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DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS

(Vintage Community Association)

APPROVED

DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS

(VINTAGE COMMUNITY ASSOCIATION)

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**DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
VINTAGE COMMUNITY ASSOCIATION**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made this 25<sup>th</sup> day of January, 2000, by U.S. HOME CORPORATION, a Delaware corporation, whose address is 8577 Haven Avenue, Suite 201, Rancho Cucamonga, California 91730, its successors and assigns and shall hereafter be referred to as "**Declarant**".

**RECITALS**

A. Declarant is the fee owner of certain real property located in the County of Riverside, State of California, and legally described as set forth in Exhibit "A" attached hereto and incorporated herein by this reference (the "**Initial Property**"), and is the fee owner of certain other real property which may, in the future, from time to time be annexed pursuant to this Declaration.

B. The Initial Property is the first phase of a sub-development (the "**Project**") which is part of a master planned development (the "**Master Development**") commonly known as the "Redhawk Community" and which is subject to that certain "Declaration of Covenants, Conditions and Restrictions of Redhawk Community Association" dated June 13, 1989, and recorded June 14, 1989, as Instrument No. 89-195870 and re-recorded on August 23, 1989, as Instrument No. 89-287342 in the Official Records of Riverside County, California (the "**Master Declaration**"). Owners within the Project will be members of both the Vintage Community Association (the "**Association**") and the Redhawk Community Association (the "**Master Association**"), and their homes will be subject to both this Declaration and the Master Declaration.

C. Declarant intends to develop the Project as a single-family residential community, which shall be developed as a "Common Interest Development" as defined in Civil Code Section 1351(c) and as a "Planned Development", as defined in Civil Code Section 1351(k). Accordingly, Declarant intends to impose a general plan for the development, protection, use, occupancy and enjoyment of the Project, and to establish, adopt and impose covenants, conditions and restrictions upon the Project for the purpose of enforcing, protecting and preserving the value, desirability and attractiveness of the Project.

D. Declarant deems it desirable for the efficient management of the Project and the preservation of the value, desirability and attractiveness of the Project to create a nonprofit mutual benefit corporation to which should be delegated and assigned the powers of managing the Project, maintaining and administering the "Common Areas," and administering and enforcing these covenants, conditions and restrictions and collecting and disbursing funds pursuant to the Assessment(s) (as hereinafter defined) and charges hereinafter created and referred to and to perform such other acts as shall generally benefit the Project.





E. The Vintage Community Association, a California nonprofit mutual benefit corporation, has been or shall be incorporated under the laws of the State of California for the purpose of exercising the powers and functions aforesaid.

F. Certain portions of the Project identified herein as "CSA Maintenance Areas" will be assigned, conveyed and granted by Declarant to the County with the intention that the County will accept such assignment, conveyance or grant and assume responsibility for maintaining any and all such areas, which maintenance responsibility will be delegated to and assumed by "CSA-143" or such other governmental or quasi-governmental agency as may be designated by the County.

G. Pursuant to the County's "Subdivision Conditions of Approval" for Vesting Tentative Tract 23067, the County has reserved the right, at any time in the future, to require that: (i) the Association accept the assignment, conveyance or grant of the CSA Maintenance Areas, or any portion thereof, from the County, (ii) such CSA Maintenance Areas so assigned, conveyed or granted shall thereafter be considered "Common Areas" and shall be subject to the terms and conditions of this Declaration pertaining to "Common Areas"; and (iii) the Association shall thereafter be responsible for maintaining as "Common Areas" those CSA Maintenance Areas so assigned, conveyed, or granted. The County has also reserved the right, at any time in the future, to require that: (x) the Association accept the assignment, conveyance or grant of the CSA Maintenance Easement Areas, or any portion thereof, from the County, (y) such CSA Maintenance Easement Areas so assigned, conveyed or granted shall thereafter be considered "Association Maintenance Easement Areas" and shall be subject to the terms and conditions of this Declaration pertaining to "Association Maintenance Easement Areas"; and (z) the Association shall thereafter be responsible for maintaining as "Association Maintenance Easement Areas" those CSA Maintenance Easement Areas so assigned, conveyed, or granted.

H. Declarant will hereafter hold and convey title to all of the Project subject to certain protective covenants, conditions and restrictions, limitations, reservations, grants of easements, rights of way, liens, charges and equitable servitudes hereafter set forth.

NOW, THEREFORE, for the purposes above set forth, Declarant, as the owner of the Initial Property, hereby declares that the Initial Property and each part thereof and such other real property as may hereafter be annexed as provided in the Article entitled "Integrated Nature of the Project" of this Declaration, shall be held, sold and conveyed subject to the following easements, equitable servitudes, limitations, reservations, rights of way, liens, charges and covenants, conditions and restrictions in accordance with California Civil Code Section 1354, which are for the purpose of protecting the value and desirability of, and which shall constitute equitable servitudes on the Project and which shall run with the Project and be binding on and inure to the benefit of all parties having any right, title or interest therein, or in any part thereof, and their heirs, successors and assigns.



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## ARTICLE I.

### DEFINITIONS

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

**Section 1.1** “Annexable Property” shall mean and refer to all of the real property described in Exhibit “B” to this Declaration.

**Section 1.2** “Architectural Committee” shall mean and refer to the architectural committee of the Association as provided for in Article V (Architectural Control) of this Declaration.

**Section 1.3** “Articles of Incorporation” shall mean and refer to the Articles of Incorporation of the Association as the same may from time to time be duly amended.

**Section 1.4** “Assessment” shall mean and refer to any of the following types of Assessment:

**Section 1.4.1** “Capital Improvement Assessment” shall mean a charge against each Owner and his or her Lot, representing a portion of the cost to the Association for installation or construction of any capital improvements on any of the Common Areas or the Association Maintenance Easement Areas which the Association may from time to time authorize pursuant to the provisions of this Declaration.

**Section 1.4.2** “Regular Assessment” shall mean the amount which is to be paid by each Member to the Association for Common Expenses.

**Section 1.4.3** “Reconstruction Assessment” shall mean a charge against each Owner and his or her Lot representing a portion of the cost to the Association for reconstruction of any portion or portions of the Common Areas or the Association Maintenance Easement Areas pursuant to the provisions of this Declaration.

**Section 1.4.4** “Reimbursement Assessment” shall mean any charge designated as a Reimbursement Assessment in this Declaration, the Articles of Incorporation, Bylaws or Association Rules.

**Section 1.4.5** “Remedial 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 of Incorporation, 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.

**Section 1.4.6** “Special Assessment” shall mean any charge designated as a Special Assessment in this Declaration, the Articles of Incorporation, Bylaws or Association Rules.



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**Section 1.5** “Assets” shall mean and refer to the Association bank deposits, accounts receivable, assessment powers and contingent assets (including, without limitation, future Assessments, potential recoveries under a lawsuit and potential condemnation proceeds).

**Section 1.6** “Association” shall mean and refer to the Vintage Community Association, a California non-profit mutual benefit corporation, its successors and assigns.

**Section 1.7** “Association Maintenance Easement Areas” shall mean and refer to those areas situated within the Project, including all improvements located thereon or therein, over which an easement shall be reserved to the Association and which shall be maintained by the Association. Upon recordation of this Declaration, the “Association Maintenance Easement Areas” of the Project shall mean those portions of the Initial Property generally depicted on Exhibit “C” (which is attached hereto and incorporated herein by this reference) to this Declaration. The “Association Maintenance Easement Areas” of the Project are more particularly identified on the Map and described thereon as “PRIVATE EASEMENT FOR LANDSCAPE MAINTENANCE PURPOSES RESERVED HEREON”. Any real property denominated as “Association Maintenance Easement Areas” in each Phase of Development shall be identified as such in a Supplementary Declaration and shall be reserved to the Association in a document which has been duly recorded in the Office of the Riverside County Recorder prior to or concurrently with the first conveyance of a Lot located within such Phase of Development which is annexed to the coverage hereof by such Supplementary Declaration. In the event that the County elects to convey, assign and/or grant the CSA Maintenance Easement Areas, or any portion thereof, to the Association pursuant to Recital G and Section 17.3 of this Declaration, the “Association Maintenance Easement Areas” shall also include any and all such CSA Maintenance Easement Areas, or any portion thereof, so conveyed, assigned or granted. Any CSA Maintenance Easement Areas, or any portion thereof, conveyed, assigned or granted by the County to the Association shall be identified as Association Maintenance Easement Area(s) in a Supplementary Declaration, or a substantially similar instrument, which has been duly recorded in the Office of the County Recorder prior to or concurrently with such conveyance, assignment or grant.

**Section 1.8** “Association Rules” shall mean and refer to the Association Rules adopted by the Association pursuant to Article VI (Duties and Powers of the Association) of this Declaration.

**Section 1.9** “Board” shall mean and refer to the Board of Directors of the Association.

**Section 1.10** “Bylaws” shall mean and refer to the Bylaws of the Association as the same may from time to time be duly amended..

**Section 1.11** “Common Area(s)” shall mean and refer to those areas situated within the Project which are owned or leased from time to time by the Association and which shall be repaired and maintained by the Association. Upon recordation of this Declaration, the “Common Areas” shall include those portions of the Initial Property described on Exhibit “D” and depicted on Exhibit “E” (both of which are attached hereto and incorporated herein by this reference) including, without limitation, streets, sidewalks, parkways, and common drives, and including all



improvements located thereon or therein, which improvements shall include, without limitation, streetlights, landscaping, irrigation systems, and secured entry gates located at the entrances to the Project, if any. Any portion of the Annexable Property denominated as "Common Areas" in a Supplementary Declaration shall be conveyed, assigned or granted to the Association prior to or concurrently with the first conveyance of a Lot located within the Phase of Development which is annexed to the coverage hereof by such Supplementary Declaration except as otherwise provided herein or in said Supplementary Declaration. In the event that the County elects to convey, assign and/or grant the CSA Maintenance Areas, or any portion thereof, to the Association pursuant to Recital G and Section 17.3 of this Declaration, the "Common Areas" shall also include any and all such CSA Maintenance Areas, or any portion thereof, so conveyed, assigned or granted. Any CSA Maintenance Areas, or any portion thereof, conveyed, assigned or granted by the County to the Association shall be identified as Common Area(s) in a Supplementary Declaration, or a substantially similar instrument, which has been duly recorded in the Office of the County Recorder prior to or concurrently with such conveyance, assignment or grant. Any and all Common Areas shall be conveyed, assigned or granted by the Declarant or by the County (as applicable) to the Association free and clear of all liens and encumbrances except current real property taxes (which taxes shall be prorated as of the date of conveyance), acceptable title exceptions of record, the covenants, conditions, restrictions and reservations contained in this Declaration, and any Supplementary Declaration.

**Section 1.12** "Common Expenses" shall mean and refer to the actual and estimated costs of:

(a) maintenance, management, operation, repair and replacement of the Common Areas (including "CSA Maintenance Areas" which are conveyed to the Association and designated as "Common Areas", as provided herein), the Association Maintenance Easement Areas (including "CSA Maintenance Easement Areas" which are conveyed to the Association and designated as "Association Maintenance Easement Areas", as provided herein), and all other areas within the Project which are maintained by the Association and improvements located thereon, if any;

(b) unpaid Assessments;

(c) maintenance by the Association of areas within the public right-of-way of public streets in the vicinity of the Project as provided in this Declaration or pursuant to agreements with the County;

(d) costs of management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees;

(e) the costs of utilities, trash pickup and disposal (to the extent not paid by the County), gardening and other services which generally benefit and enhance the value and desirability of the Association Maintenance Easement Areas (including "CSA Maintenance Easement Areas" which are conveyed to the Association and designated as "Association Maintenance Easement Areas", as provided herein) and the Common Areas (including "CSA



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Maintenance Areas” which are conveyed to the Association and designated as “Common Areas”, as provided herein);

(f) the costs of fire, casualty, liability, worker’s compensation and other insurance covering the Common Areas (including “CSA Maintenance Areas” which are conveyed to the Association and designated as “Common Areas”, as provided herein);

(g) the costs of any other insurance obtained by the Association;

(h) reasonable reserves as deemed appropriate by the Board;

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

(j) taxes paid by the Association;

(k) amounts paid by the Association for discharge of any lien or encumbrance levied against the Common Areas or portions thereof (including “CSA Maintenance Areas” which are conveyed to the Association and designated as “Common Areas”, as provided herein);

(l) costs incurred by the Architectural Committee or other committee established by the Board; and

(m) other expenses incurred by the Association for any reason whatsoever in connection with the Association Maintenance Easement Areas (including “CSA Maintenance Easement Areas” which are conveyed to the Association and designated as “Association Maintenance Easement Areas”, as provided herein) or the Common Areas (including “CSA Maintenance Areas” which are conveyed to the Association and designated as “Common Areas”, as provided herein), or the costs of any other item or items designated by this Declaration, the Articles of Incorporation, 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 1.13** “County” shall mean and refer to the County of Riverside, State of California.

**Section 1.14** “CSA-143” shall mean and refer to County Service Area No. 143 which is a sub-agency of the County formed pursuant to California Government Code Section 25210.1, et. seq., or any such other governmental or quasi-governmental agency which may be designated by the County as a successor to or substitute for CSA-143.

**Section 1.15** “CSA Maintenance Area(s)” shall mean and refer to those areas situated within the Project which are owned by the County and which will be maintained by CSA-143 for the benefit of the Members and other members of the public. Upon recordation of this Declaration, The “CSA Maintenance Areas” shall include those portions of the Initial Property described on Exhibit “F” and depicted on Exhibit “G” (both of which are attached hereto and incorporated herein by this reference) including, without limitation, streets, sidewalks, parkways, and common drives and including all improvements located thereon or therein, which



improvements shall include, without limitation, streetlights, curbs, gutters, storm drains, landscaping, and irrigation systems, if any. Any portion of the Annexable Property denominated as "CSA Maintenance Areas" in each Phase of Development shall be identified as such in a Supplementary Declaration which has been duly recorded in the Office of the County Recorder prior to or concurrently with the first conveyance of a Lot located within such Phase of Development which is annexed to the coverage hereof by such Supplementary Declaration.

**Section 1.16** "CSA Maintenance Easement Area(s)" shall mean and refer to those areas situated within the Project, including all improvements located thereon or therein, over which an easement shall be reserved to the County and which shall be maintained by CSA-143 for the benefit of the Members and other members of the public. Upon recordation of this Declaration, The "CSA Maintenance Easement Areas" shall include those portions of the Initial Property generally depicted on Exhibit "H" (which is attached hereto and incorporated herein by this reference) to this Declaration. The "CSA Maintenance Easement Areas" of the Project are more particularly identified on the Map and described thereon as "EASEMENT FOR LANDSCAPE MAINTENANCE PURPOSES DEDICATED HEREON TO THE COUNTY OF RIVERSIDE". Any real property denominated as "CSA Maintenance Easement Areas" in each Phase of Development shall be identified as such in a Supplementary Declaration and shall be reserved to the County in a document which has been duly recorded in the Office of the Riverside County Recorder prior to or concurrently with the first conveyance of a Lot located within such Phase of Development which is annexed to the coverage hereof by such Supplementary Declaration.

**Section 1.17** "Declarant". shall mean and refer to U.S. HOME CORPORATION, a Delaware corporation, its successors and assigns by merger, consolidation or by purchase of all or substantially all of its assets.

**Section 1.18** "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for Vintage Community Association as the same may be amended, changed or modified from time to time and recorded in the Office of the Riverside County Recorder.

**Section 1.19** "DRE" shall mean and refer to the Department of Real Estate of the State of California.

**Section 1.20** "DRE Approved Budget" shall mean and refer to that certain budget or budgets which have been or will be submitted by Declarant to, and approved by, the DRE.

