set forth in the Section of this Article entitled "*Regular Assessments*," without the approval of a majority of a quorum of the voting power of the Association. Any reserves collected by the Association for the future maintenance and repair of the Common Areas, or any portion thereof, shall not be included in determining said annual Capital Improvement Assessment limitation. All amounts collected as Capital Improvement Assessments may only be used for capital improvements and shall be deposited by the Board in a separate bank account to be held in trust for such purposes. Said funds shall not be commingled with any other funds of the Association and shall be deemed a contribution to the capital account of the Association by the Owners. The Association shall provide notice to all Owners, by first-class mail, of any decision by the Association to levy a Capital Improvement Assessment, not less than thirty (30) nor more than sixty (60) days prior to the due date for such Assessment.

Section 3.05 Uniform Assessment. Regular, Reconstruction and Capital Improvement Assessments shall be fixed at an equal amount for each Lot and may be collected at intervals selected by the Board.

Section 3.06 Certificate of Payment. The Association shall, upon demand, furnish to any Owner liable for Assessments, a certificate in writing signed by an officer or authorized agent of the Association, setting forth whether the Assessments on a specified Lot have been paid, and the amount of delinquency, if any. A reasonable charge may be collected by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

Section 3.07 Special Assessment. Special Assessments may be levied by the Association to fund any budgetary shortfall or to restore any funds transferred from the Association's reserve account. Special Assessments shall also be levied by the Board against an Owner and such Owner's Lot to reimburse the Association for any other charge designated as a Special Assessment in this Declaration, the Articles, Bylaws or Association Rules. Notwithstanding the foregoing, the Board shall not impose Special Assessments without first complying with the provisions of Section 5605 of the California Civil Code. The foregoing limitation shall be subject to the exception of "emergency situations" as provided in Section 3.03 above.

Section 3.08 Penalty Assessment. In the event the Board levies any fines or charges against an Owner who fails to comply with this Declaration, the Articles, Bylaws or the Association Rules, such fines or charges shall be Penalty Assessments. Penalty Assessments shall be due 10 days after the Board gives written notice thereof to the Owner subject thereto, and shall not be enforceable by non-judicial foreclosure.

Section 3.09 Reimbursement Assessment. Reimbursement Assessments may be levied by the Association to reimburse the Association for materials or services provided by the Association which benefit individual Lots. Reimbursement Assessments shall also be levied by the Board against an Owner (and such Owner's Lot) to reimburse the Association for any other charge designated as a Reimbursement Assessment in this Declaration, the Articles, Bylaws or Association Rules. Such Reimbursement Assessment may only be assessed by the

Board after Notice and Hearing. Following a hearing in which a Reimbursement Assessment is approved by the Board, the Association shall provide notice by first-class mail to the Owners subject to a Reimbursement Assessment of any decision to levy such Reimbursement Assessment, not less than thirty (30) nor more than sixty (60) days prior to the Reimbursement Assessment becoming due.

Section 3.10 **No Offsets.** All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that (i) the Association is not properly exercising its duties and powers as provided in this Declaration; (ii) an Owner has made or elects to make no use of the Common Areas; or (iii) any construction or maintenance performed pursuant to the Section entitled "Assumption of Maintenance Obligations" of the Article entitled "Repair and Maintenance" of this Declaration shall in any way postpone Assessments or entitle an Owner to claim any such offset or reduction.

Section 3.11 **Homestead Waiver.** Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of California now in effect, or in effect from time to time hereafter.

Section 3.12 **Reserves.** The Regular Assessments shall include reasonable amounts as determined by the Board collected as reserves for the future periodic maintenance, repair or replacement of all or a portion of the Common Areas, or any other purpose as determined by the Board. All amounts collected as reserves, whether pursuant to this Section or otherwise, shall be deposited by the Board in a separate bank account to be held in trust for the purposes for which they are collected and are to be segregated from and not commingled with any other funds of the Association. Such reserves shall be deemed a contribution to the capital account of the Association by the Owners. The Board shall not expend funds designated as reserve funds for any purpose other than those purposes set forth in Section 5510 of the California Civil Code. Withdrawal of funds from the Association's reserve account shall require the signatures of either (a) two (2) Members of the Board; or (b) one (1) Member of the Board and an officer of the Association who is not also a Member of the Board.

NONPAYMENT OF ASSESSMENTS

Section 4.01 **Effect of Nonpayment of Assessments; Remedies of the Association.** In the event any Assessment is not paid when due, such Assessment shall be deemed to be delinquent and in default. Each Owner vests in the Association or its assigns the right and power to bring all actions at law and in equity and exercise such other remedies provided herein against such Owner for the collection of delinquent Assessments. In the event an attorney or attorneys are employed for collection of any Assessment, whether by suit or otherwise, each Owner agrees to pay reasonable attorneys' fees and costs thereby incurred in addition to any other amounts due or any other relief or remedy obtained against such Owner. Any Assessment not paid within 15 days from and after the date it was due shall thereafter bear interest from the date that it was due at the maximum rate per annum permitted by law. In addition to any other remedies herein or by law provided, the Association may enforce the obligations of the Owners to pay the Assessments in any manner provided by law or in equity, and without any limitation of the foregoing, by any or all of the following procedures:

(a) **Suspension of Rights; Monetary Penalties.** After a hearing by the Board (whether or not the delinquent Owner appears), upon ten (10) days prior written notice to the delinquent Owner, the Board may (a) suspend the voting rights of any Owner, (b) impose reasonable monetary penalties pursuant to a monetary penalty schedule established and posted by the Board, and/or (c) suspend such Owner's right to use the Common Areas for any period during which any Assessment against such Owner's Lot remains unpaid; *provided,*

however, these provisions shall not operate or be construed to deny ingress or egress of any Owner to and from such Owner's Lot.

(b) **Enforcement by Suit.** By commencement and maintenance of a suit at law or equity against any Owner or prior Owner to enforce the Assessment obligation, such suit is to be maintained in the name of the Association. Any judgment rendered in any such action may include the amount of the delinquency, interest thereon at the maximum legal rate per annum from the date of the delinquency, court costs and reasonable attorneys' fees, in such amount as the court may adjudge against the delinquent Owner or prior Owner.

(c) **Enforcement by Lien.** There is hereby created a "Claim of Lien," with power of sale, on each and every Lot to secure payment to the Association of any and all Assessments charged against any and all Lots pursuant to this Declaration, together with interest thereon at the maximum legal rate per annum from the date of delinquency, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorneys' fees. At any time after the delinquency, the Association may elect to file and record in the Official Records a Claim of Lien against the Lot of the defaulting Owner. Such Claim of Lien shall be executed and acknowledged by any officer of the Association, and shall contain substantially the following information:

- (1) the name of the delinquent Owner;
- (2) the legal description of the Lot against which the Claim of Lien is made;
- (3) the total amount of the delinquency, interest thereon, penalties, collection costs and reasonable attorneys' fees if then known (with any proper offset allowed);
- (4) a statement that the Claim of Lien is made by the Association pursuant to this Declaration and that a lien is claimed against said Lot in an amount equal to the amount stated; and
- (5) the name and address of the trustee authorized by the Association to enforce the Claim of Lien by sale.

Upon such recordation of a duly executed original or copy of such Claim of Lien and mailing a copy thereof to said Owner, the lien claimed therein shall immediately attach and become effective. Any such lien may be foreclosed by appropriate action in court or in the manner provided by law for the foreclosure of a deed of trust by exercise of a power of sale contained therein or in the manner provided by law for the enforcement of a judgment as the laws of the State of California may from time to time be changed or amended. The Association shall have the power to bid at any foreclosure sale, trustee's sale or judgment sale and to purchase, acquire, lease, hold, mortgage and convey any Lot. Reasonable attorneys' fees, court costs, title search fees, interest and all other costs and expenses shall be allowed to the extent permitted by law. The proceeds of any foreclosure, trustee's or judgment sale provided for in this Declaration shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees, title costs and costs of the sale, and all other expenses of the proceedings and sale, then toward the unpaid assessments. In the event that any sale proceeds remain after satisfaction of such charges and unpaid assessments hereunder or any liens, such funds shall be paid to the defaulting Owner. Any purchaser at such sale shall thereupon be entitled to a deed to the Lot and immediate possession of the Lot and shall have the right to apply to a court of competent jurisdiction for such orders as may be reasonable for the purpose of acquiring and possessing the Lot. It shall be a condition of such sale, and the deed so made shall provide, that the purchaser shall take the interest in the sold Lot subject to this

Declaration. Upon the timely curing of any default for which a Claim of Lien was filed by the Association, the officers of the Association are hereby authorized to record an appropriate release of such lien in the Official Records.

Unpaid Penalty Assessments pursuant to section 17.1.5 may become a lien pursuant to this section, but such lien shall not be enforceable by the non-judicial sale of the separate interest under Civil Code sections 2924, 2924b or 2924c. Any foreclosure of the separate interest based on unpaid Penalty Assessments may only be accomplished through judicial foreclosure.

Section 4.02 Assignment of Rents. As security for the payment of all such liens, each Owner hereby gives to and confers upon the Association the right, power and authority, during the continuance of such ownership, to collect the rents, issues and profits of the Owner's Lot, reserving unto the Owner the right, prior to any default by such Owner in performance of such Owner's obligation under this Declaration, or the Bylaws or the Articles, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, the Association may, at any time, upon ten (10) days written notice to such Owner, then either in person, by agent or by a receiver to be appointed by a court of competent jurisdiction, and without regard to the adequacy of any security for such indebtedness, enter upon and take possession of such Owner's Lot or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, in payment of any indebtedness to the Association or in performance of any agreement hereunder, and in such order as the Association may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure nor waive any default hereunder or invalidate any act done pursuant to this Declaration.