**Section 1.21** "Exhibit" shall mean and refer to those documents so designated herein and attached hereto (as such Exhibits may be amended or supplemented pursuant to Section 17.21, below) and each such Exhibit is by this reference incorporated in this Declaration. As additional property is annexed pursuant to Article XIV (Integrated Nature of the Project) of this Declaration, exhibits similar to the Exhibits attached to this Declaration may be attached to such Supplementary Declarations pertaining to the annexed property, and each such exhibit shall thereby be incorporated in this Declaration.



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**Section 1.22** “Federal Agencies” shall mean and refer to collectively one or more of the following agencies and the following letter designation of such agencies shall mean and refer to respectively the agency specified within the parentheses following such letter designation: VA (Department of Veterans Affairs) FHLMC (Federal Home Loan Mortgage Corporation), FNMA (Federal National Mortgage Association), and GNMA (Government National Mortgage Association).

**Section 1.23** “Final Subdivision Public Report” shall mean and refer to that report issued by the DRE pursuant to Section 11018.2 of the California Business and Professions Code or any similar statute hereafter enacted.

**Section 1.24** “Initial Sale Date” shall mean and refer to the date of the close of escrow of the first Lot in the Initial Property to a Resident Owner.

**Section 1.25** “Institutional Mortgagee” shall mean and refer to a First Mortgagee (defined in Section 1.33, below) which is a bank, savings and loan association, 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 1.26** “Lot” shall mean and refer to a lot shown on any final map filed for record or a parcel shown on any parcel map filed for record to the extent such lots or parcels are part of the Project, and any improvements thereon.

**Section 1.27** “Management Documents” shall mean and refer to the Articles of Incorporation, Bylaws, Declaration, Supplementary Declaration(s), the Association Rules, and any amendments, modifications and/or supplements to any of the foregoing.

**Section 1.28** “Manager” shall mean and refer to the managing agent, if any, whether individual or corporate, retained by Declarant, or by the Board, under contract, and charged with the maintenance and upkeep of the Project.

**Section 1.29** “Map” shall mean and refer to the final subdivision map for Tract No. 23067-2 which shall be filed in the Office of the County Recorder of Riverside County, California.

**Section 1.30** “Master Association” shall mean and refer to Redhawk Community Association, a California nonprofit mutual benefit corporation, its successors and assigns.

**Section 1.31** “Master Declaration” shall mean and refer to that certain Declaration of Covenants, Conditions and Restrictions of Redhawk Community Association dated June 13, 1989, and recorded June 14, 1989, as Instrument No. 89-195870 and re-recorded on August 23, 1989, as Instrument No. 89-287342 in the Official Records of Riverside County, California and any amendments, modifications and/or supplements thereto.

**Section 1.32** “Member” shall mean and refer to every person or entity who qualifies for membership pursuant to Article II (Membership) of this Declaration, including Declarant so long as any such person or entity qualifies for membership pursuant to said Article.



**Section 1.33** “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 1.34** “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 1.35** “Owner” shall mean and refer to one or more persons or entities who are alone or collectively the record owner of fee simple title to a Lot, including Declarant or the vendee under an installment land sales contract, but excluding those having any such interest merely as security for the performance of an obligation. If a Lot is leased by either Declarant for a term in excess of twenty (20) years and the lease or memorandum thereof is recorded, the lessee or transferee of the leasehold interest and not the Declarant shall be deemed to be the Owner. If fee title to a Lot is owned other than by a Declarant, the Owner of the fee title and not the lessee of such Lot shall be deemed the Owner regardless of the term of the lease.

**Section 1.36** “Phase of Development” shall mean and refer to the Initial Property and/or any portion of the Annexable Property subject to a Final Subdivision Public Report issued by the DRE and annexed to this Declaration.

**Section 1.37** “Project” shall mean and refer to the Initial Property and such other real property annexed pursuant to Article XIV (Integrated Nature of the Project) of this Declaration.

**Section 1.38** “Resident Owner” shall mean and refer to any Owner of a Lot who is a resident Owner and not a Declarant.

**Section 1.39** “Supplementary Declaration” shall mean and refer to those certain declarations of covenants, conditions and restrictions or similar instruments, annexing additional property and extending the plan of this Declaration to such additional property as provided in Article XIV (Integrated Nature of the Project) of this Declaration.

## ARTICLE II.

### MEMBERSHIP

**Section 2.1** **Membership.** Every Owner shall be a Member. 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 of Incorporation, Bylaws and Association Rules to the extent the provisions thereof are not in conflict with this Declaration. Membership 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 membership; provided, however, a Member’s voting rights or privileges may be regulated or suspended as provided in this Declaration, the Bylaws, or the Association Rules. Except for the Class B Member (Declarant), not more than one (1) membership shall exist based upon ownership of a single Lot.



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**Section 2.2 Transfer.** The membership held by any Owner shall not be transferred, pledged or alienated in any way except that such membership shall automatically be transferred to the Owner of any interest in a Lot. Any attempt to make a prohibited 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 transfer upon the books of the Association without any further action or consent by the transferring Owner.

**Section 2.3 Voting Rights.** Except for Declarant, an Owner's right to vote shall not vest until the date Regular Assessments upon such Owner's Lot have been levied as provided in this Declaration. All voting rights shall be subject to the restrictions and limitations provided herein and in the Articles of Incorporation, Bylaws, and Association Rules.

**Section 2.4 Classes of Voting Membership.** The Association shall have two classes of voting membership:

**Class A.** Class A Members shall be all Owners except Declarant. Each Class A Member shall be entitled to one (1) vote for each Lot owned. When more than one (1) person owns a Lot required for membership, each such person shall be a Member 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.

**Class B.** The Class B Member shall be Declarant. Declarant shall be entitled to three (3) votes for each Lot which it owns in the Project.

Class B membership shall cease and be converted to Class A membership on the earlier of the following dates:

(1) Two (2) years after the date of the first conveyance of a Lot to a Resident Owner within the most recent Phase of Development; or

(2) Four (4) years after the date of the first conveyance of a Lot to a Resident Owner within the most recent Phase of Development.

Whenever this Declaration, the Bylaws or the Articles of Incorporation require the vote, assent or presence of a stated number of Owners or Members entitled to vote on a matter or at a meeting with regard to the taking of any action or any other matter whatsoever, the provisions of this Article II and Section 2.4 shall govern as to the total number of available votes, the number of votes an Owner is entitled to cast at the meeting, and the manner in which the vote attributable to a Lot having more than one (1) Owner shall be cast.

**Section 2.5 Special Class A Voting Rights.** Notwithstanding the provisions of this Article, if the Class A Members do not have sufficient voting power pursuant to the voting rights set forth in this Declaration and the Bylaws to elect at least twenty percent (20%) of the total number of Directors on the Board at any meeting of Members at which Directors are to be elected, then such Class A Members shall, by majority vote among themselves, elect the number of Directors required to equal twenty percent (20%) of the total number of Directors on the Board. In the event twenty percent (20%) of the total number of Directors is equal to any



fractional number, the number of Directors to be elected pursuant to the special Class A voting right shall be rounded to the next higher whole number.

**Section 2.6 Approval of Members.** Unless 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 or any class or classes of membership shall be deemed satisfied by either of the following:

(a) the vote, in person or by proxy, of the Owners constituting a quorum, of each class of Members if voting by class is applicable, casting a majority of the votes at a meeting duly called and noticed pursuant to the provisions of the Bylaws dealing with annual or special meetings of the Members; or

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

**Section 2.7 Special Declarant Representation Rights.** Notwithstanding the provisions of this Article, until such time as ninety percent (90%) of the total number of Lots in the Project have been sold to Resident Owners, Declarant shall have the absolute authority to elect at least twenty percent (20%) of the total number of Directors on the Board.

### ARTICLE III.

#### COVENANT FOR MAINTENANCE ASSESSMENTS

**Section 3.1 Creation of the Lien and Personal Obligation of Assessments.** Each Owner, including the Declarant, 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 the following: Regular Assessments, Special Assessments, Reimbursement Assessments, Capital Improvement Assessments, Remedial Assessments and Reconstruction Assessments. Such Assessments shall be fixed, established and collected from time to time as provided in this Declaration. Each Assessment (other than Reimbursement Assessments and Remedial Assessments), together with interest thereon, late payment charges, attorneys' fees, 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. Notwithstanding the foregoing, Reimbursement Assessments and Remedial Assessments imposed against an Owner consisting of reasonable late payment charges for delinquent Assessments and/or charges to reimburse the Association for the loss of interest and for costs reasonably incurred (including attorneys' fees) in its efforts to collect delinquent Assessments, shall be a charge upon the Lot against which such Assessment is made. Each Assessment, together with interest thereon, late payment charges, attorneys' fees, court costs and other costs of collection thereof, shall 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



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liability for Assessments by nonuse of the Common Areas or any part thereof, or abandonment of his or her Lot.

**Section 3.2 Purpose of Assessments.** The Assessments levied by the Association shall be used exclusively for the purposes of promoting the recreation, health, safety and welfare of the Members, managing the Project, enhancing the quality of life in the Project, and protecting the value of the Project 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 for the purpose or purposes for which it is levied.

**Section 3.3 Regular Assessments.** The Board shall, at the time of the Distribution Date (defined in Section 6.3, below) determine the amount of the Regular Assessment to be paid by each Member. Each Member shall thereafter pay to the Association his or her Regular Assessment in installments as established by the Board. Each such installment shall be due and payable on a date established by the Board in the written notice sent to Members. 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 actual 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 Member and the date or dates when due. After the Association's first fiscal year of operation, the Association shall not impose a Regular Assessment which is increased more than twenty percent (20%) over the amount of the Regular Assessment for the immediately preceding fiscal year without the approval of a majority of a quorum of the voting power of the Association. For purposes of this Article, a quorum shall be defined as more than fifty percent (50%) of the voting power of the Association. The Association shall provide notice by first-class mail to the Owners of any increase in the Regular Assessments not less than thirty (30) nor more than sixty (60) days prior to the increased assessment becoming due. If, for any reason, the Board fails to duly increase the Regular Assessment and/or to notify and levy such Regular Assessment upon the membership of the Association, the Regular Assessment shall be presumed to have been made and levied in the amount of the Regular Assessment levied by the Board for the immediately preceding fiscal year of the Association, plus ten (10%) percent, and monthly installments on such Regular Assessment shall be due upon each installment payment date until duly changed hereunder. 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. Until such time as the Class B Membership has ceased and been converted into Class A Membership, 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" which include any of the following:

- (a) an extraordinary expense required by court order;



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(b) an extraordinary expense for repair or maintenance of the Association Maintenance Easement Areas or of the Common Areas, or any part of it for which the Association is responsible, where a threat to safety of persons is discovered;

(c) an extraordinary expense for repair or maintenance of the Association Maintenance Easement Areas or of the Common Areas which expense could not have been reasonably foreseen in preparing the budget (including, without limitation, any and all expenses related to the repair or maintenance of CSA Maintenance Areas, or any portion thereof, which have been conveyed, assigned, or granted by the County to the Association, and which are, pursuant to Section 17.3, below, thereafter considered "Common Areas" and including, without limitation, any and all expenses related to the repair or maintenance of CSA Maintenance Easement Areas, or any portion thereof, which have been conveyed, assigned, or granted by the County to the Association, and which are, pursuant to Section 17.3, below, thereafter considered "Association Maintenance Easement Areas"); provided, however, that prior to imposition of such an assessment, the Board shall make written findings as to the necessity of the expense and why such expense could not have been reasonably foreseen and such findings shall be distributed to the Members with the notice of assessment.

Notwithstanding any other provisions of this Declaration, until the earlier to occur of (1) the recordation of a notice of completion of an improvement on the Common Areas or (2) the placement of such improvement into use, each Owner (including Declarant) shall be exempt from paying that portion of any Regular Assessment which is for the purpose of defraying expenses and reserves directly attributable to the existence and use of such improvement.

**Section 3.4 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 Article IX (Destruction of Improvements) of this Declaration, including the necessary fixtures and personal property related thereto. The Association shall not impose a Capital Improvement Assessment the total amount of which, when aggregated with all Capital Improvement Assessments and Special Assessments already levied during such Fiscal Year, exceeds five percent (5%) of the budgeted gross expenses of the Association for such Fiscal Year, 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 Association Maintenance Easement Areas or 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 Members. 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 Capital Improvement Assessment.



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**Section 3.5 Uniform Assessment.** Regular Assessments, Reconstruction Assessments 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 3.6 Certificate of Payment.** The Association shall, upon demand, furnish to any Member 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 not to exceed twenty percent (20%) of the monthly Regular Assessment may be collected by the Board for the issuance of such certificates. Such certificates shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

**Section 3.7 Exempt Property.** All properties dedicated to and accepted by, or otherwise owned or acquired by, a public authority shall be exempt from the Assessments created herein.

**Section 3.8 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 pursuant to Section 3.14, below. Special Assessments shall also be levied by the Board against an Owner and his or her Lot to reimburse the Association for any other charge designated as a Special Assessment in this Declaration, the Articles of Incorporation, Bylaws, or Association Rules. Notwithstanding the foregoing, in any fiscal year of the Association, the Board shall not impose Special Assessments which, when aggregated with all Special Assessments and Capital Improvement Assessments already levied during such Fiscal Year, exceeds five percent (5%) of the budgeted gross expenses for such fiscal year without first obtaining the approval of the majority of a quorum of the voting power of the Association. The foregoing limitation shall be subject to the exception carved out for "emergency situations" set forth in Section 3.3, above. The Association shall provide notice by first-class mail to the Owners subject to a Special Assessment of any decision to levy such Special Assessment not less than thirty (30) nor more than sixty (60) days prior to the Special Assessment becoming due.

**Section 3.9 Remedial Assessment.** In the event the Board levies any fines or charges against an Owner who fails to comply with this Declaration, the Articles of Incorporation, Bylaws, or the Association Rules, such fines or charges shall be Remedial Assessments. Without limiting the generality of the foregoing statement, any fine or charge levied by the Association for the failure of any Owner to comply with the provisions of Section 7.2, below, shall be a Remedial Assessment.

**Section 3.10 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 and/or the Common Areas. Reimbursement Assessments shall also be levied by the Board against an Owner (and his or her Lot) to reimburse the Association for any other charge designated as a Reimbursement Assessment in this Declaration, the Articles of Incorporation, Bylaws, or Association Rules. The Association shall provide notice by first-class mail to the Owners subject to a Reimbursement Assessment of any



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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 3.11 Date of Commencement of Regular Assessments.** Subject to any assessment maintenance or subsidy program established by the Declarant, the Regular Assessments for a particular Phase of Development hereunder shall commence on the date (the "Initial Assessment Commencement Date") of the first day of the month following the month of the close of escrow for the sale of a Lot by Declarant to a Resident Owner within such Phase of Development.

**Section 3.12 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) a Member has made or elects to make no use of the Common Areas; or (iii) any construction or maintenance performed or not performed pursuant to Article VII, below, shall in any way postpone Assessments or entitle a Member to claim any such offset or reduction.

**Section 3.13 Homestead Waiver.** Each Owner to the extent permitted by law does hereby waive, to the extent of any liens created pursuant to this Declaration and 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 3.14 Reserves.** The Regular Assessments shall include reasonable amounts as determined by the Board, taking into consideration the Reserve Account Study (defined in Section 3.15(a), below), collected as reserves for the future periodic maintenance, repair or replacement of all or a portion of the Association Maintenance Easement Areas or 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(s) or certificate(s) of deposit 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 Members.

(a) The Board shall not expend funds designated as reserve funds for any purpose other than:

(i) the repair, restoration, replacement or maintenance of the Association Maintenance Easement Areas or of the Common Areas for which the reserve fund was established; or

(ii) litigation involving use of reserve funds for the purposes set forth in subparagraph (i) above.

(b) Notwithstanding the provisions of (a)(i) and (a)(ii) above, the Board:

(i) may authorize the temporary transfer of money from the reserve account to meet short term cash flow requirements or other expenses of the Association;



(ii) shall cause the transferred funds to be restored to the reserve account within three (3) years of the date of the initial transfer; however, the Board may, upon making a documented finding that a delay of restoration of the funds to the reserve account would be in the best interests of the Association, delay the restoration until such time it reasonably determines to be necessary; and

(iii) shall exercise prudent fiscal management in delaying restoration of the transferred funds to the reserve account and shall, if necessary, levy a Special Assessment to recover the full amount of the expended funds within the time limits specified in subparagraph (b)(ii) above. Any such Special Assessments shall not be subject to the five percent (5%) limitation specified in Section 3.8, above.

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. In addition, the minutes of the meeting at which any such withdrawal of funds was authorized shall reflect such authorization and the reasons therefor.

**Section 3.15 Maintenance of Adequate Reserves.** In order to assure that the Association maintains adequate reserves,

(a) The Board shall, at least once every three (3) years, cause a study to be conducted of the reserve account requirements by an authorized reserve study specialist (the "Reserve Account Study") if the current replacement value of the major components of the Common Areas and the Association Maintenance Easement Areas which the Association is obligated to repair, replace, restore or maintain is equal to or greater than one-half (1/2) of the gross budget for any fiscal year;

(b) The Board shall annually review the Reserve Account Study and consider and implement necessary adjustments to its analysis of the reserve account requirements as a result of that review;

(c) The Board shall cause the Reserve Account Study to include at a minimum:

(i) identification of the major components of the Common Areas and the Association Maintenance Easement Areas which the Association is obligated to repair, replace, restore or maintain which, as of the date of the Reserve Account Study, have a remaining useful life of less than thirty (30) years;

(ii) identification of the probable remaining useful life of the components identified in subparagraph (i) above as of the date of the Reserve Account Study;

(iii) an estimate of the cost of repair, replacement, restoration or maintenance of each major component identified in subparagraph (i) during and at the end of its useful life; and



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(iv) an estimate of the total annual contribution necessary to defray the cost to repair, replace, restore or maintain each major component during and at the end of its useful life, after subtracting total reserve funds as of the date of the Reserve Account Study; and

(d) The Board shall not authorize the expenditure of reserve funds for uses other than the repair, restoration, replacement or maintenance of the Common Areas or the Association Maintenance Easement Areas for which the reserve fund was established which cumulatively exceeds five percent (5%) of the budgeted gross expenses for the current fiscal year without concurrently authorizing a Special Assessment as provided in Section 3.8, above, which will restore reserves to adequate levels as determined by the Reserve Account Study.

**Section 3.16 Automatic Assessment Increases.** Except as otherwise provided herein, and as permitted under Section 1366 of the California Civil Code, upon the annexation of additional Phases of Development, the Regular Assessments shall be automatically increased by the amount, if any, necessary to maintain the Association Maintenance Easement Areas or the Common Areas located within such additional Phases of Development (including, without limitation, those amounts necessary to maintain CSA Maintenance Areas, or any portion thereof, which may have been conveyed, assigned, or granted by the County to the Association, and which are, pursuant to Section 17.3, below, thereafter considered "Common Areas" and including, without limitation, those amounts necessary to maintain CSA Maintenance Easement Areas, or any portion thereof, which may have been conveyed, assigned, or granted by the County to the Association, and which are, pursuant to Section 17.3, below, thereafter considered "Association Maintenance Easement Areas") pursuant to standards prescribed by comparable maintenance cost guidelines prepared in accordance with prudent property management practices for "common interest developments" (as defined in Section 1351(c) of the California Civil Code) consistently applied throughout the geographic region in which the Project is located. Automatic increases shall occur only if (i) the annexation of such additional Phases of Development is permitted by the DRE, and (ii) the amount of such increase is within the range of assessments approved by the DRE pursuant to the DRE Approved Budgets, increased at a rate of twenty percent (20%) compounded annually (unless the Association is subjected to extraordinary expenses related to the repair or maintenance of CSA Maintenance Areas and/or CSA Maintenance Easement Areas as described in Section 3.3(c), above). If the annexation of Common Areas and/or the addition of Association Maintenance Easement Areas results in an increase in the Regular Assessments which is permissible under the requirements of the preceding sentence, then the Association shall be obligated to collect such increased Regular Assessment. To facilitate the orderly payment of Regular Assessments during the development of the Project, the Board may establish and levy a median monthly Regular Assessment at an amount sufficient to defray the Common Expenses of the Association during the development of the Project. By accepting title to a Lot, each Resident Owner consents to the Regular Assessment increases specified in this Section.

**Section 3.17 Initial Capital Contribution.** Upon acquisition of the record title to a Lot from the Declarant or any Resident Owner, the Resident Owner acquiring such record title shall contribute to the capital of the Association an amount to be determined by the Board. This amount shall be deposited by the Resident Owner into the purchase and sale escrow and disbursed therefrom to the Association. Upon payment, any such contribution shall belong to the





Association, and no part thereof shall belong to or be refundable to the contributor. This amount shall not be considered an advance payment of Assessments and may not be used by Declarant to defray any of its expenses, reserve contributions or construction costs or to make up any budget deficits while it is in control of the Association. Any and all such capital contributions shall be used by the Association to pay operating expenses of the Association.

## ARTICLE IV.

### NONPAYMENT OF ASSESSMENTS

#### **Section 4.1 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 as set forth in the Management Documents. 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.** Upon fifteen (15) days' prior written notice by first-class mail to the delinquent Owner and after a hearing by the Board (whether or not the delinquent Owner appears) held not less than five (5) days before the date of the suspension of the Owner's rights and/or imposition of monetary penalties, the Board may (a) suspend the voting rights of such Owner, (b) impose reasonable monetary penalties pursuant to a monetary penalty schedule established and posted by the Board bearing interest at a rate not to exceed the maximum limit imposed by law, 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, that these provisions shall not operate or be construed to deny or restrict ingress or egress of any Owner to and from such Owner's Lot. The notice to be provided to a delinquent Owner pursuant to this Subsection 4.1(a) shall include the reasons for the proposed suspension and/or imposition of monetary penalties.

(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 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.

(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 which may be charged against any and all Lots pursuant to this Declaration (except Reimbursement Assessments and Remedial Assessments), 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 Office of the Riverside County Recorder a Claim of Lien against the Lot of the defaulting Owner. Such notice of delinquent assessment shall be executed and acknowledged by any officer of the Association and shall contain substantially the following information:

- (i) the name of the delinquent Owner;
- (ii) the legal description of the Lot against which the Claim of Lien is made;
- (iii) the total amount of the delinquency, interest thereon, collection costs and reasonable attorneys' fees if then known (with any proper offset allowed);
- (iv) 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
- (v) 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 in 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, costs of the sale, and all other expenses of the proceedings and sale, and the balance of the unpaid sales proceeds after satisfaction of such charges and unpaid assessments hereunder or any liens, 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 notice of delinquent assessment was filed by the Association, the officers of the Association are hereby authorized to record an appropriate release of such lien in the Office of the Riverside County Recorder.



The Association shall distribute to each Member annually within sixty (60) days prior to the beginning of the fiscal year a statement regarding the Association's policies and procedures with respect to the matters set forth in this Section 4.1.

**Section 4.2 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, the Articles of Incorporation, Bylaws or Association Rules, 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, 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, and shall in all respects be subordinate to, the rights and powers of the holder or beneficiary of any first Mortgage or deed of trust on any Lot or second Mortgage or deed of trust on any Lot if the holder or beneficiary of such second Mortgage or deed of trust is a Declarant, to do the same or similar acts.

**Section 4.3 Power of Attorney to Institutional Mortgagee** In the event the Board shall not cause the enforcement procedures provided in this Article IV to be implemented within the time provided, any Institutional Mortgagee for any Lot as to which there shall be an unpaid Assessments is hereby irrevocably granted a power of attorney to commence such actions and to invoke such other remedies, all in the name of the Association. This power of attorney is expressly stipulated to be coupled with an interest in the subject matter.

## ARTICLE V.

### ARCHITECTURAL CONTROL

**Section 5.1 Power of Board to Delegate to Master Association.** In order to avoid duplicative effort, the Board shall have the power to delegate its duty to establish architectural controls over the Project to the architectural committee established by the board of the Master Association (the "Master Architectural Committee"), provided that the board of directors of the Master Association, by written resolution, is willing to accept such delegation. In the event the Board does not elect to delegate its duty to establish architectural controls over the Project or



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in the event the Master Association is unwilling to accept any such delegation, the Association and the Board shall have the duties specified in this Article V.

**Section 5.2 Appointment of Architectural Committee.** The Architectural 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. Declarant shall initially appoint the Architectural Committee. The Declarant shall retain the right to appoint, augment or replace all members of the Architectural Committee until one (1) year after the Initial Sale Date. Thereafter, Declarant shall retain the right to appoint, augment or replace a majority of the members of the Architectural Committee until eight (8) years after the Initial Sale Date, or until ninety percent (90%) of the Lots within the Project have been conveyed to Resident Owners, whichever shall first occur. Notwithstanding the foregoing, commencing one (1) year following the Initial Sale Date, the Board shall have the right but not the obligation to appoint the remaining members of the Architectural Committee. Five (5) years after the Initial Sale Date, or when ninety percent (90%) of the Lots within the Project have been conveyed to Resident Owners, whichever shall first occur, the right to appoint, augment or replace all members of the Architectural Committee shall automatically be transferred to the Board. Persons appointed by the Board to the Architectural Committee must be Members; however, persons appointed by Declarant to the Architectural Committee need not be Members.

**Section 5.3 Committee Purpose and General Provisions.** The purpose of the Architectural Committee, if formed, is to achieve and maintain the aesthetic goals of the Declarant and to cooperate and coordinate similar efforts of the Master Architectural Committee, if any such Master Architectural Committee has in fact been formed. It is not the intent of Declarant to deprive an Owner from having a residence of unique design but to protect the Project as a whole, and the individuals comprising same from undesirable construction. In the case of a hardship or other good reason, exceptions to any of the covenants, conditions or restrictions contained in any portion of this Declaration may be made by the Committee at any time after proper application therefor in writing. The Architectural Committee may establish reasonable procedural rules in connection with the review of plans and specifications including, without limitation, the number of sets of plans to be submitted; however, the Architectural Committee may delegate its plan review responsibilities to one (1) or more members of such Architectural 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 Committee. Unless any such rules are complied with, such plans and specifications shall be deemed not submitted.

(a) The address of the Architectural 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 current Architectural Standards (as that term is defined below) shall be kept.

(b) The establishment of the Architectural 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, the Bylaws, or the Association Rules.



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(c) In the event the Architectural Committee fails to approve or disapprove such plans and specifications within sixty (60) days after the same have been duly submitted in accordance with any rules regarding such submission adopted by the Architectural Committee, such plans and specifications will be deemed to have not been approved.

**Section 5.4 Approval and Conformity of Plans.** No building, fence, wall, structure, landscaping, change of Lot grading or drainage or other improvements shall be commenced, erected, maintained upon or removed from the Project, nor shall there be any addition to or change in the exterior of any building, fence, wall, structure, the painting (other than painting with the same color of paint as previously existed) of exterior walls, doors, trim, patio covers and solar and other energy saving devices, except in compliance with plans and specifications therefor which have been submitted to and approved by the Architectural Committee as to harmony of external design and location in relation to surrounding structures and topography. The Board may, from time to time, adopt and promulgate architectural standards (the "Architectural Standards") to be administered through the Architectural Committee. The Architectural Standards 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 Architectural Standards;

(b) conformity of completed architectural improvements to plans and specifications approved by the Architectural Committee; provided, however, as to purchasers and encumbrances in good faith and for value, unless notice of noncompletion or nonconformance identifying the violating Lot and its Owner and specifying the reason for the notice, executed by the Architectural Committee, shall be filed of record in the Office of the County Recorder of the County, and given to such Owner within one (1) year of the expiration of the time limitation described in Subsection 5.4(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 Committee and in compliance with the Architectural Standards of the Association, but only with respect to purchasers and encumbrances in good faith and for value;

(c) such other limitations and restrictions as the Board 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 Architectural Standards, do not require the approval of the Architectural Committee.

**Section 5.5 Non-Liability for Approval of Plans.** Each Owner shall be solely responsible for any violation of this Declaration or any applicable instrument, law or regulation caused by an improvement made by such Owner even though same is approved by the



Architectural Committee. Plans and specifications shall be approved by the Architectural Committee as to style, exterior design, appearance and location and are not approved for engineering design or for compliance with zoning and building ordinances, this Declaration, easements, deed restrictions and other rights and obligations affecting the Project, and by approving such plans and specifications, neither the Architectural Committee, the members thereof, the Association, the Members, the Board nor Declarant assumes liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications. The Architectural Committee shall have the right to require, as a condition of approval, that an Owner provide indemnification on terms and conditions satisfactory to the Architectural Committee.

**Section 5.6 Appeal.** In the event plans and specifications submitted to the Architectural 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 Committee or failure of the Architectural Committee to respond within sixty days as set forth under Subsection 5.3(c), above. The Board shall submit such request to the Architectural 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 denial of the appeal.

**Section 5.7 Inspection and Recording of Approval.** Any member of the Architectural Committee or any officer, director, 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 Committee and in accordance with the Architectural Standards. The Architectural Committee shall cause such an inspection to be undertaken within thirty (30) days of a request therefor from any Owner as to his or her 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 V as to the improvements described in such recorded notice, but as to such improvements only.

## ARTICLE VI.

### DUTIES AND POWERS OF THE ASSOCIATION

**Section 6.1 General Duties and Powers.** In addition to the duties and powers enumerated in the Articles of Incorporation 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.



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**Section 6.2 General Duties of the Association.** The Association through the Board shall have the duty and obligation to:

(a) cooperate to the fullest extent possible with the Master Association;

(b) enforce the provisions of this Declaration (including, without limitation, enforcement of the full performance by Owners of all items of maintenance for which they are responsible), the Articles of Incorporation, Bylaws, and Association Rules by appropriate means and carry out the obligations of the Association hereunder;

(c) maintain and otherwise manage the following:

(i) all easements and real property and all facilities, improvements and landscaping thereon in which the Association holds an interest, including, without limitation, any Association Maintenance Easement Areas and any Common Areas, and any and all improvements located thereon, if any, subject to the terms of any instrument transferring such interest to the Association;

(ii) all personal property in which the Association holds an interest, subject to the terms of any instrument transferring such interest to the Association; and

(iii) all property, real or personal, which the Association is obligated to repair or maintain pursuant to this Declaration, including, without limitation, Article VII (Repair and Maintenance) of this Declaration, including, without limitation, to cause the Common Areas to be maintained according to reasonable standards adopted by the Board and as set forth in this Declaration, and the Bylaws, including, but not limited to such maintenance, painting, replacement and repair work as may be necessary, lawn maintenance on the Common Areas, clearing of dirt and debris from streets and walkways as deemed appropriate by the Board, maintenance of detention basins and similar water drainage systems;

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

(e) obtain, for the benefit of the Common Areas water, gas, electric, refuse collections and other services, to the extent that the Association deems such services necessary;

(f) provided that the Association's treasurer has been given at least 10 days prior written notice of an Owner's desire to make such an examination, make available the books, records and financial statements of the Association for inspection by Owners and Institutional Mortgagees during normal business hours;

(g) grant and obtain easements, licenses and other property rights with respect to lands contiguous to the Project;

(h) investigate, hire, pay, supervise and discharge the personnel necessary to be employed, and provide the equipment and materials necessary, in order to properly maintain and operate the Common Areas as contemplated by this Declaration. Compensation for



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the services of such employees (as evidenced by certified payroll) shall be considered an operating expense of the Association;

(i) cause to be kept a complete record of all its acts and corporate affairs and to present a summary report thereof to the Members at the annual meeting or at any special meeting when requested in writing at least twenty-one (21) days in advance by members entitled to cast at least twenty-five (25%) percent of the total votes of the Association;

(j) take such action as may be necessary to comply promptly with such and all orders or requirements affecting the premises maintained by the Association placed thereon by any federal, state, county or municipal authority having jurisdiction thereover;

(k) accept the conveyance, assignment or grant by the County of the CSA Maintenance Areas, or any portion thereof, upon the election and/or request of the County as set forth and described under Section 1.11, above, and Section 17.3, below; provided that such CSA Maintenance Areas so conveyed, assigned or granted are free and clear of all liens and encumbrances except current real property taxes (which taxes shall be prorated as of the date of conveyance), acceptable title exceptions of record, the covenants, conditions, restrictions and reservations contained in this Declaration, and any Supplementary Declaration; and

(l) accept the conveyance, assignment or grant by the County of the CSA Maintenance Easement Areas, or any portion thereof, upon the election and/or request of the County as set forth and described under Section 1.7, above, and Section 17.3, below.