The assignment of rents and powers described in the foregoing paragraph shall not affect, the rights and powers of the holder or beneficiary of any First Mortgage or deed of trust on any Lot to do the same or similar acts.

Section 4.03 Personal Obligation for Delinquent Assessments. The sale or transfer of any Lot shall not diminish or defeat the personal obligation of any Owner for delinquent assessments.

ARTICLE V ARCHITECTURAL CONTROL

Section 5.01 Architectural Design Guidelines. Declarant has adopted, or may adopt, guidelines setting forth general standards for the design and appearance of the Property (the "**Design Guidelines**"). In the event of any conflict between the Design Guidelines and this Declaration, this Declaration shall control. The Design Guidelines shall not be amended, modified, changed, or waived in any manner, without the prior written approval of the Board. Notwithstanding any other provision herein, no amendment to the Design Guidelines shall act to make any previously constructed or installed improvement or landscaping out of compliance with such amended Design Guidelines, provided that such improvement and/or landscaping was in compliance with the applicable Design Guidelines prior to such amendment to the Design Guidelines. Each Owner should become familiar with the Design Guidelines. The Architectural Control Committee shall maintain a copy of the Design Guidelines on file at all times, and the Architectural Control Committee shall provide each Owner with a copy of the Guidelines upon written request. Except as provided below the Architectural Control Committee shall not approve the construction of any Improvement which is not designed and constructed substantially in accordance with the Design Guidelines. The Design Guidelines may include among other things those restrictions and limitations upon the Owners set forth below:

(a) time limitations for the completion of the architectural improvements for which approval is required pursuant to the Design Guidelines;

(b) conformity of completed architectural improvements to plans and specifications approved by the Architectural Control Committee; *provided, however*, as to purchasers and encumbrancers in good faith and for value, unless notice of non-completion or non-conformance identifying the violating Lot and its Owner and specifying the reason for the notice, executed by the Architectural Control Committee, shall be Recorded, and given to such Owner within one (1) year of the expiration of the time limitation described in subsection (a) above, or unless legal proceedings shall have been instituted to enforce compliance or completion within said one (1) year period, the completed architectural improvements shall be deemed to be in compliance with plans and specifications approved by the Architectural Control Committee and in compliance with the Design Guidelines, but only with respect to purchasers and encumbrancers in good faith and for value;

(c) such other limitations and restrictions as the Declarant, in its reasonable discretion, shall adopt, including, without limitation, the regulation of the following: construction, reconstruction, exterior addition, change or alteration to or maintenance of any building, structure, wall or fence, including, without limitation, the nature, kind, shape, height, materials, exterior color and surface and location of such dwelling structure; and

(d) a description of the types of such construction, reconstruction, additions, alterations or maintenance which, if completed in conformity with the Design Guidelines, do not require the approval of the Architectural Control Committee.

Section 5.02 Appointment of Architectural Control Committee.

The Architectural Control Committee shall consist of not less than three (3) nor more than five (5) persons as fixed from time to time by resolution of the Board. The Board shall appoint the Architectural Control Committee. Directors may serve on the Architectural Control Committee. However, if three Directors are serving on the Architectural Control Committee, then the Architectural Control Committee may only meet as part of a meeting of the Board pursuant to Civil Code section 4900 *et seq.*

Section 5.03 Duties. It shall be the duty of the Architectural Control Committee to consider and act upon any and all proposals or plans submitted to it pursuant to the terms hereof, to insure that any Improvements constructed on the Property conforms to plans approved by the Architectural Control Committee and is in conformity with the Design Guidelines and the Association's Rules, to perform other duties delegated to it by the Board, and to carry out all other duties imposed upon it by this Declaration. Except as expressly provided to the contrary no Improvements may be removed, constructed or placed on the Lots, or any portion thereof, without the approval of the Architectural Control Committee having first been obtained, and the Architectural Control Committee, in its own name or on behalf of the Association, may exercise all available legal and equitable remedies to prevent or remove or cause to be removed any such unauthorized and unapproved construction or Improvements on the Lots or any portion thereof. No residence or dwelling unit shall be constructed upon any Lot unless such residence or dwelling unit (a) has a minimum square footage of 2,250 square feet, exclusive of open porches, patios and garages (this limitation applies only to the primary residence to be constructed on the Lot), (b) is approved by the Architectural Control Committee as required by this Declaration, and (c) otherwise complies with both all applicable building codes and ordinances and the Design Guidelines and the Associations Rules.

Section 5.04 General Provisions. The Architectural Control Committee may establish reasonable procedural rules and may assess a reasonable fee in connection with

review of plans and specifications including, without limitation, the number of sets of plans to be submitted; *provided, however*, the Architectural Control Committee may delegate its plan review responsibilities to one or more members of such Architectural Control Committee. Upon such delegation, the approval or disapproval of plans and specifications by such persons shall be equivalent to approval or disapproval by the entire Architectural Control Committee. Unless any such rules are complied with, such plans and specifications shall be deemed not submitted. Plans required to be submitted may include, without limitation, site plans, floor plans, drainage plans, elevations, color and/or material samples, and such other plans and/or samples reasonably required by the Architectural Control Committee.

(a) The address of the Architectural Control Committee shall be the address established for giving notice to the Association. Such address shall be the place for the submittal of plans and specifications and the place where the Design Guidelines shall be kept.

(b) The establishment of the Architectural Control Committee and the systems herein for architectural approval shall not be construed as changing any rights or restrictions upon Owners to maintain, repair, alter or modify or otherwise have control over the Lots as may otherwise be specified in this Declaration, in the Bylaws or in any Association Rules.

(c) In the event the Architectural Control Committee fails to approve or disapprove such plans and specifications within sixty (60) days after the same have been duly and completely submitted in accordance with any rules regarding such submission adopted by the Architectural Control Committee, such plans and specifications will be deemed approved.

(d) The approval by the Architectural Control Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the Approval of the Architectural Control Committee shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

Section 5.05 Approval and Conformity of Plans and Improvements.

No building, fence, wall, structure, landscaping improvements (including such landscaping improvements that consist of predominantly hardscape material(s) including but not limited to cement, rock and gravel), shall be commenced, erected, maintained upon, or removed from the Property, nor shall there be any addition to or change in the exterior of any Lot, building, fence, wall, structure, the painting (other than painting with the same color of paint as previously existed) of exterior walls, patio covers and solar and other energy saving devices, except in compliance with the Design Guidelines, this Declaration, the Association Rules, and the plans and specifications (showing the nature, kind, shape, height, width, color, materials and location) which have been submitted to and approved by the Architectural Control Committee as to their structural integrity and harmony of external design and location in relation to surrounding structures and topography.

Notwithstanding the foregoing, an Owner shall not be required to obtain the approval of the Architectural Control Committee if the Improvement cannot be seen from any other Lot and/or any adjoining street or road.

Section 5.06 Non-liability for Approval of Plans. Neither the Association, the Board, the Architectural Control Committee nor any Owner thereof shall be liable to any Owner, or to any other party, for any damage, loss, prejudice or expense suffered or claimed on account of (a) the approval or disapproval of any plans, drawings, or specifications, whether or not defective, (b) any defects in the construction or performance of any work, whether or not pursuant to approved plans and specifications, or (c) the inability of anyone to obtain either a

building permit for the construction or alteration of any Improvement pursuant to approved plans and specifications.

Section 5.07 Appeal. In the event plans and specifications submitted to the Architectural Control Committee are disapproved thereby, the party or parties making such submission may appeal in writing to the Board. The written request must be received by the Board not more than fifteen (15) days following the final decision of the Architectural Control Committee. The Board shall submit such request to the Architectural Control Committee for review, whose written recommendations will be submitted to the Board. Within forty-five (45) days following receipt of the request for appeal, the Board shall render its written decision. The failure of the Board to render a decision within said forty-five (45) day period shall be deemed a decision in favor of the appellant; *provided, however*, the submitted plans and specifications shall remain subject to the Design Guidelines.

Section 5.08 Inspection and Recording of Approval. Any member of the Architectural Control Committee or any Director, officer, employee or agent of the Association may at any reasonable time enter, without being deemed guilty of trespass, upon any Lot after notice to the Owner in order to inspect improvements constructed or being constructed on such Lot to ascertain that such improvements have been or are being built in compliance with plans and specifications approved by the Architectural Control Committee and in accordance with the Design Guidelines. The Architectural Control Committee shall cause such an inspection to be undertaken within forty-five (45) days of a request therefor from any Owner as to his Lot, and if such inspection reveals that the improvements located on such Lot have been completed in compliance with this Article, the President and the Secretary of the Association shall provide to such Owner a notice of such approval in recordable form, which, when recorded, shall be conclusive evidence of compliance with the provisions of this Article as to the improvements described in such recorded notice, but as to such improvements only. In the event that the inspection reveals that the improvements or landscaping were not completed in accordance with the approved plans, the Owner shall promptly modify or replace any such improperly constructed or installed improvements or landscaping and thereafter notify the Architectural Control Committee upon completion of same (which modified improvements or landscaping shall thereafter be subject to inspection in accordance with this Section).

Section 5.09 Variances. The Board shall have the power to allow reasonable variances to the provisions of this Declaration in order to overcome practical difficulties and prevent unnecessary hardships, provided that the following conditions are met:

(a) A hearing on the application for such variance is held by the Board after giving ten (10) days prior written notice to the Owners of all Lots in the Property; and

(b) The Board finds in its sole discretion that the variance will not be materially detrimental to other Lots in the Property and/or the Common Area.