**Section 6.3 Budgets and Financial Statements.** Not less than forty-five (45) days and not more than sixty (60) days prior to the beginning of each fiscal year of the Association (the "**Distribution Date**"), the Board shall distribute to each Member a pro forma operating statement or budget for the upcoming fiscal year which shall specifically include the following items:

(i) a statement of estimated revenue and expenses on an accrual basis;

(ii) a summary of the Association's reserves based upon the most recent review or Reserve Account Study conducted pursuant to Section 3.15, above, which shall be printed in bold type and include all of the following:

(A) the current estimated replacement cost, estimated remaining life and estimated useful life of each major component of the Common Areas and the Association Maintenance Easement Areas;

(B) as of the end of the fiscal year for which the Reserve Account Study is prepared:

(1) the current estimate of the amount of cash reserves necessary to repair, replace, restore or maintain those major components of the Common Areas and the Association Maintenance Easement Areas for which the Association is responsible; and



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(2) the current amount of accumulated cash reserves actually set aside to repair, replace, restore or maintain those major components of the Common Areas and the Association Maintenance Easement Areas for which the Association is responsible; and

(C) the percentage that accumulated cash reserves actually set aside is of the current estimate of cash reserves necessary;

(iii) a statement as to whether the Board has determined or anticipates that the levy of one (1) or more Special Assessments or Capital Improvement Assessments will be required to repair, replace or restore any such major component of the Common Areas or the Association Maintenance Areas for which the Association is responsible or to provide adequate reserves therefore; and

(iv) a general statement setting forth the procedures used by the Board in the calculation and establishment of reserves to defray the costs of future repair, replacement or additions of those major components of the Common Areas and the Association Maintenance Easement Areas for which the Association is responsible.

(b) A balance sheet as of the last day of the fifth (5th) month following the month in which shall occur recordation of the first deed of a Lot and an operating statement for the period from the date of recordation of such first deed to the date of such balance sheet, shall be distributed by the Board to each Member within sixty (60) days after the date of such balance sheet. The operating statement shall include a schedule of assessments received and receivable identified by the description of the Lot and the name of the person or entity assessed.

(c) A report consisting of the following shall be distributed by the Board to each Member within one-hundred twenty (120) days after the close of each fiscal year:

(i) a balance sheet as of the end of the fiscal year;

(ii) an operating (income) statement for the fiscal year;

(iii) a statement of changes in financial position for the fiscal year; and

(iv) for any fiscal year in which the gross income to the Association exceeds \$75,000, a copy of the review of the annual report prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy.

If the report referred to in this Subsection 6.3(c) is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association that the statement was prepared from the books and records of the Association without independent audit or review.

In lieu of the distribution of the pro forma operating statements set forth in this Section, the Board may elect to distribute a summary of the pro forma operating statements to all



of its Members with a written notice that the pro forma operating statements are available at the business office of the Association or at another suitable location within the Project and that copies will be provided upon request and at the expense of the Association. If any Member requests copies of the pro forma operating budget, including the statements described in this Section, to be mailed to the Member, the Association shall provide copies to the Member by first-class mail at the expense of the Association and mailed within five (5) days. The written notice that is distributed to each of the Members shall be in at least 10-point bold type on the front page of the summary of the statements. The pro forma operating statements set forth in this Section must also be made available to First Mortgagees upon their submission of a written request for it.

(d) The Board shall take the following actions not less frequently than quarterly:

(i) cause a current reconciliation of the Association's operating accounts to be made and review the same;

(ii) cause a current reconciliation of the Association's reserve accounts to be made and review the same;

(iii) review the current year's actual reserve revenues and expenses compared to the current year's budget;

(iv) review the most current account statements prepared by the financial institution where the Association has its operating and reserve accounts; and

(v) review an income and expenses statement for the Association's operating and reserve accounts.

(e) The Board shall prepare and distribute to each Member a summary of the Association's general liability policy that states all of the following:

(i) the name of the insurer;

(ii) the policy limits of the insurance;

(iii) whether an insurance agent, an insurance broker, or an agent of an insurance agent or insurance broker has assisted the Association in the development of the general liability policy limits and if the recommendations of the insurance agent or insurance broker were followed;

(iv) the insurance deductibles;

(v) the person or entity that is responsible for paying the insurance deductible in the event of loss; and

(vi) whether or not the insurance coverage extends to the real property improvements on each Lot.



(f) The Board shall prepare and distribute to each Member a summary of the Association's earthquake and flood insurance policy, if one has been issued, that states all of the following:

- (i) the name of the insurer;
- (ii) the policy limits of the insurance;
- (iii) the insurance deductibles; and
- (iv) the person or entity that is responsible for paying the insurance deductible in the event of loss.

(g) The Board shall prepare and distribute to each Member a summary of the liability coverage policy for the directors and officers of the Association that lists all of the following:

- (i) the name of the insurer; and
- (ii) the limits of the insurance;

(h) The Board shall, as soon as reasonably practical, notify each Member by first-class United States mail if any of the policies described in Subsections (e), (f), and (g), above, have been canceled and not immediately replaced. If the Association renews any of the policies or a new policy is issued to replace an insurance policy of the Association, and where there is no lapse in coverage, the Association shall notify each Member of that fact in the next available mailing to all Members.

(i) To the extent that the information to be disclosed pursuant to Subsections (e), (f), and (g), above, is specified in the insurance policy declaration page, the Board may meet the requirements of those subsections by making copies of that page and distributing it to each Member.

**Section 6.4 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 or penalty upon at least 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 Project, the administration of the affairs of the Association or for the benefit or enjoyment of the Members;



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(c) borrow money in a total amount not to exceed ten percent (10%) of the then existing estimated annual Common Expenses as may be needed in connection with the discharge by the Association of its powers and duties;

(d) establish, only if requested by and in cooperation with the County, a special tax assessment district for the performance of all or a portion of the maintenance or other functions now within the responsibility of the Association;

(e) convey, only if requested by the County, all or a portion of the Common Areas to any district established pursuant to Subsection 6.4(d), above;

(f) establish and maintain a working capital and contingency fund in an amount to be determined by the Board. Such resulting contributions 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; and

(g) negotiate and enter into contracts with Institutional Mortgagees and mortgage insurers and guarantors as may be necessary or desirable to facilitate the availability of loans secured by Mortgages within the Project.

**Section 6.5 General Limitations and Restrictions on the Powers of the Board.** In addition to the limitations and restrictions enumerated in the Articles of Incorporation and Bylaws or elsewhere provided for herein, and without limiting the generality thereof, the Board:

(a) Shall not enter into contracts for materials or services which have a term in excess of one (1) year without the approval of a majority of the voting power of the Association other than the Declarant, with the following exceptions:

(i) a contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission; provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;

(ii) prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration, provided that the applicable policy permits short rate cancellation by the insured;

(iii) management contract, the terms of which have been approved by the Federal Housing Administration or VA, or which contract provides that the Association may terminate the contract without cause, penalty or other obligation upon ninety (90) days' written notice;

(iv) contracts for the sale or lease of burglar alarm and fire alarm equipment, installation and services of not to exceed five years duration provided that the supplier or suppliers are not entities in which the Declarant has a direct or indirect ownership interest of ten percent (10%) or more;



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(v) contracts for cable television services and equipment or satellite television services and equipment of not to exceed five (5) years duration, provided that the supplier is not an entity in which the Declarant has a direct or indirect ownership interest of ten percent (10%) or more; and

(vi) contracts with a term not exceeding three (3) years that are terminable by the Association after no longer than one (1) year without cause, penalty or other obligation upon thirty (30) days' written notice of termination to the other party.

(b) Shall not take any of the following actions without the approval of sixty-seven percent (67%) of the voting power of the Association other than the Declarant:

(i) Except as provided in Section 12.1(e), below, sell, transfer, assign or encumber the Common Areas or any other Asset with an aggregate fair market value in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year;

(ii) pay compensation to directors or to officers of the Association for services performed in the conduct of the Association's business; provided, however, the Board may cause a director or officer to be reimbursed for expenses incurred in carrying on the business of the Association;

(iii) incur aggregate indebtedness in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year; or

(iv) incur aggregate expenditures for capital improvements to the Common Areas or the Association Maintenance Easement Areas in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

**Section 6.6 Association Rules.** The Board shall also have the exclusive power 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 Remedial 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 of Incorporation 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 any such Association Rules and any other provisions of this Declaration, or the Articles of Incorporation and Bylaws, the provisions of the Association Rules shall be deemed to be



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superseded by the provisions of this Declaration, the Articles of Incorporation or the Bylaws to the extent of any such conflict.

**Section 6.7 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 of Incorporation and Bylaws; provided, however, no such delegation to a professional management company, the Architectural Committee or otherwise shall relieve the Association of its obligation to perform such delegated duty.

**Section 6.8 Pledge of Security for Obligations; Notice to Obligees.** The Association shall have the power to pledge the right to exercise its Assessment powers or pledge Assets as security for a loan, contract or other obligation; provided, however, any such pledge shall require the prior affirmative vote or written assent of not less than sixty-six and two-thirds percent (66 2/3%) of the voting power of the Members. 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 then be 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 Members to obtain such funds. Upon the failure of any Member 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 Article IV (Nonpayment of Assessments) of this Declaration. Without limiting the generality of the foregoing, any pledge of Assessment rights or Assets in excess of an amount equal to twenty-five percent (25%) of the total Regular Assessments collected by the Association in the then preceding fiscal year shall require the prior written approval of seventy-five percent (75%) of the Institutional Mortgagees based on one (1) vote for each First Mortgage held. Notice is hereby given by this Declaration to all future obligees of the Association that any pledge of security which is not in conformity with this Section 6.8 shall be invalid and unenforceable against the Association or its Members.

**Section 6.9 Emergency Powers.** The Association or any person authorized by the Association may enter any Lot or Common Area 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 unless covered by insurance carried by the Owner.

## ARTICLE VII.

### REPAIR AND MAINTENANCE

**Section 7.1 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 of Incorporation, Bylaws or Association Rules, the Association shall have the duty to accomplish the following upon the Project or other land in such manner and at such times as the Board shall prescribe:



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(a) maintain, repair, restore, replace and make necessary improvements to the Association Maintenance Easement Areas and the Common Areas and any and all improvements which may be located on or within the Association Maintenance Easement Areas or Common Areas and for which the Association is responsible;

(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 Members; and

(c) provide for a method of continual maintenance of the open space lots and an adequate lighting system along all walkways to be constructed within the Project to the extent such maintenance obligations are necessary.

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 7.2 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) Every Owner shall maintain his or her Lot, including without limitation, walls, fences and drainage and all portions of the Owner's dwelling located on such Lot, in good condition and repair except;

(b) In the event the Board shall determine that any Lot perimeter walls and fences have been damaged, then the Owner of the Lot shall be responsible for repairing such damage in a timely manner and in accordance with such rules as the Board or Architectural Committee shall from time to time adopt;

(c) Each Resident Owner shall maintain the landscaping upon his or her Lot in a neat and attractive condition, including all necessary landscaping and gardening and properly maintain and periodically replace when necessary any trees, plants, grass and other vegetation. All such landscaping maintenance shall be consistent with applicable County ordinances and shall be performed in accordance with such standards and rules as the Board or Architectural Committee shall from time to time adopt;

(d) No landscaping, fence or other improvement may be constructed, installed or otherwise placed on a Lot by a Resident Owner as to prevent the flow of water from the slope to the rear of his or her Lot onto the flat pad of his or her Lot except in conformance with Section 11.10, below;

(e) In the event that a Resident Owner fails to comply with the obligations set forth in this Section 7.2, then (subject to the notice and hearing requirements set forth in Section 7.3, below) the Association or its delegates shall have the right at reasonable times to enter the Lot to effect such repair and/or maintenance, and the cost thereof shall be charged to the Owner of the Lot, and, if not paid in a timely manner, shall be a Reimbursement Assessment enforceable in accordance with the provisions of this Declaration applicable thereto. In addition,



in the event that a Resident Owner fails to comply with the obligations set forth in Section 7.2(d), then Declarant, in its sole discretion, shall have the right at reasonable times to enter the Lot to effect such installation and the cost thereof shall be reimbursed by the Resident Owner of such Lot to the Declarant.

**Section 7.3 Right of Association to Maintain and Install.** In the event that an Owner fails to accomplish any maintenance, repair or installation required by this Section or pay his or her share of expenses incurred in the accomplishment of the same (including, without limitations, the obligations of installation and reimbursement pursuant to Section 7.2, above), 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 a 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 receipt 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:

(i) 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;



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(ii) 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;

(iii) 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

(iv) 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 his or her share of the maintenance and repair expenses as set forth in Sections 7.2 and 7.3 of this Article regardless of whether the Association has reimbursed the appropriate parties or Owners pursuant to this Section, such amount shall be a Reimbursement Assessment to the violating Owner and his or her Lot, as applicable.

**Section 7.4 Standards for Maintenance and Installation.** Maintenance of the Lots, the Common Areas, and the Association Maintenance Easement Areas, including without limitation walls, fences and roofs, shall be accomplished in accordance with the Architectural Standards, and, if required by the Architectural Standards, only after approval of the Architectural Committee.

**Section 7.5 Right of Entry.** The Association shall have the right to enter upon any portion of the Project, including, without limitation, any Common Area, Association Maintenance Easement Area or 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 entering party to the extent that the damage caused was unnecessary under the circumstances to carry out the Association's rights and obligations.

**Section 7.6 Maintenance of Public Utilities.** 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 or within the Association Maintenance Easement Areas which are owned by such public utilities. However, the Association shall take such steps as are reasonably necessary or convenient to ensure that such facilities are properly maintained, replaced or restored by such public utilities.

**Section 7.7 Assumption of Maintenance Obligations.** Declarant and Declarant's assigns, its subcontractors and the agents and employees of the same shall have the right to enter upon the Association Maintenance Easement Areas and the Common Areas to complete the maintenance, repair, restoration, or construction of such Association Maintenance Easement Areas or Common Areas, or any landscaping or improvements located thereon, as provided in this Declaration. If any excess of Assessments collected over actual Common Expenses incurred by the Association is caused by reason of construction or maintenance pursuant to this Section,



or otherwise, such excess shall be placed in reserve to offset the future expenses of the Association in any manner designated by the Board.

**Section 7.8 Association Maintenance Easement Areas and Common Areas within Annexable Property.** Certain portions of the Annexable Property, upon annexation to the Project in accordance with Article XIV (Integrated Nature of Project) of this Declaration, may consist of Association Maintenance Easement Areas and Common Areas. Upon annexation of such portions of the Annexable Property, the Association shall be responsible for the maintenance and repair of such Association Maintenance Easement Areas or Common Areas as set forth in this Declaration.