ARTICLE VI DUTIES AND POWERS OF THE ASSOCIATION

Section 6.01 General Duties and Powers. In addition to the duties and powers enumerated in its Articles and Bylaws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall have the specific duties and powers specified in this Article.

Section 6.02 General Duties of the Association. The Association through the Board shall have the duty and obligation to:

(a) enforce the provisions of this Declaration, any Supplemental Declaration, the Articles, Bylaws and Association Rules, by appropriate means and carry out the obligations of the Association hereunder;

(b) maintain in good and attractive condition and repair, and otherwise manage the following:

(1) all easements and real property and all facilities, improvements and landscaping thereon in which the Association holds an interest and/or which the Association is specifically designated to maintain (whether pursuant to this Declaration or any other agreement to which the Association is a party or is bound), including, without limitation, the Common Areas;

(2) all personal property in which the Association holds an interest; and

(3) all property, real or personal, which the Association is obligated to repair or maintain pursuant to this Declaration, including, without limitation, the Article of this Declaration entitled "*Repair and Maintenance*";

(c) pay any real and personal property taxes and other charges assessed to or payable by the Association;

(d) obtain, for the benefit of the Common Areas, necessary utilities, refuse collections and other services;

(e) when required Civil Code section 5200 *et seq*, make Association Records available for inspection by Owners;

(f) arrange for an on-site manager on week days (except holidays) during the hours of 7 am to 4 pm, the Board may set additional or longer hours as needed;

(g) comply with provisions of California law relating to the operation of a common interest development, including, without limitation, the Davis-Stirling Common Interest Development Act (California Civil Code Section 4000 *et seq.*), as same may be amended from time to time; and

(h) undertake well-informed decisions based on fair and objective information, and engage in actions which achieve objectives without unnecessary controversy and/or disruption to the Property.

Section 6.03 General Powers of the Association. The Association through the Board shall have the power but not the obligation to:

(a) employ a manager or other persons and contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or firm appointed as a manager or managing agent shall have (i) a term of not more than one (1) year with successive one (1) year renewal periods upon mutual agreement of the parties, and (ii) shall provide for the right to terminate without cause, and without payment of a penalty, upon no more than sixty (60) days' notice and no less than thirty (30) days' notice;

(b) acquire interests in real or personal property for offices or other facilities that may be necessary or convenient for the management of the Property, the administration of the affairs of the Association or for the benefit or enjoyment of the Owners;

(c) borrow money as may be needed in connection with the discharge by the Association of its powers and duties; and

(d) establish and maintain a working capital and contingency fund in an amount to be determined by the Board. Such contribution shall be a Common Expense and shall be used by the Board as it deems fit to carry out the objectives and purposes of the Association;

(e) exclusively to adopt, amend, and repeal such rules and regulations as it deems reasonable (the "Association Rules") which may include the establishment of a system of fines and penalties enforceable as Penalty Assessments, all as provided in the Bylaws. The Association Rules shall govern such matters in furtherance of the purposes of the Association, including, without limitation, the use of the Common Areas; provided, however, that the Association Rules may not discriminate among Owners, and shall not be inconsistent with this Declaration, the Articles or Bylaws. A copy of the Association Rules as they may from time to time be adopted, amended or repealed or a notice setting forth the adoption, amendment or repeal of specific portions of the Association Rules shall be delivered to each Owner in the same manner established in this Declaration for the delivery of notices. Upon completion of the notice requirements, said Association Rules shall have the same force and effect as if they were set forth in and were a part of this Declaration and shall be binding on the Owners and their successors in interest whether or not actually received thereby. The Association Rules, as adopted, amended or repealed, shall be available at the principal office of the Association to each Owner and Institutional Mortgagee upon request. In the event of any conflict between the Association Rules and any other provisions of this Declaration, or the Articles and Bylaws, the provisions of the Association Rules shall be deemed to be superseded by the provisions of this Declaration, the Articles or the Bylaws to the extent of any such conflict.

Section 6.04 Delegation of Powers. The Association shall have the right, according to law, to delegate to committees, officers, employees or agents any of its duties and powers under this Declaration, the Articles and Bylaws; *provided, however,* no such delegation to a professional management company, the Architectural Control Committee or otherwise shall relieve the Association of its obligation to perform such delegated duty.

Section 6.05 Pledge of Assessment Rights. Subject to applicable law, including, without limitation, Section 5735 of the California Civil Code, as same may be amended from time to time, the Association shall have the power to pledge the right to exercise its Assessment powers in connection with obtaining funds to repay a debt of the Association; *provided, however,* any such pledge shall require the prior affirmative vote or written assent of not less than a majority of the voting power present in person or by proxy at a duly and validly held meeting of the Owners or by written consent as set forth in the Bylaws. Said power shall include, but not be limited to, the ability to make an assignment of Assessments which are then payable to or which will become payable to the Association; which assignment may be then presently effective but shall allow said Assessments to continue to be paid to and used by the Association as set forth in this Declaration, unless and until the Association shall default on the repayment of the debt which is secured by said assignment. The Association may levy Special Assessments against the Owners to obtain such funds. Upon the failure of any Owner to pay said Special Assessment when due, the Association may exercise all its rights, including, without limitation, the right to foreclose its lien, pursuant to the Article hereof entitled "*Nonpayment of Assessments.*"

Section 6.06 Emergency Powers. The Association or any person authorized by the Association may enter any Lot in the event of any emergency involving illness or potential danger to life or property. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Association, at its expense, unless covered by insurance carried by the Owner.

Section 6.07 Schedule of Fines. The Board may adopt a schedule of reasonable fines or penalties which, in its reasonable discretion, it may assess against an Owner for the failure of such Owner, or of a resident of, or visitor to, such Owner's Lot, to comply with any provisions hereof. Such fines or penalties may only be assessed by the Board after Notice and Hearing. Each such fine or penalty shall be a Penalty Assessment, and may be enforced by lien pursuant to section 4.1(c).

ARTICLE VII REPAIR AND MAINTENANCE

Section 7.01 Repair and Maintenance by Association. Except to the extent that an Owner may be obligated to maintain and repair as hereinafter provided, and without limiting the generality of the statement of duties and powers contained in this Declaration, the Articles, Bylaws or Association Rules, the Association shall have the duty to accomplish the following upon the Property or other land in such manner and at such times as the Board shall prescribe:

(a) maintain, repair, restore, replace and make necessary improvements to the Common Areas; and

(b) maintain all other areas, facilities, equipment, services or aesthetic components of whatsoever nature as may from time to time be requested by the vote or written consent of a majority of the voting power of the Owners.

All maintenance performed by the Association shall be in accordance with the Maintenance Requirements.

The costs of any such maintenance and repair pursuant to this Section shall be paid out of the general funds of the Association, except as otherwise herein specified as payable by the particular Owners.

Section 7.02 Repair and Maintenance by Owner. Except to the extent that the Association shall be obligated to maintain and repair as may be provided in this Declaration, every Owner shall be responsible for the following maintenance and repair:

(a) **Improvements.** Each Owner shall maintain, in good and attractive condition and repair and adequately painted and finished, and consistent with applicable local ordinances, all Improvements located upon or within such Owner's Lot in accordance with the Maintenance Requirements and the terms and conditions of this Declaration.

(b) **Specific Landscaping Maintenance Requirements.** Landscaping of the Lot shall be installed within one hundred eighty (180) days from the date that any house thereon is completed. Each Owner shall

(i) be responsible for the maintenance of their Lot in a clean, sanitary and attractive condition, and in such a manner as not to create a fire hazard,

(ii) keep the same free from rubbish, litter and noxious weeds,

(iii) maintain, cultivate, and keep in good condition and repair shrubs, trees, grass, lawns, plantings and other landscaping located or from time

to time placed upon his Lot in such a manner as to prevent or retard or erosion and to encourage the growth of indigenous ground cover,

(iv) replace dead plants, shrubs, trees, grass or any other landscaping on his Lot with plants shrubs, trees, grass or landscaping of the same or similar type,

(v) maintain all paved surfaces and keep them clean, reasonably dry and free of oil and other extraneous matter,

(vi) maintain all slopes, if any, located upon such Lot, (vii) maintain all retaining walls, if any, located upon such Lot and

(viii) maintain any drainage structures located upon such Lot.

These requirements apply to the entirety of each Lot and any area between the edge of a Lot and the edge of the pavement of all adjoining roads within the Property.

Section 7.03 Right of Association to Maintain and Install. In the event that any Owner fails to accomplish any maintenance, repair or installation required by this Section or pay his or its share of expenses incurred in the accomplishment of the same, the Association or its delegates may, but shall not be obligated to, cause such maintenance, repair and installation to be accomplished or such payment to be made to the appropriate parties (said maintenance, repair, installation or lack of payment shall be referred to in this Article as a "**deficiency**") as hereinafter set forth.

(a) Upon finding by the Board of a deficiency, the Board shall give notice of the deficiency to the violating Owner which shall briefly describe the deficiency and set a date for the cure thereof. If the violating Owner submits a written request to the Board for a hearing within fifteen (15) days after the mailing of such deficiency notice, the Board shall set a date for such hearing before the Board or a committee selected by the Board for such purpose. The Board may delegate its powers under this subsection to a duly appointed committee of the Association.

(b) Such hearing shall be held not less than ten (10) nor more than thirty (30) days from the date of said request for hearing.

(c) Such hearing shall be conducted according to such reasonable rules and procedures as the Board shall adopt which shall provide the Owner with the right to present oral and written evidence and to confront and cross-examine any person offering at such hearing evidence adverse to such Owner. If the Board or any such committee renders a decision against the Owner, it may set another date by which the deficiency is to be corrected by the Owner. A decision of such committee may be appealed to the Board, but a decision of the Board shall be final.