**Section 7.9 Maintenance Areas Conveyed to the Association.** Pursuant to the County's "Subdivision Conditions of Approval" for Vesting Tentative Tract 23067, and as described in Recital G and Section 17.3 of this Declaration, the County may elect to require that the Association accept the assignment, conveyance, or grant of the CSA Maintenance Areas and/or the CSA Maintenance Easement Areas, or any portion thereof, from the County. Upon assignment, conveyance or grant of any such CSA Maintenance Areas, or any portion thereof, and upon annexation of such CSA Maintenance Areas, or any portion thereof, to the coverage of this Declaration in a Supplementary Declaration as required under Section 1.11, above, the Association shall be responsible for the maintenance and repair of such CSA Maintenance Areas as "Common Areas" as set forth in this Declaration. Likewise, upon assignment, conveyance or grant of any such CSA Maintenance Easement Areas, or any portion thereof, and upon annexation of such CSA Maintenance Easement Areas, or any portion thereof, to the coverage of this Declaration in a Supplementary Declaration as required under Section 1.7, above, the Association shall be responsible for the maintenance and repair of such CSA Maintenance Easement Areas as "Association Maintenance Easement Areas" as set forth in this Declaration.

## ARTICLE VIII.

### INSURANCE

**Section 8.1 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 Project, the Association and the Members:

(a) a comprehensive policy of public 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, such coverage to include protection against water damage liability, 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 planned unit developments in the area of the Project, 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, its officers and directors acting in such capacity 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 Members and the Association and persons upon the Project with the permission of a Member, 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 planned unit developments in the area of the Project; and

(c) fidelity coverage against dishonest acts on the part of directors, officers or employees of the Association 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.

**Section 8.2 Waiver by Members.** 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, the Declarant and 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 8.3 Other Insurance.** The Board may and, if required by any Institutional Mortgagee, shall purchase and maintain in force demolition insurance in adequate amounts to cover demolition in the event of total or partial destruction and a decision not to rebuild, as well as a blanket policy of flood insurance. The Board shall also purchase and maintain worker's compensation insurance, to the extent that the same shall be required by law, for all employees of the Association. The Board shall also purchase and maintain in effect such insurance on personal property owned by the Association, and such other insurance, as it deems necessary or as is required by an Institutional Mortgagee including, without limitation, earthquake insurance, plate-glass insurance and directors' and officers' liability insurance.

**Section 8.4 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 Article IX (Destruction of Improvements) of this Declaration. 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 Members.

**Section 8.5 Annual Insurance Review.** The Board shall annually determine whether the amounts and types of insurance it has obtained provide adequate coverage for the Project in light of increased construction costs, inflation, practice in the area in which the Project 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. If the Board determines that increased coverage or additional insurance is appropriate, it shall obtain the same.

**Section 8.6 Abandonment of Replacement Cost Insurance.** Unless at least sixty-seven percent (67%) of the Institutional Mortgagees based on one (1) vote for each First Mortgage held or sixty-seven percent (67%) of the Owners other than Declarant has given their prior written approval, the Association shall not be entitled to fail to maintain the extended coverage fire and casualty insurance required by this Article on less than a one hundred percent (100%) current replacement cost basis.

**Section 8.7 Notice of Expiration Requirements.** If available, each of the policies of insurance maintained by the Association shall contain a provision that said policy shall not be canceled, terminated, materially modified or allowed to expire by its terms without ten (10) days' prior written notice to the Board and Declarant, and to each owner and mortgagee, insurer and guarantor of a First Mortgage who has filed a written request with the carrier for such notice, and every other person in interest who requests such notice of the insurer. In addition, fidelity bonds shall provide that they may not be canceled or substantially modified without ten (10) days' prior written notice to the Association and to each FNMA servicer who has filed a written request with the carrier for such notice.

**Section 8.8 Federal Requirements.** Notwithstanding the foregoing provisions of this Article, the Association shall continuously maintain in effect such casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity bond requirements for planned unit development projects established by any of the Federal Agencies, so long as either is a Mortgagee, Owner, or insures or guarantees a Mortgage within the Project, except to the extent such coverage is not available or has been waived in writing by the foregoing entities.

## ARTICLE IX.

### DESTRUCTION OF IMPROVEMENTS

**Section 9.1 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 9.2 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 9.3 Vote of Members.** 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 a quorum of the Association objects in writing to such replacement or restoration or votes against the same at a meeting duly called therefor. Such written objections or vote must include at least twenty-five percent (25%) of the Class A Members. If the Members 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, as applicable, shall be cleared and landscaped for community park use 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 9.4 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 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 his or her Lot as to such pro rata distribution shall be governed by the provisions of the Mortgage encumbering such Lot.

**Section 9.5 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 Members. Any excess amounts which are so collected shall be treated in the same manner as set forth in Section 9.4 above.

## ARTICLE X.

### EMINENT DOMAIN

**Section 10.1 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 Project.



**Section 10.2 Representation by Board in Condemnation Proceedings.** In the event of a threatened taking of all or any portion of the Project, the Members hereby appoint the Board and such persons as the Board may delegate to represent all of the Members 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 10.3 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 10.4 Award for Taking.** Any awards received on account of the taking of any portion of the Project 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 Members. The rights of an Owner and the Mortgagee of his or her Lot as to any pro rata distribution shall be governed by the provisions of the Mortgage encumbering such Lot.

## ARTICLE XI.

### USE RESTRICTIONS

**Section 11.1 Commercial Use.** Subject to Section 13.3, below, no part of a Lot shall be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending, or any nonresidential purposes; provided, however, the Association shall have the right to provide or authorize such services on the Common Areas as it deems appropriate for the enjoyment of the Common Areas or for the benefit of the Members. Nothing in this Section shall prohibit Owners from conducting certain non-disturbing commercial activities; provided, however, that such activities do not create unreasonable traffic congestion, involve advertising on the Lot, alter the appearance of a Lot, alter the aesthetics of the Project, or violate any applicable laws or regulations, nor shall anything in this Article prohibit Declarant from conducting commercial activity as described herein. A home office is hereby declared to be an example of a non-disturbing commercial use described above.

**Section 11.2 Signs.** No sign or billboard of any kind shall be displayed to the public view on any portion of the Project except such signs as may be used by Declarant or its sales agents in connection with the development of the Project and sale of the Lots; provided, however, that a Member or his or her agent may display on his or her Lot or that portion(s) of the Common Area approved by the Board, a sign advertising its sale or lease by him so long as such sign shall comply with any customary and reasonable standards promulgated by the Board as to the size, color, shape or other qualification for permitted signs. 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, that such signs do not exceed customary dimensions.

**Section 11.3 Nuisance.** No noxious or offensive trade or activity shall be carried on upon any Lot or any part of the Project, nor shall anything be done thereon which may be or may



become an annoyance or nuisance to the Project or which shall in any way interfere with the quiet enjoyment of each of the Owners of his or her respective Lot or which shall in any way increase the rate of any insurance policy maintained by the Association.

**Section 11.4 Temporary Structures.** No structure of a temporary character, trailer, basement, shack, barn, storage building or shed or other outbuilding shall hereafter be used on any Lot at any time either temporarily or permanently; provided, however, that the foregoing restriction shall not be a restriction upon the use of any Lot owned by a Declarant.

**Section 11.5 Vehicles.**

(a) Only conventional passenger vehicles are permitted to park on the Project and only in designated areas. Vehicles of all Resident Owners shall be kept in garages except that "temporary parking" (which shall be defined and regulated by the Board in its reasonable discretion) shall be permitted in designated areas. Each Resident Owner shall maintain the space within his or her garage so that at least two (2) vehicles may be parked therein. In amplification, no Resident Owner shall remodel the interior of a garage, nor maintain clutter in a garage, so that at least two vehicles may not be parked therein. Resident Owners owning more than two (2) vehicles may park such excess vehicles in designated areas within the Project subject to any permit requirements or other parking restrictions that may be imposed by the Board from time to time in its reasonable discretion. No vehicles of any type (other than emergency vehicles provided by the fire department or other emergency service provider in the course of providing such emergency service to the Project) may be parked in any area designated as a fire lane. Except as provided in this Section, no commercial or recreational vehicles or equipment shall be permitted to remain upon the Project, including, without limitation, streets, alleys, driveways, or side and rear yards. The Association shall have the power, but not the obligation, to have a vehicle, other than a conventional passenger vehicle, towed from the Project at the expense of the owner of such vehicle. Nothing contained herein shall preclude the parking of a vehicle within the garage of a Lot.

(b) Except as otherwise provided herein, recreational vehicles and equipment are not permitted to be parked in front of any Lot or anywhere within the Project unless prior written approval of the Board has first been obtained; provided, however, recreational vehicles and equipment owned or rented by a Member may be parked (i) in front of said Member's Lot (or as close as possible to said Member's Lot if parking in front of said Member's Lot is impossible or not permitted) for a maximum of four (4) hours in any forty-eight (48) hour period for the sole purpose of loading and/or unloading such recreational vehicle or equipment immediately prior to or after the use of such recreational vehicle or equipment for recreational purposes, or (ii) on the side yard portion of a Member's Lot (but not on the rear yard) provided that said side yard is large enough to reasonably accommodate such recreational vehicles and equipment and provided further that such recreational vehicles and equipment are located behind a fence where they will not be visible from the street. Upon receipt of prior written approval from the Board, recreational vehicles and equipment owned or leased by guests temporarily visiting a Member may be parked in front of such Member's Lot (or as close as possible to said Member's Lot if parking in front of said Member's Lot is impossible or not permitted) for a period not to exceed one (1) day.



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(c) No conventional passenger vehicle, recreational vehicle or equipment or commercial vehicle or any other motorized vehicle may be dismantled, rebuilt, repaired, abandoned, stored, disabled, serviced or repainted on a Lot. For purposes of this Section, and without limiting the generality of the foregoing, a vehicle shall be deemed to be in storage if such vehicle is placed on a Lot for the primary purpose of storing such vehicle even if such vehicle is used occasionally. The foregoing restrictions shall not be deemed to prevent temporary parking for loading or unloading of vehicles or washing and polishing and those activities normally incident to washing and polishing of vehicles.

(d) As used in this Section "conventional passenger vehicles" shall be defined to be station wagons, family sedans, mini-vans, sport utility vehicles, compacts, subcompacts, pick-up trucks, pick-up trucks with shell not extending above the cab level beyond one (1) foot, passenger vans and passenger vans with extended tops not extending more than six (6) inches above the top of such van.

(e) As used in this Section, "recreational vehicles or equipment" shall include, without limitation, trailers, boats, campers, trailer coaches, buses, house cars, camp cars, motor homes (if a size larger than seven (7) feet in height and/or greater than one hundred twenty-four (124) inches in wheel base length), or any other similar type of equipment or vehicle.

(f) As used in this Section, "commercial vehicle" shall be defined as a truck of greater than one and one-half (1.5) ton capacity and/or any vehicle with a sign displayed on any part thereof advertising any kind of business or on which racks, materials, and/or tools are visible, or with a body type normally employed as a business vehicle whether or not a sign is displayed on any part thereof. The type of motor vehicle license plate shall not be material to the foregoing definition.

(g) Temporary parking shall mean parking of vehicles belonging to guests of Owners and commercial vehicles being used in the furnishing of services to the Association or the Owners and parking of vehicles belonging to or being used by Owners for loading and unloading purposes.

(h) The Board may adopt rules for the regulation of the admission and parking of vehicles within the Project, including the assessment of charges to Owners who violate or whose invitees violate such rules. Any charges so assessed shall be Remedial Assessments.

**Section 11.6 Animals.** No animals, livestock or poultry of any kind shall be raised, bred or kept upon the Project except that dogs, cats or other domestic household pets may be kept on the Lots, provided they are not kept, bred or maintained for any commercial purpose or in numbers deemed unreasonable by the Board. Notwithstanding the foregoing, no animals or fowl may be kept on the Lots which in the good faith judgment of the Board or a committee selected by the Board for this purpose result in an annoyance or are obnoxious to residents in the vicinity. All animals permitted to be kept by this Section shall be kept on a leash when on any portion of the Project except within a Lot. Each and every owner of any pet shall immediately clean, remove and dispose all animal waste materials and shall dispose of same on their own Lot.





Each Owner shall comply with all reasonable rules and regulations promulgated by the Board regarding animals permitted to be kept by this Section.

**Section 11.7 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 Project nor, subsequent to the recording of this Declaration, shall oil or water wells, tanks, tunnels, or mineral excavations or shafts be installed upon the surface of the Project or with respect to water wells, within fifty (50) feet below the surface of the Project and with respect to all other matters, within five hundred (500) feet below the surface of such properties. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon the Project.

**Section 11.8 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. No outdoor clotheslines shall be used upon any Lot. Any and all refuse containers, trash cans, woodpiles, storage areas, machinery and equipment which are stored on a Lot must be concealed behind fences such that they are not visible to the street or clearly visible to adjacent Lots. All fences or screens shall comply with any standards established pursuant to the Article V (Architectural Control) of this Declaration as to size, color or other qualification for permitted fences or screens.

**Section 11.9 Antennae and Other Roof Structures.** No television, radio, or other electronic towers, aerials, antennae or device of any type for the reception or transmission of radio or television broadcasts or other means of communication shall hereafter be erected, constructed, placed or permitted to remain on the Project unless and until the same shall have been approved in writing by the Architectural Committee, unless the same is contained within a building or underground conduits, or unless such structure is a video or television antenna with a diameter or diagonal measurement of thirty-six (36) inches or less and such antenna is not visible from the Common Areas, common drives, or other Lots. No appliances or installations on exterior roofs of structures shall be permitted, except that attic ventilators and solar panels which are architecturally treated in conformity with guidelines contained in the Architectural Standards and which have been approved by the Architectural Committee pursuant to the provisions of the Article hereof entitled "Architectural Committee" shall be permitted.

**Section 11.10 Drainage.** All drainage of water from any Lot shall drain or flow into adjacent streets or alleys and shall not be allowed to drain or flow upon, across, or under any other portion of the Project unless an easement for such purpose is granted. An Owner shall not alter the drainage of water which exists pursuant to the drainage plan originally created at the time of the initial sale of his or her Lot by Declarant except through the use of a positive drainage device approved by a licensed landscape architect or civil engineer which does not materially affect the concentration or flow direction of drainage water under said drainage plan. Each Owner shall also maintain in good condition and repair all gutters and other drainage devices installed upon his or her Lot except to the extent that the Association shall be obligated to maintain and repair as provided in this Declaration.

**Section 11.11 Garages.** No garage doors shall be permitted to remain open except for temporary purposes, and the Board may adopt rules for the regulation of the opening of garage



doors including the assessment of charges to Owners who violate or whose invitees violate such rules. Any charges so assessed shall be Remedial Assessments.

**Section 11.12 Windows.** Curtains, drapes, shutters or blinds may be installed as window covers. No window shall be covered with aluminum foil, newspaper or other material not designed for use as a window cover. Window coverings may only be mounted on the interior of a structure, and are prohibited on the exterior thereof. All awnings, shade structures and enclosed patios shall be subject to approval by the Architectural Committee.

**Section 11.13 Backboards.** Unless otherwise approved by the Architectural Committee, no basketball backboards may be installed anywhere within the Project; provided, however, that a Resident Owner may install a basketball backboard in the rear of his or her Lot provided that such basketball backboard is not visible from any Common Area or common drives and may erect a temporary basketball backboard if such temporary basketball backboard is stored out of sight from any Common Area or common drives at all times when not in use.