(d) If the deficiency continues to exist after the time limitation set forth in the deficiency notice or, in the event a hearing is held, the date imposed by a final decision of the Board or any such committee, the Board or such committee may cause such maintenance, repair or installation to be accomplished or such payment to be made.

(e) In the event the Board or such committee elects to cause such maintenance, repair or installation to be accomplished, it shall give written notice of such election to the violating Owner and the following shall apply:

(1) the Owner shall have no more than ten (10) days following the receipt thereby of said written notice of election in which to select

a day or days upon which such maintenance, repair or installation work shall be accomplished;

- (2) the date which said Owner selects shall be not less than ten (10) days nor more than thirty (30) days following the last day of the ten (10) day period specified in such notice of election;
- (3) if said Owner does not select such day or days within the ten (10) day period specified in such notice of election, the Board or such committee may select a day or days upon which such work may be accomplished which shall be not less than twenty-five (25) nor more than fifty-five (55) days from the last day of the ten (10) day period specified in such notice of election; and
- (4) unless the Owner and the Board otherwise agree, such maintenance or installation shall take place only during daylight hours on any day, Monday through Friday, excluding holidays.

(f) If the Association pays for all or any portion of correcting such deficiency or if an Owner has not paid its share of the maintenance and repair expenses as set forth in Sections Section 7.02 and Section 7.03 regardless of whether the Association has reimbursed the appropriate parties, Owners, pursuant to this Section, such amount shall be a Reimbursement Assessment to the violating Owner and such Owner's Lot.

Section 7.04 Right of Entry. The Association shall have the right to enter upon any Lot in connection with any exterior maintenance, repair or construction in the exercise of the powers and duties of the Association. Any damage caused by such entry shall be repaired by the Association to the extent that the damage is unreasonable under the circumstances to carry out the Association's rights and obligations.

Section 7.05 Maintenance of Public Utility Facilities. Nothing contained herein shall require or obligate the Association to maintain, replace or restore the facilities of public utilities which are located within easements in the Common Areas owned by such public utilities. However, the Association shall take such steps as are necessary or convenient to ensure that such facilities are properly maintained, replaced or restored by such public utilities.

Section 7.06 Assumption of Maintenance Obligations. The Association and its assigns, subcontractors and the agents and employees of the same shall have the right to enter upon the Common Areas to complete the construction of any landscaping or other Improvement to be installed on the Common Areas as provided in this Declaration.

ARTICLE VIII INSURANCE

Section 8.01 Types. The Association, to the extent available, shall obtain and continue in effect in its own name the following types of insurance with such deductible provisions as may be appropriate so long as such amounts or type of insurance coverage are not, in the good faith judgment of the Board, prohibitively expensive or no longer necessary or appropriate for the protection of the Property, the Association and the Owners:

- (a) a policy of commercial general liability insurance covering the Common Areas with a limit of not less than Three Million Dollars (\$3,000,000) for claims for personal injury and/or property damage arising out of a single occurrence, liability for non-owned and hired automobile and liability for property of others, and such other risks as shall customarily be

covered with respect to similar master planned developments in the area of the Property, and shall contain a "severability of interest" endorsement or the equivalent which shall preclude the insurer from denying the claim of an Owner because of negligent acts or omissions of the Association or other Owners;

(b) a policy of fire and casualty insurance (all-risk) with extended coverage for the full replacement value of the Common Areas (including all building service equipment and the like), without deduction for depreciation, with an "agreed amount endorsement" or its equivalent and clauses waiving subrogation against Owners and the Association and persons upon the Property with the permission of an Owner, such insurance to afford protection against at least loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, water damage, and such other risks as shall customarily be covered with respect to similar developments in the area of the Property; and

(c) fidelity coverage against dishonest acts on the part of directors, officers, employees or volunteers who handle or who are responsible to handle the funds of the Association, and such fidelity bonds shall name the Association as obligee, shall be written in an amount equal to twenty-five percent (25%) of the estimated annual operating expenses of the Association, including reserves, and shall contain waivers of any defense based on the exclusion of persons who serve without compensation or from any definition of "employee" or similar expression.

(d) directors and officers liability coverage with a limit not less than One Million Dollars (\$1,000,000), for individual liability of officers and directors of the Association for negligent acts or omissions in that capacity.

Section 8.02 Waiver by Owners. All insurance obtained by the Association shall be maintained by the Association for the benefit of the Association, the Owners and the Mortgagees as their interests may appear. As to each of said policies which will not be voided or impaired thereby, the Owners hereby waive and release all claims against the Association, the Board, other Owners, and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but to the extent of insurance proceeds received in compensation for such loss only.

Section 8.03 Premiums, Proceeds and Settlement. Insurance premiums for any such blanket insurance coverage obtained by the Association and any other insurance deemed necessary by the Association shall be a Common Expense to be included in the Regular Assessments levied by the Association. Casualty insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried, or otherwise disposed of as provided in the Article hereof entitled "*Destruction of Improvements.*" The Association is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers. Any two (2) directors of the Association may sign a loss claim form and release form in connection with the settlement of a loss claim, and such signatures shall be binding on the Owners.

Section 8.04 Annual Insurance Review. The Board shall annually determine whether the amounts and types of insurance it has obtained provide adequate coverage for the Property in light of increased construction costs, inflation, practice in the area in which the Property is located, or any other factor which tends to indicate that either additional insurance policies or increased coverage under existing policies are necessary or desirable to protect the interests of the Owners and of the Association, or otherwise required to comply with then

applicable laws, rules, or regulations. If the Board determines that increased coverage or additional insurance is appropriate, it shall obtain the same.

ARTICLE IX DESTRUCTION OF IMPROVEMENTS

Section 9.01 Duty of Association. In the event of partial or total destruction of Improvements upon the Common Areas, it shall be the duty of the Association to restore and repair same as promptly as practical pursuant to this Article. The proceeds of any casualty insurance maintained pursuant to this Declaration shall be used for such purpose, subject to the prior rights of Mortgagees whose interest may be protected by said policies.

Section 9.02 Automatic Reconstruction. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be at least eighty-five percent (85%) of the estimated cost of restoration and repair, a Reconstruction Assessment, with each Owner contributing a like sum, may be levied by the Association to provide the necessary funds for such reconstruction, over and above the amount of any insurance proceeds available for such purpose, and the Board shall cause the damaged or destroyed Common Areas to be restored as closely as practical to its condition prior to the destruction or damage.

Section 9.03 Vote of Owners. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than eighty-five percent (85%) of the estimated cost of restoration and repair, the Improvements shall be replaced or restored unless twenty-five percent (25%) of the voting power of the Association objects in writing to such replacement or restoration or votes against the same at a meeting duly called therefor. If the Owners do not disapprove such replacement or restoration, the Board shall levy a Reconstruction Assessment, with each Owner contributing a like sum, in order to provide the necessary funds for such reconstruction, over and above the amount of any insurance proceeds available for such purpose, and the Board shall cause the damaged or destroyed Common Areas to be restored as closely as practical to its former condition prior to the destruction or damage. In the event of a determination, as provided above, not to replace or restore the Improvements on the Common Areas, the Common Areas shall be cleared and landscaped and the costs thereof shall be paid for with the insurance proceeds, and any deficiency may be raised by Reconstruction Assessments in an amount determined by the Board.

Section 9.04 Excess Insurance Proceeds. In the event any excess insurance proceeds remain, after any reconstruction by the Association pursuant to this Article, the Board, in its sole discretion, shall either (i) replenish any reserves from which reconstruction funds were obtained, (ii) retain any award in the general funds of the Association, or (iii) distribute such sums pro-rata equally to the Owners subject to the prior rights of Mortgagees whose interest may be protected by insurance policies carried by the Association. In the absence of such prior rights, the rights of an Owner and the Mortgagee of Owner's Lot as to such pro-rata distribution shall be governed by the provisions of the Mortgage encumbering such Lot.

Section 9.05 Use of Reconstruction Assessments. All amounts collected as Reconstruction Assessments shall only be used for the purposes set forth in this Article and shall be deposited by the Board in a separate bank account to be held in trust for such purposes. Such funds shall not be commingled with any other funds of the Association and shall be deemed a contribution to the capital account of the Association by the Owners. Any

excess amounts which are so collected shall be treated in the same manner as set forth in Section 9.04 above.

ARTICLE X EMINENT DOMAIN

Section 10.01 **Definition of Taking.** The term "taking" as used in this Article shall mean condemnation by eminent domain or sale under threat of condemnation of all or any portion of the Common Areas.

Section 10.02 **Representation by Board in Condemnation Proceedings.** In the event of a threatened taking of all or any portion of the Common Areas, the Owners hereby appoint the Board and such persons as the Board may delegate to represent all of the Owners in connection with the taking. The Board shall act in its sole discretion with respect to any awards being made in connection with the taking and shall be entitled to make a voluntary sale to the condemnor in lieu of engaging in a condemnation action.

Section 10.03 **Inverse Condemnation.** The Board is authorized to bring an action in inverse condemnation. In such event, the provisions of this Article shall apply with equal force.

Section 10.04 **Award for Common Areas.** Any awards received on account of the taking of Common Areas shall be paid to the Association. The Board may in its sole discretion retain any award in the general funds of the Association or distribute pro-rata all or a portion thereof to the Owners. The rights of an Owner and the Mortgagee of his Lot as to any pro-rata distribution shall be governed by the provisions of the Mortgage encumbering such Lot.

ARTICLE XI USE RESTRICTIONS

The following use restrictions shall apply to the Property:

Section 11.01 **Residential Use.** Except as otherwise provided herein, each Lot shall be used as a residence for a Single Family and for no other purposes. The term "Single Family" shall mean a group of one or more persons each related by blood, marriage or legal adoption, or a group of one or more persons not so related, together with their domestic servants, who maintain a common household in a dwelling upon a Lot. No portion of a Lot shall ever be used or caused to be used or allowed or authorized to be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storage, vending, or any other non-residential purposes. The provisions of this Section shall not preclude professional or administrative occupations without external evidence thereof, for so long as such occupations (x) are conducted in conformance with all applicable governmental ordinances, (y) are merely incidental to the use of the Lot for residential purposes, and (z) the patrons or clientele of such professional or administrative occupation do not regularly visit the Lot or regularly park automobiles or other vehicles within the Property.

Section 11.02 **Access.** With the exception of Lot 42, no lot shall have direct vehicular access to Calle Pino, Tenaja Road, Calle Bandido, or Avenida Bosque. All vehicular access to the internal roads on the Property shall be through the front gate off of Calle Pino at Calle Juanito (in special circumstances limited vehicular access may be obtained through the back gate on Calle Teresa at Calle Bandido). Owners whose lots are adjacent to Calle Pino, Calle Bandido, or Avenida Bosque may apply to the Board of Directors for permission to install equestrian gates accessing such roads.

Section 11.03 Signs. Subject to the provisions of California Civil Code Sections 712, 713 and 4710, no commercial sign, poster, billboard, or advertising device of any kind shall be displayed to the public view on any portion of the Property; *provided, however*, an Owner, or his agent may display on his Lot or a portion of the Common Area as approved by the Board, a sign advertising the sale and/or rental of such Lot by such Owner, so long as such sign shall comply with any customary and reasonable standards promulgated by the Board as to the size, color, shape, location or other qualification for permitted signs and shall otherwise comply with any applicable ordinance of any governmental or quasi-governmental agency or authority having jurisdiction over the Property. Notwithstanding the restrictions set forth in this Section, Owners may install a maximum of three (3) signs which disclose that the Lot is protected by a security system. Such security signs may be placed on or around the Lot; *provided, however*, such signs shall not exceed customary dimensions.

Section 11.04 Nuisance. No noxious, hazardous or offensive trade or activity shall be carried on upon any Lot, or any part of the Property nor shall anything be done thereon which may be, or may become, an annoyance, nuisance or danger to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the Owners of his respective Lot, or which shall in any way increase the rate of insurance. Without limiting the generality of any of the foregoing provisions, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), live bands, noisy or smoky vehicles, large or noisy power equipment or tools, off-road motor vehicles or other items which may unreasonably disturb other Owners, or their tenants or guests, shall be located, used or placed on any portion of the Property without the prior written approval of the Board. Alarm devices used exclusively to protect the security of a Lot or Common Area, and its contents, shall be permitted, provided that such devices do not produce annoying sounds or conditions as a result of frequently-occurring false alarms. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement, or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result, and may be exercised by the Association, or any Owner. Such remedy shall be deemed cumulative and not exclusive.

Section 11.05 Tents, and Other Temporary Structures. Except for temporary uses related to a special event approved by the Board, no structure of a temporary character such as a tent, inflatable play structure shall hereafter be used on any Lot at any time, either temporarily or permanently.

Section 11.06 Vehicles, Parking. No stripped down, wrecked or junk motor vehicle shall be kept, parked, stored or maintained outside on any Lot. No commercial vehicle bearing commercial insignias or names (except pick-up trucks), shall be parked on any Lot except within an enclosed structure or a screened area which prevents the view thereof from adjoining Lots, roads, and the Common Area, unless such vehicle is temporarily parked for the purpose of serving the Lot. The parking and storage of mobile homes, truck campers, house and/or horse trailers, boats and similar vehicles on a Lot shall be in accordance with Association Rules in effect from time to time. The parking of vehicles on the roads shall at all times be subject to and in accordance with the Association Rules. All overnight parking for residents of Lots shall be in an enclosed structure with the door closed or a screened area which prevents the view thereof from adjoining Lots, roads, and the Common Area; *provided, however*, that overnight parking for guests need not be in an enclosed structure. Notwithstanding the foregoing, residents may park outside overnight two operable cars or pickup trucks.

Section 11.07 Oil and Mineral Rights. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in the Property.

Section 11.08 Unsightly Items. All weeds, rubbish, debris, or unsightly material or objects of any kind shall be regularly removed from the Lots and shall not be allowed to accumulate thereon. All clotheslines, refuse containers, trash cans, woodpiles, storage areas, machinery and equipment shall be prohibited upon any Lot unless obscured from view of adjoining Lots or streets. Any fence or screen required by this Section shall comply with any standards established pursuant to the Article entitled "*Architectural Control*" of this Declaration as to size, color or other qualification for permitted fences or screens.

Section 11.09 Animals. Subject to control by the Association Rules, only a reasonable number of horses and generally recognized house pets shall be kept on any Lot. All such animals shall be kept in strict compliance with Association Rules, including but not limited to Rules concerning the maximum number of animals per acre, required improvements and facilities for such animals, and such other Rules as may be adopted by the Association from time to time. Swine and male fowl are not allowed. Notwithstanding the foregoing, no animals or fowl may be kept on the Lots which are unreasonably annoying or obnoxious to residents in the vicinity, and, in any event, any Owner shall be absolutely liable to each and all remaining Owners, their families, guest and invitees, and to the Association, for any and all damage to person or property caused by any pets or other animals brought upon or kept upon the Lots an Owner or his family, guests or invitees. No Owner may allow Owner's dog to exit the Lot except on a leash. Upon the written request of an Owner the Board shall conclusively determine in its sole and absolute discretion, whether, for the purposes of this paragraph, a particular animal, bird, fowl, poultry, or livestock, is a generally recognized house or yard pet, or a nuisance, or whether the number of animals or birds on any such property is reasonable. Any decision rendered by the Board shall be enforceable in the same manner as other restrictions contained herein.

Section 11.10 Drainage. Each Owner hereby covenants and agrees for himself, his heirs, assigns, vendees and successors in interest that he will refrain from interference with the natural drainage pattern over his Lot from adjoining or other Lots, and will make adequate provision for proper drainage from any such other Lot in the event the natural drainage over his Lot is changed or altered. For the purposes hereof, "natural" drainage is defined as the drainage that existed prior to the grading of the Lot by each Owner.

Section 11.11 Pests. No Owner shall permit anything or condition to exist upon any portion of his Lot which shall induce, breed or harbor infectious plant diseases or noxious insects or vermin.

Section 11.12 Subdivision. No Lot in the Property may be further subdivided (including division into time-share estates or time-share uses); *provided, however*, nothing in this Section shall be deemed to prevent an Owner from, or require the approval of the Board for: (a) selling a Lot; (b) transferring or selling any Lot to two (2) or more Persons to be held by such Persons as tenants in common, joint tenants, tenants by the entirety or as community property; or (c) the leasing or renting by any Owner of all of such Owner's Lot, provided that any such lease or rental shall be subject to the terms of this Declaration.

Section 11.13 Trash Storage. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere on a Lot, except in sanitary containers located in appropriate areas screened from view, and no odor shall be permitted to arise therefrom so as to render the Lot or any portion thereof unsanitary, unsightly, or offensive from any public or private street or from any other Lot in the vicinity thereof or to its occupants. Trash containers shall be exposed to view only when set out for a reasonable period (not to exceed twenty-four (24) hours) before and after scheduled trash collection hours. Each Owner shall comply with any recycling or waste management programs of the County.

Section 11.14 Guest House. No more than one residence shall be constructed on any one Lot, except that a guest house or servants' quarter may be constructed on a Lot upon obtaining approval of the Architectural Control Committee. No such secondary residential structure may be rented to third parties.

Section 11.15 Aircraft. No aircraft, whether manned or unmanned, including helicopters, shall be permitted anywhere in the Property.

Section 11.16 Night Lighting. All exterior lighting on any Lot shall require the prior written approval of the Architectural Control Committee; *provided, however*, in no event shall any lighting violate any applicable law or policy, including, without limitation, any applicable "black sky" ordinance. No exterior lights for basketball, tennis or paddle tennis courts shall be permitted without the prior approval of the Architectural Control Committee.

Section 11.17 Removal of Destroyed Improvements. No Improvement which has been partially or totally destroyed shall be allowed to remain on any Lot in such state for more than six (6) months from the date of such destruction.

Section 11.18 Failure to Comply. In the event an Owner shall fail to comply with the provisions of this Article, the Association shall notify such Owner in writing of such lack of compliance, which notice shall specify the nature of such lack of compliance. If such Owner fails to remedy such lack of compliance within five (5) days after receipt of such notice (or within such greater time period as may be specified in such notice), or in the alternative, fails to deliver written notice to the Board within five (5) days from receipt of such notice requesting a hearing before the Board with regard to the matters of noncompliance set forth in such notice, the Association or its authorized agents shall have the right to enter upon such Owner's Lot for the purpose of remedying the matters set forth in the notice, and shall not be liable for trespass in connection with such entry. If the Owner timely requests a hearing before the Board, the Board shall schedule such hearing and shall provide the Owner with at least seven (7) days written notice as to the date, time and place thereof.

At the hearing the Owner will have an opportunity to discuss with the Board the merits of the claims set forth in the Association's original notice of noncompliance and the Board will determine what action, if any, need be taken regarding the Owner. The decision of the majority of the Board present at the hearing will be binding on the Association and the Owner. The cost to the Association of remedying an Owner's failure to comply with his obligations pursuant to this Declaration shall be assessed to the Owner, and such assessment constitute a Penalty Assessment as provided in Article III hereof but shall not require the consent of the Owners or any percentage thereof and shall be enforceable by suit against the Owner in the manner provided in this Declaration.