**Section 11.14 Single-Family Residential.** All Lots shall only be used for the residential purposes of a household.

**Section 11.15 Maintenance by Owner.** The Owner of each Lot shall maintain his or her Lot including the improvements which are a part thereof in a clean and attractive condition except to the extent that the Association shall be obligated to maintain and repair as may be provided in this Declaration. Without limiting the generality of the foregoing, the Owner of each Lot shall: (a) keep his or her Lot free from rubbish and litter, (b) maintain and keep in good condition and repair the dwelling located upon his or her Lot, (c) maintain in good condition and repair and adequately painted or otherwise finished all improvements which are from time to time a part of his or her Lot, and (d) maintain all paved surfaces on his or her Lot and keep them clean, reasonably dry and free of oil and other extraneous matter.

**Section 11.16 Solar and Other Energy Saving Devices.** No solar and other energy saving device or system which was not part of the original construction of the Lots shall be permitted to be installed without the prior written approval of the Architectural Committee.

**Section 11.17 No Views.** There are no views in the Project which are protected to any extent pursuant to this Declaration, and no Owner who becomes subject to the terms hereof shall thereby obtain any view rights whatsoever. Each Owner and the Association, by accepting a deed to a Lot or any Common Area, hereby acknowledges that any construction or installation by Declarant or by other Owners following required approvals may impair the view of such Owner or of the Members of the Association, and each Owner and the Association on behalf of the Members hereby consent to such impairment.

**Section 11.18 Limited Use Areas.** Owners of Lots which contain an exclusive easement in favor of a utility company, special assessment district, or similar entity for maintenance and repair are prohibited from constructing any improvement, including without limitation, balconies and decks over or on such easement areas (the "Limited Use Areas"), or in any way interfering with the maintenance and repair obligations of any such entity with respect to the Limited Use Areas.



**Section 11.19 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 part of the Project which is owned by any public body;
- (b) any act done or proposed to be done upon the Project, or any condition created thereon, by any governmental agency or entity, or the agents or employees of any governmental entity acting in the scope of their authority as such agents or employees;
- (c) any act done or proposed to be done upon the Project, or any condition created thereon, by any utility company (including, but not limited to, companies furnishing electric, gas, water, telephone, cable television and/or sewer service to all or parts of the Project), or the agents or employees of any such company, which act could be done by such company were this Declaration not made;
- (d) any act done or proposed to be done upon the Project, or any condition created thereon, by Declarant, or its successors, assigns, agents, employees or contractors, in connection with the marketing and sales by Declarant of the Lots, or in the course of planning for, preparing the Project for and/or construction upon the Project, or any Lot, of streets, utilities and residential buildings, and all other original improvements, or in connection with the exercise of any easement reserved to Declarant in the Article XIII (Easements) of this Declaration or in any conveyance document; provided, however, Declarant, in exercising all of its rights under this Declaration, shall not unreasonably interfere with the use of the Common Areas or the Lots; and
- (e) any act done or proposed to be done upon the Project or any condition created thereon by any person pursuant to court order or the order of any public officer or public agency; provided, however, 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 12.1 Members' Right of Enjoyment.** Every Member 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 Members and to limit the use of the Common Areas by persons not in possession of a Lot;
- (b) the right of the Association to establish reasonable rules and regulations pertaining to the use of the Common Areas;



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(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 sixty-six and two-thirds (66 2/3) of each of the Class A and the Class B Member 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 Members. In the event of a default upon any such mortgage of the Common Areas, the lender's rights thereunder shall be limited to a right, after taking possession of such properties, to charge admission and other fees as a condition to continued enjoyment by the Members and, if necessary, to open the enjoyment of the Common Areas to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored;

(d) the rights of the Association to suspend the right of a Member to use the Common Areas or any portion thereof designated by the Board during any time in which any Assessment against his or her Lot remains unpaid and delinquent for a period not to exceed thirty (30) days for any single infraction of the Rules 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 Member's right to use any portion of the Project necessary for such Member to gain access to his or her Lot;

(e) the right of the Association, subject to the approval rights of Institutional Mortgagees pursuant to Article XV (Rights of Lenders) of this Declaration, to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility or other entity. No such dedication or transfer, including, without limitation, the conveyance, lease or other transfer of any portion of the Common Areas to a special tax assessment district or to the County, shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of the voting power of the membership has been recorded, agreeing to such dedication or transfer. The certificate of the president and the secretary of the Association attached to such instrument certifying that the Members signing such instrument represent two-thirds (2/3) of the voting power of the Association shall be deemed conclusive proof thereof; and

(f) the right of the Association to establish, only if requested by and in cooperation with the County, a special tax assessment district for the performance of all or a portion of the maintenance and other functions now within the responsibility of the Association, together with the right of the Association to convey, lease or otherwise transfer, subject to the provisions of this Section, all or any portion of the Common Areas to said district.

**Section 12.2 Delegation of Use.** Any Member may delegate his or her right of enjoyment to the Common Areas to the members of his or her family or his or her tenants who reside on his or her Lot or to his or her guests subject to Association Rules adopted by the Board. In the event and for so long as an Owner delegates said rights of enjoyment to his or her tenants, said Owner shall not be entitled to said rights.



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**Section 12.3 Waiver of Use.** No Member may exempt himself from personal liability for Assessments duly levied by the Association, nor release the Lot owned by him from the liens, charges or other provisions of this Declaration, the Articles of Incorporation, Bylaws and Association Rules by waiver of the use and enjoyment of the Common Areas or the abandonment of his or her Lot.

## ARTICLE XIII.

### EASEMENTS

**Section 13.1 Amendment to Eliminate Easements.** This Declaration cannot be amended to modify or eliminate the easements reserved to Declarant without prior written approval of Declarant and any attempt to do so shall have no effect. Any attempt to modify or eliminate this Section shall likewise require the prior written approval of Declarant.

**Section 13.2 Nature of Easements.** Unless otherwise set forth herein, any easement reserved to Declarant herein shall be nonexclusive.

### **Section 13.3 Certain Rights and Easements Reserved to Declarant.**

(a) **Utilities.** There is hereby reserved to Declarant easements over the Project for the installation and maintenance of electric, telephone, cable television, water, gas, sanitary sewer lines and drainage facilities as are needed to service the Project, for the construction, maintenance, restoration and repair of a subterranean drain line, together with the right to grant and transfer the same; provided, however, such easements shall not unreasonably interfere with the use and enjoyment by the Members of their Lots or the Common Areas.

(b) **Cable Television.** There is hereby reserved to Declarant easements over the Project for the placement on, under or across the Project of transmission lines and other facilities for a community antenna television system and thereafter to own and convey such lines and facilities and the right to enter upon the Project to service, maintain, repair, reconstruct and replace said lines or facilities, together with the right to grant and transfer the same; provided, however, the exercise of such rights shall not unreasonably interfere with any Owner's reasonable use and enjoyment of his or her Lot.

(c) **Water Rights.** There is hereby reserved to Declarant with full right and power, among others, to transfer or assign to others or to use or utilize on any other property owned or leased by Declarant, any and all water rights or interests in water rights no matter how acquired by a Declarant and owned or used by Declarant in connection with or with respect to the Project, whether such water rights shall be riparian, overlying, appropriative, percolating, prescriptive or contractual, provided, however, the reservation made herein shall not reserve to or for the benefit of Declarant any right to enter upon the surface of the Project in the exercise of such rights.

(d) **Construction and Sales.** There is hereby reserved to Declarant, together with the right to grant and transfer the same to its successors and assigns, Declarant's sales agents and representatives and prospective purchasers of Lots, over the Project as the same



may from time to time exist, easements for construction, display, maintenance, sales and exhibit purposes in connection with the sale or lease of Lots within the Project; provided, however, such easements shall not be for a period beyond the earlier of (i) ten (10) years from the conveyance of the first Lot by Declarant to a Resident Owner or (ii) the sale of all Lots within the Project to Resident Owners, and provided further that no such use by Declarant and others shall otherwise unreasonably restrict the Members in the reasonable use and enjoyment of the Project.

(e) Access to Annexable Property. There is hereby reserved to Declarant, together with the right to grant and transfer the same to its successors and assigns, an easement over and across the Project in order to gain access to and from the Annexable Property.

(f) Emergency Vehicle Access. There is hereby reserved to Declarant, together with the right to grant and transfer the same to its successors and assigns, easements over the Project, including the private streets, common drives, and/or the Common Areas for fire department and other emergency vehicle access, as needed to service the Project; provided, however, that such easements shall not unreasonably interfere with the use and enjoyment by the Members of their Lots or the Common Areas. In connection with the foregoing easement, Members are prohibited from parking on or otherwise obstructing the streets, common drives and other areas within the Project designated by the Association as "no parking" areas. Vehicles parked in violation of this Section 13.3(e) shall be subject to towing at the sole cost of the owner of such vehicle.

#### **Section 13.4 Certain Easements for Owners.**

(a) Rights and Duties: Utilities and Cable Television. Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone and cable television lines or drainage facilities are installed within the Project, the Owners of any Lot served by said connections, lines or facilities shall have the right and there is hereby reserved to Declarant, together with the right to grant and transfer the same to Owners, an easement to the full extent necessary for the full use and enjoyment of such portion of such connections which service his or her Lot, and to enter upon the Lots owned by others, or to have utility companies enter upon the Lots owned by others, 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 as set forth below, provided that such Owner or utility company shall promptly repair any damage to a Lot caused by such entry as promptly as possible after completion of work thereon.

(b) Ingress, Egress and Recreational Rights. Declarant hereby reserves to itself, its successors and assigns, and hereby grants to all Owners nonexclusive easements for ingress, egress, pedestrian walkway and general recreational purposes over and upon the Common Areas and the CSA Maintenance Areas. Such easements when granted to Owners shall be subject to the rights of the Association as set forth in Article XII (Rights of Enjoyment) of this Declaration.

(c) Rain Water Drainage Easements. There is hereby reserved to Declarant together with the right to transfer and grant the same, easements in and over portions of Lots for the purpose of the installation and placement of drainage pipes in order to drain rain



water from roofs or Lots; provided, however, that Declarant shall be under no obligation to install or place such drainage pipes. No Owner shall interfere with the operation of such drainage pipes, gutters or any other drainage devices installed by Declarant.

**Section 13.5 Certain Easements for Association.**

(a) Association Rights. There is hereby reserved to Declarant easements over the Project, which easements are hereby granted to the Association, for the purpose of permitting the Association to discharge its obligations and powers as described in this Declaration, including, without limitation, its maintenance obligations with respect to the Association Maintenance Easement Areas and the Common Areas.

(b) Rights and Duties: Utilities and Cable Television. Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone and cable television lines or drainage facilities are installed within the Project, and said connections, lines or facilities serve the Common Areas or the Common Areas, the Association shall have the right and there is hereby reserved to Declarant, together with the right to grant and transfer the same to the Association, an easement to the full extent necessary for the full use and enjoyment of such portion of such connections which service the Common Areas and to enter upon the Lots owned by others, or to have utility companies enter upon the Lots owned by others, 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 as set forth below, provided the Association or utility company shall promptly repair any damage to a Lot caused by such entry as promptly as possible after completion of work thereon.

**Section 13.6 Support, Settlement and Encroachment.** There is hereby reserved to Declarant and its successors assigns the following reciprocal easements, which easements are hereby granted to the Owners, for the purposes set forth below:

(a) an easement appurtenant to each Lot which is contiguous to another Lot or Common Areas which Lot shall be the dominant tenement and the contiguous Lot or Common Areas shall be the servient tenement;

(b) an easement appurtenant to the Common Areas contiguous to a Lot, which Common Areas shall be the dominant tenement and which contiguous Lot shall be the servient tenement;

(c) it is provided, however, that in the event Common Areas are the dominant tenement in an easement described in this Section, Declarant shall have the right to transfer said easement to the Association and not to Owners;

(d) the easements described in this Section shall be for the purposes of:

(i) engineering errors, errors in original construction and support and accommodation of the natural settlement or shifting of structures;



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(ii) encroachment by reason of a roof or eave overhang from a Lot and for the maintenance of such roof or eave overhang by the Owner of the dominant tenement; and

(iii) encroachment of fireplaces, doorsteps, foundation footings, garage doors, utilities and other appurtenances or fixtures and the maintenance thereof by the Owner of the dominant tenement which, in the construction of the structures upon the dominant tenement or from any reconstruction or modifications of such structures, project beyond the external surface of the outer walls of such structures.

#### ARTICLE XIV.

#### INTEGRATED NATURE OF THE PROJECT

The Annexable Property and/or any other real property may be annexed to and become subject to this Declaration by any of the methods set forth hereinafter in this Article, as follows:

**Section 14.1 Development of the Project.** Declarant intends to sequentially develop the Annexable Property on a phased basis; provided, however, Declarant may elect not to develop all or any part of such real property, to annex such real property to this Declaration in increments of any size whatsoever, or to develop more than one such increment at any given time and in any given order. Although Declarant shall have the ability to annex the Annexable Property as provided in this Article, such property shall not become subject to this Declaration unless and until a Supplementary Declaration shall have been so executed and recorded.

**Section 14.2 Supplementary Declarations.** A Supplementary Declaration shall be a writing in recordable form which annexes real property to the plan of this Declaration and which incorporates by reference all of the covenants, conditions, restrictions, easements and other provisions of this Declaration and shall contain such other provisions as set forth in this Declaration relating to Supplementary Declarations. Such Supplementary Declarations contemplated above may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the annexed property and as are not inconsistent with the plan of this Declaration. The Supplementary Declaration shall contain at least the following:

(a) a legal description of that portion of the Annexable Property to be annexed, including: (i) a separate legal description and a separate depiction of that portion of the Annexable Property to be annexed as "Common Areas", if any, (ii) a separate legal description and a separate depiction of that portion of the Annexable Property to be annexed as "CSA Maintenance Areas", if any, (iii) a separate depiction of that portion of the Annexable Property to be annexed as "Association Maintenance Easement Areas", if any, and (iv) a separate depiction of that portion of the Annexable Property to be annexed as "CSA Maintenance Easement Areas", if any, which legal descriptions and depictions shall each be attached to the Supplementary Declaration as separate exhibits;

(b) the names and addresses of the record owner or owners of said portion of the Annexable Property; the names and addresses of the beneficiaries and trustees of all





mortgages and trust deeds which constitute liens against said portion of the Annexable Property as of the date said Supplementary Declaration is recorded;

(c) a statement submitting that portion of the Annexable Property to be annexed to this Declaration, which shall be referred to by title and date and instrument number of recording;

(d) a statement of the use restrictions imposed upon that portion of the Annexable Property to be annexed as part of the general plan for the Project, which restrictions may be the same as or different from those set forth in this Declaration; and

(e) a statement submitting that portion of the Annexable Property to be annexed to the control of the Architectural Committee established in Article V of this Declaration.

**Section 14.3 Annexation Without Approval and Pursuant to General Plan.** In the event that Declarant elects to develop all or any part of the Annexable Property, such developed property shall be annexed to and become subject to this Declaration and subject to the jurisdiction of the Association without the approval, assent or vote of the Association or its Members provided that a Supplementary Declaration covering the portion of the Annexable Property to be annexed shall be executed and recorded by Declarant; provided, however, that no Supplementary Declaration shall be so executed and recorded pursuant to this Article XIV more than five (5) years after the issuance of the original public report for the immediately preceding Phase of Development. The recordation of said Supplementary Declaration shall constitute and effectuate the annexation of the said real property described therein, making said real property subject to this Declaration and subject to the functions, powers and jurisdiction of the Association, and thereafter said annexed real property shall be part of the Project and all of the Owners of Lots in said annexed real property shall automatically be Members.