Section 11.19 Compliance With Laws. Nothing shall be done or kept in, on or about the Property, or any Lot or Improvement thereon, except in compliance with all applicable laws, regulations and ordinances of any governmental authority or agency having jurisdiction over the Property.

Section 11.20 Leasing of Lots. Each Owner's right to lease or rent a Lot is subject to the following

(a) An owner of a separate interest in a common interest development shall not be subject to a provision in a governing document or an amendment to a governing document that prohibits the rental or leasing of any of the separate interests in that common interest development to a renter, lessee, or tenant unless that governing document, or

amendment thereto, was effective prior to the date the owner acquired title to his or her separate interest.

(b) Any lease must be for a minimum term of least twelve (12) months, under the terms of a written lease. After the expiration of the initial twelve (12) month term, an Owner may continue to lease or rent month-to-month to the same tenants or enter into another lease with a new tenant for an initial minimum twelve-month period. A condition of the lease shall be that the tenant shall not have the right to sub-lease all or any portion of the Lot.

(c) The Owner shall include a provision in the lease that the tenant agree to fully comply with the Declaration and the Association's Rules and Regulations, copies of which must be provided to the tenant. Owner shall provide the Association with the name and contact information of each tenant signing the lease, prior to allowing tenant to occupy the Lot.

(d) Every Owner is fully responsible for his tenant's failure to comply with all Association Governing Documents. Owners shall be held responsible for any damage caused by their tenants and their family, employees, agents, guests or invitees to the Common Area and for any violation of the Governing Documents. Owner shall be specially assessed for the cost to repair any damage caused by their tenants.

(e) Current law requires that prior to renting or leasing his or her separate interest as provided by this section, an owner shall provide the Association verification of the date the owner acquired title to the separate interest and the name and contact information of the prospective tenant or the prospective tenant's representative.

(f) Consistent with Section 4.2 of this Declaration, upon written request from the Association, Tenants must pay to the Association that portion of the rent necessary to satisfy any obligation of the Owner of the Lot to the Association for payment of delinquent assessments. All payments thus made will reduce the Tenant's obligation to Owner of the Lot by like amount. Payment of assessments is deemed necessary for the habitability of the Lot.

Section 11.21 Exceptions. The restrictions set forth in ARTICLE V and in this ARTICLE XI shall not and do not apply to any of the following:

(a) any act done or proposed to be done upon the Property, or any condition created thereon, by any utility company (including, but not limited to, companies furnishing electric, gas, water, and/or telephone service to all or parts of the Property), or the agents or employees of any such company, which act could be done by such company were this Declaration not made; or

(b) any act done or proposed to be done upon the Property, or any condition created thereon, which act or condition has been approved in advance by the Board or the Architectural Control Committee acting within its authority as set forth in this Declaration; or

(c) any act done or proposed to be done upon the Property, or any condition created thereon, by any person pursuant to court order, or the order of any public officer or public agency; *provided, however*, that the orders contemplated in this subparagraph are only those which are the result of action initiated by public officers or agencies and which embody mandatory requirements with penalties for non-performance, and are not those orders which result from the application of private parties or are merely permissive.

**ARTICLE XII
RIGHTS OF ENJOYMENT**

Section 12.01 Owners' Right of Enjoyment. Every Owner shall have a nonexclusive easement for use and enjoyment in and to the Common Areas and such right shall be appurtenant to and shall pass with the interest of every Lot, subject to all of the easements, covenants, conditions, restrictions and other provisions of record or contained in this Declaration, including, without limitation, the following provisions:

(a) the right of the Association to limit the number of guests of Owners and to limit the use of the Common Areas by persons not in possession of a Lot, but owning a portion of the interest in a Lot;

(b) the right of the Association to establish reasonable rules and regulations pertaining to the use of the Common Areas;

(c) the right of the Association to borrow money for the purpose of improving, replacing, restoring or expanding the Common Areas or adding new Common Areas and in aid thereof, to mortgage said property, provided that the prior affirmative vote or written approval of a majority of Owners has been obtained to mortgage said property, and provided further that the rights of the lender thereunder shall be subordinated to the rights of the Owners;

(d) the rights of the Association to suspend the right of an Owner to use the Common Areas or any portion thereof designated by the Board during any time in which any Assessment against his Lot remains unpaid and delinquent for a period not to exceed thirty (30) days for any single infraction of the rules and regulations of the Association; *provided*, that any suspension of such right to use such Common Areas, except for failure to pay Assessments, shall be made only by the Association or a duly appointed committee thereof, after notice and hearing given and held in accordance with the Bylaws. Notwithstanding the foregoing, the Association shall not have the right hereunder to suspend any Owner's right to use any portion of the Property necessary for such Owner to gain access to his Lot;

Section 12.02 Delegation of Use. Any Owner may delegate such Owner's right of enjoyment to the Common Areas to the members of such Owner's family or such Owner's tenants who reside on such Owner's Lot, or to such Owner's guests, subject to this Declaration and to the Association Rules. In the event and for so long as an Owner delegates said rights of enjoyment to such Owner's tenants, said Owner shall not be entitled to said rights. Owner shall indemnify and hold harmless the Association for any claims, losses, liabilities, costs and expenses (including reasonable attorneys' fees and costs) suffered by the Owner's delegate pursuant to this Section.

Section 12.03 Waiver of Use. No Owner may exempt himself from personal liability for Assessments duly levied by the Association, nor release the Lot owned by them from the liens, charges or other provisions of this Declaration, the Articles, Bylaws and Association Rules, by waiver of the use and enjoyment of the Common Areas, or the abandonment of such Owner's Lot.

**ARTICLE XIII
EASEMENTS**

Section 13.01 Common Area Easements. The Association and each Lot within the Property has a nonexclusive easement over all of the Common Area, for the benefit of the Association, the Lots, the Owners of the Lots and each of them, and for their respective families, guests, invitees, tenants and such other classes of persons to whom the Board may, from time to time extend the privilege of use and enjoyment of the Common Area, for all of the purposes

and uses set forth herein. Such easements are appurtenant to and shall pass with the title to every Lot. The right to use the Common Area as set forth herein, is subject to and governed by the provisions of this Declaration, the Articles and By-laws, and such other rules and regulations as may be adopted by the Board from time to time.

Section 13.02 Minor Encroachments. Each Lot and the Common Area is declared to have an easement over all adjoining Lots and the Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in the original construction or any similar cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner if said encroachment occurred due to the willful misconduct of such Owner.

Section 13.03 Cross-Easements. Each Lot shall be subject to an easement in favor of each adjoining Lot and the Association for ingress, egress and access to make necessary repairs upon said adjoining Lots and the improvements thereon; provided, however, that:

(a) Any damage caused by said entry shall be repaired at the expense of the Owner whose property was the object of the repair work which led to such entry or by the Association if the repair work was an Association responsibility.

(b) Any such entry shall be made only at reasonable times and with as little inconvenience as possible to the Owner of the entered Lot; and

(c) In no event shall said easement be deemed to permit entry into the interior portions of any dwelling.

Section 13.04 Association Easements. The Association, the Architectural Control Committee and/or their duly authorized agents, employees and representatives have such easements as are necessary to perform the duties and obligations of the Association and/or Architectural Control Committee including, but not limited to:

(a) The right of access at all reasonable hours to any Lot or any part of the Property (excluding the interior of any dwelling) or the Common Area, and to any Improvements being built hereon after reasonable notice to the resident, for the purpose of inspection relative to compliance with the Declaration, the By-laws, the Articles, the Association Rules or the Architectural Control Committee Rules. In the event of an emergency no notice shall be required.

(b) An easement on, over, under, across and through and the right of access, at all reasonable hours to any Lot or any part of the Property for the purpose of installing, operating, maintaining and repairing any and all irrigation equipment which provides water to those portions of the Lots and Property which are maintained by the Association.

Section 13.05 Covenants Run with Land. Each of the Easements provided for in this Declaration shall be deemed to be a covenant running the land for the use and benefit of the Lots, superior to all other encumbrances applied against or in favor of any portion of the Property. The individual grant deeds to Lots may, but shall not be required to, set forth the easements.

Section 13.06 Utilities. Each Lot is subject to easements for installation and maintenance of public utility uses including, but not limited to, cable television, sanitary sewers, water, gas, electrical, telecommunications, and also for drainage and equestrian uses. No Lot

Owner shall damage or interfere with the installation and/or maintenance of such uses in the easement areas. Such easements shall be ten feet wide on each side of common Lot lines and fifteen feet wide along perimeter Lot lines of the Tract Map except, in all cases where Lot lines are coincident with road easement center lines, the reservation shall be equal to one-half of the width of the road easement plus twenty feet.

The rights and duties of the Owners of the Lots with respect to such utility and other uses shall be governed by the following; provided, however, that no such installation shall be located more than six feet from the nearest boundary line of any Lot:

(a) Wherever sanitary sewer house connections and/or water house connections or electricity, gas, cable television, telephone lines or drainage facilities are installed within the Property, which connections or facilities or any portion thereof lie in or upon Lots owned by other than the Owners of the Lot served by said connections, lines or facilities, the Owners of any Lot served by said connections, lines or facilities shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter upon said Lots or to have the Association or the utility companies enter upon said Lots with the Property in or upon which said connections, lines or facilities or any portion thereof lie, to repair, replace and generally maintain said connections as and when the same may be necessary.

(b) Wherever sanitary sewer house connections and/or water house connections or electricity, gas, cable television, telephone lines or drainage facilities are installed within the Property, which connections serve more than one Lot, the Owner of each Lot served by said connections shall be entitled to full use and enjoyment of such portions of said connections as service his Lot.

ARTICLE XIV RIGHTS OF LENDERS

Section 14.01 Special Mortgagee Requirements..

(a) A First Mortgagee, at its request, is entitled to written notification from the Association of any default by the Owner of the Lot which is subject to a Mortgage or deed of trust in favor of said mortgagee of such Owner's obligations under this Declaration and/or the Association Rules which is not cured with sixty days.

(b) Any First Mortgagee who obtains title to a Lot shall not be liable for such Lot's unpaid assessments which accrued subsequent to the recordation of such First Mortgage and prior to the acquisition of title to such Lot by such First Mortgagee.

(c) The Association shall give the Federal National Mortgage Association (FNMA) or the Federal Home Loan Mortgage Corporation (FHLMC) notice in writing of any loss to, or taking of, the Property if such loss or taking exceeds Ten Thousand Dollars, or if damage to a Lot covered by a Mortgage purchased in whole or in part by FNMA or FHLMC exceeds One Thousand Dollars.

(d) First Mortgagees may, jointly or singly, pay taxes and other charges which are in default and which may or have become a lien or charge against all or any portion of the Common Area and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for the Common Area and First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

(e) A Mortgagee shall not be entitled to receive any notice which this Declaration requires the Association to deliver to Mortgagees unless and until such Mortgagee,

or its mortgage servicing contractor, has delivered to the Board a written notice stating that such Mortgagee is the holder of a Mortgage encumbering a Lot within the Property. Such notice need not state which Lot or Lots are encumbered by such Mortgage, but shall state whether such Mortgagee is a First Mortgagee. Wherever the approval of all or a specified percentage of Mortgagees is required pursuant to this Declaration, it shall be deemed to mean the vote or approval of all or a specified percentage only of those Mortgagees which have delivered such notice to the Board. Notwithstanding the foregoing, if any right of a Mortgagee under this Declaration is conditioned on a specific written request to the Association, in addition to having delivered the notice provided in this Section, a Mortgagee must also make such request, either in a separate writing delivered to the Association or in the notice provided above in this Section, in order to be entitled to such right. Except as provided in this Section, a Mortgagee's rights pursuant to this Declaration, including, without limitation, the priority of the lien of Mortgages over the lien of Assessments levied by the Association hereunder shall not be affected by the failure to deliver a notice to the Board. Any notice or request delivered to the Board by a Mortgagee shall remain effective without any further action by such Mortgagee for so long as the facts set forth in such notice or request remain unchanged.

Section 14.02 Priority of Mortgage Lien. No breach of the covenants, conditions or restrictions herein contained, nor the enforcement of any lien provisions herein, shall affect, impair, defeat or render invalid the lien or charge of any First Mortgage made in good faith and for value encumbering any Lot, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise, with respect to a Lot except as otherwise provided in this Article.

Section 14.03 General Mortgage Provisions.

- (a) Any Owner may encumber Owner's Lot by deed of trust or Mortgage.
- (b) A Mortgagee is authorized to furnish information to the Board concerning the status of any loan encumbering a Lot.
- (c) All applicable fire and all physical loss or extended coverage insurance policies shall contain loss payable clauses naming the Mortgagees as insured parties, as their interest may appear.

Section 14.04 Conflicts. In the event of any conflict between any of the provisions of this Article and any of the other provisions of this Declaration, the provisions of this Article shall control.

Section 14.05 Revision of Priorities in the Event of Non-payment Notwithstanding any provision to the contrary above, at any time that an Owner shall become One Thousand Dollars or more in arrears with regard to monies owed to the Association, the Association may advise any Mortgagees which hold a Mortgage or deed of trust secured by such Owner's Lot in writing of such default and such Mortgagees shall pay such monies that are in default to the Association within 30 days thereafter. In the event that such monies are not received by the Association from the Mortgagee within said thirty days then and in that event any lien recorded by the Association on such Lot regarding monies owed to the Association shall have priority over the lien of the Mortgagee. This provision shall only apply to Mortgages and deeds of trust recorded after the date that this Declaration was recorded.

ARTICLE XV AMENDMENT

Section 15.01 Amendment Procedures. This Declaration may be amended as follows:

(a) Amendments to this Declaration may be enacted only by the vote or written assent of a vote of no less than thirty five (35) Owners approving said amendment. In any election to amend the governing documents, at least two-thirds of all votes cast must be voted in favor of the amendment.

(b) In addition to the foregoing, any amendment or modification of the Articles hereof entitled "Covenant for Maintenance Assessments," "Nonpayment of Assessments," "Architectural Control," "Repair and Maintenance," "Destruction of Improvements" and "Eminent Domain" shall additionally require the prior written approval of not less than sixty-seven percent (67%) of the Owners.

(c) An amendment or modification that requires the vote and written assent of the Owners as hereinabove provided shall be effective when executed by the President and Secretary of the Association who shall certify that the amendment or modification has been approved as hereinabove provided, and when Recorded in the Official Records. The notarized signature of the Owners shall not be required to effectuate an amendment of this Declaration.

(d) Notwithstanding the foregoing, any provisions of this Declaration, or the Articles, Bylaws or Association Rules which expressly requires the approval of a specified percentage of the voting power of the Association for action to be taken under said provision can be amended only with the affirmative vote or written assent of not less than the same percentage of the voting power of the Association.

(e) The Association, or any Owner, may petition the County Superior Court for an order reducing the percentage of the affirmative votes necessary to amend this Declaration. The petition shall describe the effort that has been made to solicit approval of the Association Owners in the manner provided in this Declaration. The Petition shall also describe the number of affirmative and negative votes actually received, the percentage of affirmative votes required to effect the amendment in accordance with this Declaration, and other matters the petitioner considers relevant to the court's determination. The petition shall also contain as exhibits thereto, copies of all of the following: (1) the governing documents, (2) a complete text of the amendment, (3) copies of solicitation and notice materials utilized in the solicitation of owner approvals, (4) a short explanation of the reason for the amendment, and (5) any other documentation relevant to the court's determination.

ARTICLE XVI RESERVE INSPECTION AND REPORT

Section 16.01 Duty to Inspect and Provide Reserve Study. At least once every three years, the board shall cause to be conducted a reasonably competent and diligent visual inspection of the accessible areas of the major components that the association is obligated to repair, replace, restore, or maintain as part of a study of the reserve account requirements of the common interest development, if the current replacement value of the major components is equal to or greater than one-half of the gross budget of the association, excluding the association's reserve account for that period. The board shall review this study, or cause it to be reviewed, annually and shall consider and implement necessary adjustments to the board's analysis of the reserve account requirements as a result of that review, or as otherwise required by Civil Code section 5550 (a) or its successor statute.

Section 16.02 Standards of Reserve Study. The study required by this article shall at a minimum include or any greater standards required by law: (a) Identification of the major components that the association is obligated to repair, replace, restore, or maintain that, as of the date of the study, have a remaining useful life of less than 30 years; (b) Identification of the probable remaining useful life of such components, (c) An estimate of the cost of repair, replacement, restoration, or maintenance of such components, (d) An estimate of the total annual contribution necessary to defray the cost to repair, replace, restore, or maintain such components during and at the end of their useful life, after subtracting total reserve funds as of the date of the study.(e) A reserve funding plan that indicates how the association plans to fund such contribution to meet the association's obligation for the repair and replacement of all major components with an expected remaining life of 30 years or less, not including those components that the board has determined will not be replaced or repaired.

ARTICLE XVII GENERAL PROVISIONS

Section 17.01 Enforcement of Restrictions.

(a) **General.** Subject to the provisions of this Section, the Association and any Owner shall have the right to enforce by proceedings at law or in equity, all restrictions, conditions, covenants and reservations, now or hereafter imposed by the provisions of this Declaration or any amendment hereto, including the right to prevent the violation of any such restrictions, conditions, covenants, or reservations and the right to recover damages or Assessments for such violation. The Association, or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of the Articles or Bylaws and any amendments thereto. With respect to architectural control and Association Rules, the Association shall have the exclusive right to the enforcement thereof. With respect to Assessment liens, the Association shall have the exclusive right to the enforcement thereof.

(b) **Violations Identified by the Association.** If the Board determines that there is a violation of any provision of this Declaration, or the Architectural Control Committee determines that an Improvement which is the maintenance responsibility of an Owner is in need of installation, maintenance, repair, restoration or painting, then the Board shall give written notice to the responsible Owner identifying (i) the condition or violation complained of, and (ii) the length of time the Owner has to remedy the violation including, if applicable, the length of time the Owner has to submit plans to the Architectural Control Committee and the length of time the Owner has to complete the work proposed in the plans submitted to the Architectural Control Committee. If an Owner does not perform such corrective action as is required by the Board and the Architectural Control Committee within the allotted time, the Board, after Notice and Hearing, may undertake to remedy such condition or violation complained of and the cost thereof shall be charged to the Owner as an Assessment for capital repairs. Such Assessment shall be subject to enforcement and collection by the Board in accordance with the procedures provided for in this Declaration. If the violation involves nonpayment of any type of Assessment, then the Board shall be entitled to collect such delinquent Assessment pursuant to the procedures set forth in this Declaration.

(c) **Violations Identified by an Owner.** In the event that an Owner alleges that another Owner, his family, guests or tenants, is violating this Declaration (other than nonpayment of any type of Assessment), the Owner must first submit the matter to the Board pursuant to the Notice and Hearing procedure established in the Bylaws before the complaining Owner may resort to judicial reference for relief with respect to the alleged violation.

(d) **No Waiver.** Failure by the Association, or any Owner to enforce any covenant, condition, or restriction contained herein in any certain instance or on any particular

occasion shall not be deemed a waiver of such right on any such future breach of the same or any other covenant, condition or restriction.