**Section 14.4 Annexation Pursuant to Approval.** Upon approval in writing of the Association, pursuant to a two-thirds (2/3) majority of the voting power of the Association residing in Members other than Declarant, any person who desires to add real property other than the Annexable Property to the plan of this Declaration and to subject such property to the jurisdiction of the Association may file of record a Supplementary Declaration. The provisions of this Section shall also apply to the Annexable Property subsequent to the expiration of the power of Declarant to annex such property without the approval of the Members as provided in this Article. The certificate of the president and the secretary of the Association attached to any Supplementary Declaration recorded pursuant to this Section certifying that the required two-thirds (2/3) majority of the voting power of the Association residing in Members other than Declarant has approved the recordation of such Supplementary Declaration shall be deemed conclusive proof thereof.

**Section 14.5 Mergers or Consolidations.** Upon a merger or consolidation of the Association with another association which merger or consolidation must be approved by two-thirds (2/3) of each class of Members, the Association's properties, rights and obligations may, by operation of law, be transferred to the surviving or consolidated association, or, alternatively, the properties, rights and obligations of another association may, by operation of the law, be



added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants, conditions and restrictions established by this Declaration within the Project together with the covenants, conditions and restrictions established upon any other property as one plan.

**Section 14.6 De-Annexation.** Any property annexed to the Project by Declarant in accordance with the provisions of this Declaration may be removed by Declarant as a portion of the Project and from the jurisdiction of this Declaration and the Association at any time by the recordation of an appropriate “**Declaration of Removal**”, provided that (1) such Declaration of Removal is recorded in the same manner as the applicable Supplementary Declaration was recorded, (2) the Declarant has not exercised any Association vote with respect to any portion of such Phase of Development, (3) assessments have not yet commenced with respect to any portion of such Phase of Development, and (4) close of escrow has not occurred for the sale of any Lot in such Phase of Development to a Resident Owner; provided, however, that in the event any Common Area is conveyed to or becomes subject to a special tax district, open space maintenance district or other assessment district, Declarant or the president of the Board shall have the right to execute and record a Declaration of Removal for such Common Area without the consent of any other Owner.

The Declaration of Removal shall contain at least the following:

(a) A legal description of the portion of the Project to be removed; the names and addresses of the record owner or owners of said property; and

(b) A statement removing that portion of the Project to be removed from this Declaration, which shall be referred to by title and date and instrument number of recording.

Any property which is removed by Declarant may be annexed at a future date to the Project in accordance with the provisions of this Declaration.

## ARTICLE XV.

### RIGHTS OF LENDERS

**Section 15.1 Filing Notice; Notices and Approvals.** Upon filing a written request for notification with the Board, each First Mortgagee, insurer and guarantor of a First Mortgage shall be entitled to written notification from the Association of as set forth below in this Article XV (Rights of Lenders) of this Declaration. 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 Article XV (Rights of Lenders) of this Declaration, 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 15.2 Priority of Mortgage Lien.** No breach or amendment 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 15.3 Curing Defaults.** A Mortgagee, or the immediate transferee of such Mortgagee, who acquires title by judicial foreclosure, deed in lieu of foreclosure or trustee's sale shall not be obligated to cure any breach of the provisions of this Declaration which is noncurable or of a type which is not practical or feasible to cure. The determination of the Board made in good faith as to whether a breach is noncurable or not feasible to cure shall be final and binding on all Mortgagees.

**Section 15.4 Resale.** It is intended that any loan to facilitate the resale of any Lot after judicial foreclosure, deed in lieu of foreclosure or trustee's sale is a loan made in good faith and for value and entitled to all of the rights and protections afforded to other Mortgagees.

**Section 15.5 Relationship with Assessment Liens.**

(a) The lien provided for in Article IV (Nonpayment of Assessments) of this Declaration for the payment of Assessments (excepting Remedial Assessments) shall be subordinate to the lien or any First Mortgage which was recorded prior to the date any such Assessment becomes due.

(b) If any Lot subject to a monetary lien created by any provision hereof shall be subject to the lien of a First Mortgage, (1) the foreclosure of any lien created by anything set forth in this Declaration shall not operate to affect or impair the lien of such First Mortgage, and (2) the foreclosure of the lien of said First Mortgage (such event being hereinafter referred to as an "Event of Foreclosure") shall not operate to affect or impair the lien hereof, except that any persons who obtain an interest through an Event of Foreclosure and their successors in interest shall take title free and clear of the lien hereof or any personal obligation for said charges as shall have accrued up to the time of an Event of Foreclosure but subject to the lien hereof for all said charges that shall accrue subsequent to the Event of Foreclosure.

(c) Any Mortgagee who obtains title to a Lot by reason of an Event of Foreclosure or any purchaser at a private or judicial foreclosure sale shall take title to such Lot free and clear of any lien or claim for unpaid Assessments against such Lot which accrue prior to the time such Mortgagee or purchaser takes title to such Lot except for liens or claims for a share of such Assessments resulting from a pro rata reallocation of such Assessments to all Lots within the Project.

(d) Nothing in this Section shall be construed to release any Owner from his or her obligations to pay for any Assessment levied pursuant to this Declaration.



**Section 15.6 Sixty-Seven Percent (67%) Vote of Institutional Mortgagees.** Except upon the prior written approval of at least sixty-seven percent (67%) of the Institutional Mortgagees, based on one (1) vote for each First Mortgage held, or sixty-seven percent (67%) of the Owners other than Declarant, neither the Association nor the Members shall be entitled to do any of the following:

(a) dissolve the Association or abandon or terminate the maintenance of the Association Maintenance Easement Areas or the Common Areas by the Association;

(b) amend a material provision to the Declaration or to the Bylaws, provided "material amendment" shall mean amendments governing the following subjects:

(i) the fundamental purpose for which the Project was created (such as a change from residential use to a different use);

(ii) voting;

(iii) assessments, assessment liens, and subordination thereof;

(iv) the reserve for repair and replacement of the Common Areas;

(v) property maintenance obligations;

(vi) casualty, fidelity and liability insurance or the allocation of proceeds thereof;

(vii) reconstruction in the event of damage or destruction;

(viii) rights to use the Common Areas;

(ix) de-annexation;

(x) any provision, which by its terms, is specifically for the benefit of First Mortgagees, or specifically confers rights of First Mortgagees;

(xi) restrictions on the leasing of Lots;

(c) Effectuate any decision to terminate professional management and assume self-management of the Project; or

(d) Abandon, partition, sell, alienate, subdivide, release, transfer, assign, hypothecate or otherwise encumber the Common Areas or any other Asset, with an aggregate fair market value in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year; provided, however, that the following acts shall not require such approval: (i) the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Areas, or (ii) the granting to an Owner or Owners of exclusive easements over portions of the Common Area or of fee interests in portions of the



Common Area pursuant to a recorded lot line adjustment approved by the requisite governmental entity, so long as each such grant to an Owner is reasonably required for the purposes of conformity with the as-built location of authorized improvements.

**Section 15.7 Other Rights of Institutional Mortgagees.** Any Institutional Mortgagee or its mortgage servicing contractor, and the insurer or guarantor of a First Mortgage, shall, upon written request to the Association, be entitled to:

(a) inspect the books and records of the Association during normal business hours;

(b) receive the annual audited financial statement of the Association one hundred and twenty (120) days following the end of the Association's fiscal year;

(c) receive written notice of all annual and special meetings of the Members of the Board, and designate a representative to attend all such meetings in order to, among other things, draw attention to violations of this Declaration which have not been corrected or made the subject of remedial action by the Association; provided, however, nothing contained in this Section shall give an Institutional Mortgagee or the insurer or guarantor of a First Mortgage the right to call a meeting of the Board or of the Members for any purpose or to vote at any such meeting;

(d) receive written notification from the Association of any default in the performance of the obligations imposed by this Declaration by the Owner whose Lot is encumbered by such Institutional Mortgagee, insurer or guarantor's Mortgage which default has not been cured within sixty (60) days of a request therefor by the Association; provided, however, the Association shall only be obligated to provide such notice to Institutional Mortgagees who have delivered a written request therefor to the Association specifying the Lot or Lots to which such request relates; and

(e) receive written notice from the Association of any lapse, cancellation or material modification of any policy of insurance or fidelity bond maintained by the Association.

**Section 15.8 Mortgagees Furnishing Information.** Mortgagees are hereby authorized to furnish information to the Board concerning the status of any Mortgage.

**Section 15.9 Right of First Refusal.** In the event this Declaration is amended to provide for any right of first refusal to purchase or lease a Lot in the Association, a Mortgagee who comes into possession of a Lot pursuant to a judicial foreclosure, a deed in lieu of foreclosure or a trustee's sale shall be exempt therefrom. In addition conveyances to and from third party foreclosure purchasers and mortgage insurers and guarantors shall also be exempt.

**Section 15.10 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.



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**Section 15.11 Voting Rights of Institutional Mortgagees.** In the event of a default by an Owner in any payment due under the terms of any Institutional Mortgage held by an Institutional Mortgagee or the promissory note secured thereby, the Institutional Mortgagee or his or her representative shall have the right, upon giving written notice to such defaulting Owner and the Association and placing of record a notice of default, to exercise the voting rights of such defaulting Owner attributable to such Lot at any regular or special meeting of the Members held during such time as such default may continue. Any such Owner's voting rights shall be restored to him at such time as such default is cured.

**Section 15.12 Notice of Destruction or Taking.** In the event that any Common Areas, or any portion thereof, is substantially damaged or is made the subject of any condemnation proceeding in eminent domain or is otherwise sought to be acquired by a condemning authority, the Board shall promptly notify any Institutional Mortgagee, insurer or guarantor of a First Mortgage affected by such destruction, taking or threatened taking, provided such Institutional Mortgagee, insurer or guarantor has delivered to the Board a written notice stating that such Institutional Mortgagee, insurer or guarantor is the holder, insurer or guarantor, respectively, of a First Mortgage encumbering a Lot within the Project. As used herein, "substantially damaged" or "taking" shall mean damage or taking exceeding Ten Thousand Dollars (\$10,000). If requested in writing by an Institutional Mortgagee, insurer or guarantor, the Association shall evidence its obligations under this Section in a written agreement in favor of such Institutional Mortgagee, insurer or guarantor.

**Section 15.13 Payment of Taxes or Premiums by Institutional Mortgagees.** Institutional Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Areas, unless such taxes or charges are separately assessed against the Owners, in which case the rights of Institutional Mortgagees shall be governed by the provisions of their Mortgages. Institutional Mortgagees may, jointly or singly, also pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for the Common Areas and Institutional Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association. Entitlement to such reimbursement shall be reflected in an agreement in favor of any Institutional Mortgagee which requests the same to be executed by the Association.

## ARTICLE XVI.

### ANNUAL INSPECTION

**Section 16.1 Duty to Inspect.** It shall be the duty of the Board to have the Common Areas and the Association Maintenance Easement Areas inspected at least once each year.

**Section 16.2 Purpose of Inspection.** The purpose of the inspection shall be to (i) determine whether the Association Maintenance Easement Areas and Common Areas and any improvements thereon for which the Association is responsible are being maintained adequately in accordance with the standards of maintenance established in Sections 6.2 and 7.1 hereof, (ii) identify the condition of the Association Maintenance Easement Areas and the Common Areas and any such improvements thereon including the existence of any hazards, and the need



for performing additional maintenance, refurbishment, replacement, or repair, and (iii) recommend preventive actions which may be taken to reduce potential maintenance costs to be incurred in the future.

**Section 16.3 Scope of Inspection.** All of the Association Maintenance Easement Areas and Common Areas and improvements thereon for which the Association is responsible including, but not limited to, the exterior integrity of all structures, gates, walls, walkways, irrigation systems, landscaping, and drainage devices shall be inspected. The Board shall not permit forensic inspections and/or destructive testing for alleged defects within the Association Maintenance Easement Areas and Common Areas without first calling a special meeting of the Members for the purpose of discussing the merits of such inspections and/or testing and obtaining the vote or written approval of a majority of the voting power of the Association. Such meeting shall be called according to the provisions of the Bylaws dealing with special meetings of the Members.

**Section 16.4 Experts and Consultants.** The Board may employ such experts and consultants as are necessary to perform the inspection and make the report required by this Article.

**Section 16.5 Inspectors.** No inspector may be hired or permitted to make inspections of Association Maintenance Easement Areas or Common Areas without the prior authorization of the Board. The Board shall not retain an inspector for purposes of this Article without first finding that such inspector is qualified, is an impartial specialist in homeowner maintenance inspections, and is not receiving or paying compensation or gratuities to or from Declarant, any vendor under a current or potential contract with the Association, the Association's management company, any attorney, or the employees of any of the foregoing. All inspectors shall be compensated on a fee-for-service basis and shall not be compensated based upon the results of the inspection or any requirement for further services. The Board shall not hire or permit inspections to be made by inspectors offering free inspections or inspections for fees substantially below industry norms.

**Section 16.6 Report of Results.** The Board shall have a report of the results of the inspection of the Association Maintenance Easement Areas and Common Areas required by this Article prepared, which report shall be made available for inspection by Owners during normal business hours. The report shall include at least the following:

(a) a description of the condition of the Association Maintenance Easement Areas and Common Areas, including a list of items inspected, and the status of maintenance, repair and need for replacement of all such items;

(b) a description of all maintenance, repair and replacement planned for the ensuing fiscal year and included in the DRE Approved Budget;

(c) if any maintenance, repair or replacement is to be deferred, the reason for such deferral;

(d) a summary of all reports of inspections performed by any expert or consultant employed by the Board to perform inspections;



- (e) a report of the status of compliance with the maintenance, replacement and repair needs set forth in the inspection report for preceding years; and
- (f) such other matters as the Board deems appropriate.

## ARTICLE XVII.

### GENERAL PROVISIONS

**Section 17.1 Enforcement.** The Association, Declarant and/or 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 or supplement thereto, including the right to prevent the violation of any such restrictions, conditions, covenants, or reservations and the right to recover damages or other dues for such violation. The Association, the Declarant or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of the Articles of Incorporation 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 unless the Association refuses or is unable to effectuate such enforcement, in which case any Owner who otherwise has standing and/or Declarant shall have the right to undertake such enforcement. With respect to Assessment liens, the Association shall have the exclusive right to the enforcement thereof.

**Section 17.2 No Waiver.** Failure by the Association or by any Member to enforce any covenant, condition, or restriction contained in this Declaration, the Articles of Incorporation, Bylaws or Association Rules 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.

**Section 17.3 County Conditions and Approvals.** The provisions set forth below have been inserted into this Declaration verbatim pursuant to the requirements of the County's "Subdivision Conditions of Approval" for Vesting Tentative Tract No. 23067:

Notwithstanding any provision in this Declaration to the contrary, the following provisions shall apply:

The property owners' association established herein shall, if dormant, be activated, by incorporation or otherwise, at the request of the County of Riverside, and the property owners' association shall unconditionally accept from the County of Riverside, upon the County's demand, title to all or any part of the "common area" more particularly described on Exhibit "F" attached hereto and depicted on Exhibit "G" attached hereto. The decision to require activation of the property owners' association and the decision to require that the association unconditionally accept title to the "common area" shall be at the sole discretion of the County of Riverside.



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In the event that the common area, or any part thereof, is conveyed to the property owners' association, the association, thereafter shall own such "common area", shall manage and continuously maintain such "common area" and shall not sell or transfer such "common area", or any part thereof, absent the prior written consent of the Planning Director of the County of Riverside or the County's successor-in-interest. The property owners' association shall have the right to assess the owners of each individual lot or unit for the reasonable cost of maintaining such "common area", and shall have the right to lien the property of any such owner who defaults in the payment of a maintenance assessment. An assessment lien, once created, shall be prior to all other liens recorded subsequent to the notice of assessment or other document creating the assessment lien.

This Declaration shall not be terminated, "substantially" amended or property deannexed therefrom absent the prior written consent of the Planning Director of the County of Riverside or the County's successor-in-interest. A proposed amendment shall be considered "substantial" if it affects the extent, usage or maintenance of the "common area".