(e) A monetary charge imposed by the Association as a penalty for violation of Association Governing Documents, shall be a Penalty Assessment. Penalty Assessments become a debt of the owner and of the Lot when levied, and may only be assessed by the Board pursuant to its written fine schedule, and after Notice and Hearing.

(f) **Cumulative Remedies.** All rights, options and remedies of the Association, the Owners or Mortgagees under this Declaration are cumulative, and not one of them shall be exclusive of any other, and Declarant, the Association, the Owners and the Mortgagees shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief which may be provided by law, whether or not stated in this Declaration (subject, however, to the dispute resolution procedures set forth herein).

Section 17.02 Severability. The provisions hereof shall be deemed independent and severable, and a determination of invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provisions hereof.

Section 17.03 Covenants to Run with the Land; Term. The covenants, conditions and restrictions of this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by the Association, or any Owner, their respective legal representatives, heirs, successors and assigns, for a term of thirty years from the date this Declaration is Recorded, after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten years, unless an instrument, signed by a majority of the then Owners has been Recorded at least one year prior to the end of any such period, agreeing to terminate said covenants, conditions and restrictions in whole or in part.

Section 17.04 Sale or Title Transfer. Any Owner, prior to the sale or transfer of his interest, must provide the prospective purchaser with a copy of (1) this Declaration, (2) the Bylaws, (3) the Articles, (4) the most recent financial statements for the Association, (5) a statement from an authorized representative of the Association listing all unpaid Assessments and charges against the interest being sold, and (6) all other items listed in California Civil Code Section 4525. The Association shall provide any Owner with a copy of the items listed in the preceding paragraph within ten days of receiving a written request from such Owner. The Association's fee for this service shall not exceed the cost of providing these items. The Association shall not collect any fee in connection with any transfer of title except the Association's actual costs to change records.

Section 17.05 Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the creation and operation of a master planned development and for the maintenance of the Common Areas. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Nothing herein is intended, nor shall be applied, to create any restrictive covenant or in any way to permit or create any discrimination against any Person based on such Person's race, color, religion, sex, age, sexual orientation, marital status, national origin, ancestry, familial status, source or level of income, or disability, in violation of applicable law.

Section 17.06 Singular Includes Plural. Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine and the neuter.

Section 17.07 Notices. Any notice to be given to an Owner, the Association, or a Mortgagee or mortgage servicing contractor under the provisions of this Declaration shall be in writing and shall be deemed to have been given upon (i) hand delivery, (ii) one (1) Business Day after being deposited with Federal Express or another reliable overnight courier service for next day delivery, (iii) upon facsimile transmission (except that if the date of such transmission is not a Business Day, then such notice shall be deemed to be given on the first Business Day following such transmission), or (iv) two Business Days after being deposited in the United States mail, registered or certified mail, postage prepaid, return-receipt requested, and addressed as follows:

(a) If to an Owner: to the most recent address furnished by such Owner in writing to the Association for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Owner's Lot. In the case of co-Owners, any such notice may be delivered or sent to any one (1) of the co-Owners on behalf of all co-Owners and shall be deemed delivery on all such co-Owners;

(b) If to the Association: to the address furnished by the Association or the address of its principal place of business;

(c) If to a Mortgagee or its mortgage servicing contractor: to the address furnished to the Association by such Mortgagee or such contractor for the purposes of notice or, if no such address is furnished, to any office of the Mortgagee in the County, or if no such office is located in the County, to any office of such Mortgagee; and

(d) The affidavit of an Officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any Owner or Owners, to any Mortgagee or Mortgagees shown on the records of the Association, shall be deemed conclusive proof of such mailing, whether or not such notices are actually received.

(e) Notwithstanding the foregoing, any notice to be given to an Owner may be given by electronic mail if such Owner has consented in writing to such manner of service. Notices utilizing electronic mail shall be deemed to have been given upon transmission (except that if the date of such transmission is not a Business Day, then such notice shall be deemed to be given on the first Business Day following such transmission).

Section 17.08 Effect of Declaration. This Declaration is made for the purposes set forth in the Recitals to this Declaration and the Association makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances and regulations applicable thereto.

Section 17.09 Nonliability and Indemnification.

(a) **General Limitation.** Except as specifically provided in this Declaration, the Articles, or the Bylaws, or as required by law, no right, power, or responsibility conferred on the Board or the Architectural Control Committee by this Declaration, the Articles or the Bylaws shall be construed as a duty, obligation or disability charged upon the Board, the Architectural Control Committee, any Owner of the Board or of the Architectural Control Committee, or any other officer, employee or agent of the Association or any committee thereof. No such Person shall be liable to any party (other than the Association or a party claiming in the name of the Association) for injuries or damage resulting from such Person's acts or omissions within what such Person reasonably believed to be the scope of such Person's Association duties ("**Official Acts**"), except to the extent that such injuries or damage result from such Person's willful or malicious misconduct. No such Person shall be liable to the Association (or to any party

claiming in the name of the Association) for injuries or damage resulting from such Person's Official Acts, except to the extent that such injuries or damage result from such Person's gross negligence or willful or malicious misconduct.

(b) **Damages Limitation.** A volunteer Board Owner or volunteer Association officer shall not be personally liable in excess of the coverage of insurance specified below to any person who suffers injury, including, without limitation, bodily injury, emotional distress, wrongful death or property damage or loss as a result of the tortious act or omission of the volunteer Board Owner or Association officer if all of the following conditions are satisfied:

- (1) The Board Owner or Association officer is a tenant of a Lot or an Owner of no more than two (2) Lots;
- (2) The act or omission was performed within the scope of the Board Owner's or Association officer's Association duties;
- (3) The act or omission was performed in good faith;
- (4) The act or omission was not willful, wanton or grossly negligent; and
- (5) The Association maintained and had in effect at the time the act or omission occurred and at the time a claim was made one (1) or more policies of insurance which shall include coverage for (A) general liability of the Association and (B) individual liability of Board Owners and officers for negligent acts or omissions in that capacity; *provided* that both types of coverage are in the amounts required in Section 8.01 hereof.

A Board Owner or Association officer who at the time of the act or omission received direct or indirect compensation from a financial institution that purchased a Lot at a judicial or nonjudicial foreclosure of a Mortgage is not a volunteer for purposes of this Section. The payment of actual expenses incurred by a Board Owner or Association officer does not affect the Owner's or officer's status as a volunteer for purposes of this Section.

Section 17.10 Indemnification. The Association shall pay all expenses incurred by, and satisfy any judgment or fine levied against, any person as a result of any action or threatened action against such person to impose liability on such person for his Official Acts, provided that:

(a) The Board determines that such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Association;

(b) In the case of a criminal proceeding, the Board determines that such person had no reasonable cause to believe his conduct was unlawful; and

(c) In the case of an action or threatened action by or in the right of the Association, the Board determines that such person acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

Any determination of the Board required under this Section must be approved by a majority vote of a quorum consisting of Directors who are not parties to the action or threatened action giving rise to the indemnification. If the Board fails or refuses to make any such determination, such determination may be made by the vote or written consent of a majority of a

EXHIBIT "A"

Legal Description of Property

Lots 1 through 53, inclusive, of Tract No. 13403, as shown on file in Book 123, Pages 18 to 26 of Maps, Records of Riverside County, California.

quorum of the Owners of the Association voting at a meeting of the Association called for such purpose, provided that the person to be indemnified shall not be entitled to vote. Payments made hereunder shall include amounts paid and expenses incurred in settling any such action or threatened action. This Section shall be construed to authorize payments and indemnification to the fullest extent now or hereafter permitted by applicable law. The right to indemnification hereunder shall inure to the benefit of the estate, executor, administrator, heirs, legatees, or devisees of any Person entitled to such indemnification.

Section 17.11 Priorities and Inconsistencies. If there are conflicts or inconsistencies between this Declaration and either the Articles or the Bylaws, the terms and provisions of this Declaration shall prevail.

Section 17.12 Constructive Notice and Acceptance. Every Person who owns, occupies or acquires any right, title, estate or interest in or to any Lot or other portion of the Property does hereby consent and agree, and shall be conclusively deemed to have consented and agreed, to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to this Declaration is contained in the instrument by which such person acquired an interest in the Property, or any portion thereof

Section 17.13 Notification to Prospective Purchasers. In the event that the Association commences any action or claim, all Owners must notify prospective purchasers of such action or claim and must provide such prospective purchasers with a copy of the notice received from the Association in accordance with Section 6150 of the California Civil Code.


Section 17.14 Scope of Duties. The duties of the Owners and the Association set forth in this Article shall be in addition to, and not in limitation of, all duties imposed by California Civil Code Section 4000 et seq, as amended from time to time.

Section 17.15 Applicable Law. This Declaration shall be construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the day and year first hereinabove written.

DECLARANT:

M. O. HOMEOWNERS ASSOCIATION, a
California nonprofit mutual benefit corporation

By: 

Name: RICHARD L. RIEMER

Its: PRESIDENT

By: 

Name: Catherine A. Vincent

Its: Secretary

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Riverside

On May 31, 2017 before me, Isabel Bowers
(here insert name and title of the officer)

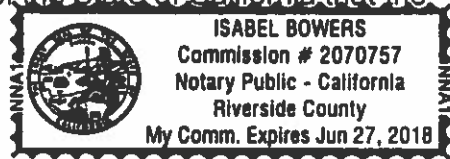
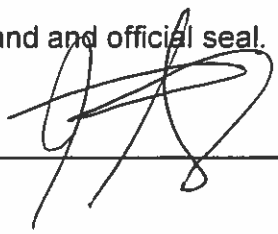
personally appeared Catherine A. Vincent

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____



(Seal)