In the event of any conflict between this Declaration and the Articles of Incorporation, the Bylaws, or the association Rules and Regulations, this Declaration shall control.

As used in the above provisions required by the County's "Subdivision Conditions of Approval", the terms "property owners' association" and "association" shall each mean and refer to the Association. As referenced in the above provisions, the "common areas" described in Exhibit "F" and generally depicted in Exhibit "G" are identified in this Declaration as "CSA Maintenance Areas" and shall be considered "Common Areas" if and only if such CSA Maintenance Areas are conveyed, assigned or granted by the County to the Association as provided in this Declaration. Likewise, the "CSA Maintenance Easement Areas" generally depicted in Exhibit "H" shall be considered "Association Maintenance Easement Areas" if and only if such CSA Maintenance Easement Areas are conveyed, assigned or granted by the County to the Association as provided in this Declaration.

The above provisions required by the County's "Subdivision Conditions of Approval" refer to a "dormant" owners association. As set forth in this Declaration, there will be no such "dormant" owners association as part of the Project. The "Association" referred to throughout this Declaration shall be an "active" owners' association. However, pursuant to Article VIII (entitled "Expansion of Community Common Area") and Section 19.22 of the Master Declaration, the Association will be obligated to accept the conveyance, assignment or grant of the CSA Maintenance Areas, or any portion thereof, by CSA-143 or by the County to the Association and, as set forth in Recital G and Section 6.2(k) to this Declaration, the Association shall thereafter be responsible for maintaining as "Common Areas" those CSA Maintenance Areas so assigned, conveyed, or granted. Likewise, as set forth herein, the Association will be obligated to accept the conveyance, assignment or grant of the CSA Maintenance Easement Areas, or any portion thereof, by CSA-143 or by the County to the Association and, as set forth in Recital G and Section 6.2(l) to this Declaration, the Association shall thereafter be responsible



for maintaining as "Association Maintenance Easement Areas" those CSA Maintenance Easement Areas so assigned, conveyed, or granted.

**Section 17.4 Cumulative Remedies.** All rights, options and remedies of Declarant (so long as Declarant is an Owner), the Association, the Owners and the Mortgagees under this Declaration are cumulative, and not one of them shall be exclusive of any other, and Declarant (so long as Declarant is an Owner), 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.

**Section 17.5 Severability.** Invalidation of any one or a portion of these covenants, conditions or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

**Section 17.6 Covenants to Run with the Land; Term.** The covenants, conditions and restrictions of this Declaration shall run with and bind the Project 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 sixty (60) 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 (10) years unless an instrument signed by a majority of the then Owners and seventy-five percent (75%) of the Institutional Mortgagees, based on one (1) vote for each First Mortgage held, has been recorded at least one (1) year prior to the end of any such period, agreeing to terminate said covenants, conditions and restrictions in whole or in part.

**Section 17.7 No Dedication.** No public rights are created by this Declaration either by gift, declaration or dedication.

**Section 17.8 Sale or Title Transfer.** Any Resident Owner, prior to the sale or transfer of his or her interest, must provide the prospective purchaser with a copy of (1) this Declaration, (2) the Bylaws, (3) the Articles of Incorporation, (4) the most recent financial statements and (5) a statement from an authorized representative of the Association listing all unpaid assessments and charges against the interest being sold, and (6) a disclosure regarding the new owner's capital contribution requirement more particularly described in Section 3.17 hereof.

The Association shall provide any Owner with a copy of the items listed in the preceding paragraph within ten (10) days of receiving a written request. The Association's fee for this service shall not exceed the cost of providing these items.

Any Resident Owner, prior to the sale or transfer of his interest, shall give the secretary of the Association timely notice of the Resident Owner's intent to list the Lot for sale. Upon closing of title such selling Resident Owner shall immediately notify the secretary of the Association of the name and address of the new Lot Owner.

The Association shall not collect any fee in connection with any transfer of title except the Association's actual costs to change records.

**Section 17.9 Construction.** The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of a residential



community or tract and for the maintenance of the Project. 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.

**Section 17.10 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 17.11 Nuisance.** 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 Member. Such remedy shall be deemed cumulative and not exclusive.

**Section 17.12 Attorneys' Fees.** In the event action is instituted to enforce any of the provisions contained in this Declaration, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment, reasonable attorneys' fees and costs of such suit.

**Section 17.13 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 may be delivered as follows:

(a) notice to an Owner shall be deemed to have been properly delivered when delivered to the Owner's Lot, whether said Owner personally receives said notice or not, or placed in the first class United States mail, postage prepaid, 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. Any notice so deposited in the mail within the County shall be deemed delivered forty-eight (48) hours after such deposit. In the case of co-Owners, any such notice may be delivered or sent to any one of the co-Owners on behalf of all co-Owners and shall be deemed delivery on all such co-Owners;

(b) notice shall be deemed to have been properly delivered to the Association when placed in the first class United States mail to the address furnished by the Association or the address of its principal place of business;

(c) notice to a Mortgagee or its mortgage servicing contractor shall be deemed to have been properly delivered when placed in the first class United States mail, postage prepaid, 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.



**Section 17.14 Obligations of Declarant.** So long as Declarant owns any portion of the Project, Declarant shall not be subject to the provisions of Article V (Architectural Control) of this Declaration or the provisions of Article XI (Use Restrictions) of this Declaration to the extent necessary to exercise Declarant's rights and fulfill Declarant's duties with regard to the development and disposal of the Project.

**Section 17.15 Effect of Declaration.** This Declaration is made for the purposes set forth in the Recitals to this Declaration and Declarant makes no warranty or representation, 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 17.16 Personal Covenant.** To the extent the acceptance of a conveyance of a Lot creates a personal covenant between the Owner of such Lot and Declarant or other Owners, such personal covenant shall terminate and be of no further force or effect from and after the date when a person or entity ceases to be an Owner except to the extent this Declaration may provide otherwise with respect to the payment of money to the Association.

**Section 17.17 Non-Liability of Officials.** To the fullest extent permitted by law, neither the Board, the Architectural Committee, any other committees of the Association or any member of such Board or committee shall be liable to any Member of the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, act, omission, error, negligence or the like, including without limitation a decision not to institute inspections for alleged defects or a decision not to file a lawsuit on behalf of the Association or its Members within the time limits provided by the statute of limitations, made in good faith within which such Board, committees or persons reasonably believed to be the scope of their duties and/or in the interests of the Association or its Members.

**Section 17.18 Enforcement of Bonded Obligations.** In the event that the improvements to the Common Areas have not been completed prior to the issuance of a Final Subdivision Public Report covering the Project, and the Association is obligee under a bond or other arrangement (hereinafter the "Bond") to secure performance of the commitment of Declarant to complete such improvements, the following provisions shall apply:

(a) The Board shall consider and vote on the question of action by the Association to enforce the obligations under the Bond with respect to any improvements for which a Notice of Completion has not been filed within sixty (60) days after the completion date specified for such improvements in the Planned Construction Statement appended to the Bond. If the Association has given an extension in writing for the completion of any Common Areas improvement, the Board shall consider and vote on the aforesaid question if a Notice of Completion has not been filed within thirty (30) days after the expiration of such extension.

(b) In the event that the Board determines not to initiate action to enforce the obligations under the Bond, or in the event the Board fails to consider and vote on such question as provided above, the Board shall call a special meeting of the Members for the purpose of voting to override such decision or such failure to act by the Board. Such meeting



shall be called according to the provisions of the Bylaws dealing with meetings of the Members, but in any event such meeting shall be held not less than thirty-five (35) days nor more than forty-five (45) days after receipt by the Board of a petition for such meeting signed by Members representing five percent (5%) of the total voting power of the Association.

(c) the only Members entitled to vote at such meeting of Members shall be the Owners other than Declarant. A vote at such meeting of a majority of the voting power of such Members other than Declarant to take such action to enforce the obligations under the Bond shall be deemed to be the decision by initiating and pursuing appropriate action in the name of the Association.

(d) All amounts obtained by the Association upon enforcement of the obligations under the Bond with respect to the completion of improvements upon the Common Areas shall be used only for such purpose and shall be deposited by the Board in a separate bank account to be held in trust for such purpose. Such funds shall not be commingled with any other funds of the Association. In the event any excess funds remain, after the completion of the Common Areas by the Association pursuant to this Section, the Board, in its sole discretion, shall distribute such sums pro rata equally to the Owners.

**Section 17.19 Leases.** Any agreement for the leasing or rental of a Lot (hereinafter in this Section referred to as a "lease") shall provide that the terms of such lease shall be subject in all respects to the provisions of this Declaration, the Articles of Incorporation, the Bylaws, the Association Rules and any applicable agreements between the Association and any of the Federal Agencies. Said lease shall further provide that any failure by the lessee thereunder to comply with the terms of the foregoing documents shall be a default under the lease. All leases shall be in writing, and any Owner who intends to lease his or her Lot shall deliver a copy of such written lease to the Board no later than seven (7) days prior to the commencement of the term of such lease. Any Owner who shall lease his or her Lot shall be responsible for assuring compliance by such Owner's lessee with this Declaration, the Articles of Incorporation, the Bylaws and the Association Rules. No Lot shall be leased for transient or hotel purposes, which shall be defined as rental for any period less than one hundred eighty (180) days or any rental whatsoever if the occupants of the Lot are provided customary hotel services such as room service for food and beverage, maid service, furnishing laundry and linen service or bellboy service.

**Section 17.20 Construction by Declarant.** Nothing in this Declaration shall limit the right of Declarant to alter the Common Areas or Lots, or to construct such initial or additional improvements as Declarant deems advisable prior to completion of improvements upon and the sale of the entire Project. In amplification but not limitation of the foregoing, Declarant shall not be subject to the provisions set forth in Article V, above, entitled "Architectural Control." In the event any such alteration or addition constitutes a material change in the offering, the Declarant shall notify the DRE of such alteration or addition. Such right shall include but shall not be limited to erecting, constructing and maintaining on the Project such structures and displays as may be reasonably necessary for the conduct of the business of completing the work and disposing of the same by sale, lease or otherwise. This Declaration shall not limit the right of a Declarant at any time prior to acquisition of title by a purchaser from such Declarant to establish on the Project additional licenses, reservations and rights-of-way to itself, to utility companies, or



to others as may from time to time be reasonably necessary to the proper development and disposal of the Project. Declarant reserves the right to alter its construction plans and designs as it deems appropriate. The rights of Declarant hereunder may be assigned to any successor or successors to all or part of said entity's respective interest in the Project, by an express assignment incorporated in a recorded deed or lease, as the case may be, transferring such interest to such successor. Declarant shall exercise its rights contained in this provision in such a way as not to unreasonably interfere with the Members' rights to use and enjoy the Project.

**Section 17.21 Amendments.** Subject to the other provisions of this Declaration, including, without limitation, the rights of Mortgagees pursuant to the Articles hereof entitled "Insurance" and "Rights of Lenders", or otherwise, this Declaration may be amended as follows:

(a) until such time as there is a Class A membership pursuant to this Declaration, amendments or modifications shall be effective when executed by Declarant and when recorded in the Official Records of the County. Declarant shall provide a copy of any such amendments or modifications to the DRE. Thereafter, as long as there is a Class B membership, any amendments shall require the affirmative written consent or vote of not less than sixty-seven percent (67%) of the voting power of each class of Members of the Association. After the Class B membership has been converted to Class A membership, amendments to this Declaration may be enacted only by the vote or written assent of Members representing both sixty-seven percent (67%) of the total voting power of the Association and a majority of the voting power of the Association residing in Members other than the Declarant;

(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 Class A Members;

(c) an amendment or modification that requires the vote and written assent of the Members 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 of the County. The notarized signature of the Members shall not be required to effectuate an amendment of this Declaration;

(d) notwithstanding the foregoing, any provisions of this Declaration, or the Articles of Incorporation, 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 members in the manner provided in this Declaration. The Petition shall also describe 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 Management 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;

(f) notwithstanding the amendment procedures set forth above, the Declarant reserve the right, prior to the close of escrow for the first sale of a Lot by Declarant to a Resident Owner, to unilaterally make certain amendments ("**Exhibit Amendments**") to the exhibits attached hereto to amend said exhibits to more precisely describe the actual sizes and locations of the areas or improvements described on said exhibits. Declarant shall effect such changes by preparing or causing to be prepared, and recording or causing to be recorded, a declaration in a form determined by Declarant or as part of any Supplementary Declaration. Declarant shall provide a copy of such Exhibit Amendments to the DRE;

(g) notwithstanding any other provisions of this Declaration, at any time prior to the first anniversary of the Initial Sale Date, Declarant may unilaterally amend this Declaration by recording a written instrument which effects the amendment and is signed and acknowledged by Declarant. Notwithstanding any other provisions of this Declaration, at any time prior to the first anniversary of the recordation of a particular Supplementary Declaration, Declarant may unilaterally amend such Supplementary Declaration by recording a written instrument which effects the amendment and is signed and acknowledged by Declarant;

(h) notwithstanding any other provisions of this Section, for so long as Declarant owns any portion of the Project, Declarant may unilaterally amend this Declaration by recording a written instrument signed by Declarant in order to conform this Declaration to the requirements of the VA, the DRE, FNMA, GNMA or FHLMC then in effect. Declarant shall provide a copy of such amendments to the DRE; and

(i) notwithstanding anything else in this Declaration to the contrary, any amendment to this Declaration must be approved by the VA so long as the Declarant controls the Association or a class of membership; provided, however, that such approval will not be unreasonably withheld.

## **ARTICLE XVIII.**

### **DISPUTE RESOLUTION**

#### **Section 18.1 Consensus for Association Action.**

(a) Except as provided in this Section 18.1, the Association may not commence a legal proceeding or an action under this Article without the approval of at least two-thirds of the voting power of the Association. This Section 18.1 shall not apply, however, to (i) actions brought by the Association to enforce the Management Documents (including, without limitation, the foreclosure of liens); (ii) the imposition and collection of Assessments;



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(iii) proceedings involving challenges to ad valorem taxation; or (iv) counterclaims brought by the Association in proceedings instituted against it.

(b) Prior to the Association or any Member commencing any proceeding to which Declarant is a party, including but not limited to an Alleged Defect (as that term is defined below), Declarant shall have the right to meet and confer with the Claimant (as that term is defined below) and shall have the right to cure the Alleged Defect as set forth in Section 18.4, below.

**Section 18.2 Alternative Method for Resolving Disputes.** Notwithstanding any provision of this Declaration to the contrary, (i) Declarant, its officers, directors, partners, members, employees, agents, successors and assigns; (ii) the Association, its officers, directors and committee members; (iii) all persons subject to this Declaration, including, without limitation, any Member or Owner; (iv) any contractor, subcontractor, consultant, design professional, engineer or supplier who provided labor, services or materials to the Project and who is bound or has agreed to be bound to this Article (individually, a “**Builder**” and, collectively, the “**Builders**”); and (v) any person or entity not otherwise subject to this Declaration who agrees to be bound to this Article (each such person or entity described in this Section 18.3 being referred to herein as a “**Bound Party**”) covenants and agrees to submit those claims, grievances or disputes described in Section 18.3 (collectively, “**Claims**”) to the procedures set forth in Section 18.4.

**Section 18.3 Claims.** Unless specifically exempted below, all Claims between any of the Bound Parties regardless of how the same might have arisen or on what it might be based, including, but not limited to, Claims (a) arising out of or relating to the interpretation, application or enforcement of the Management Documents or the rights, obligations and duties of any Bound Party under the Management Documents, (b) relating to the planning, design, engineering, grading, construction or other development of the Project; or (c) based upon any statements, representations, promises, warranties, or other communications made by or on behalf of any Bound Party shall be subject to the provisions of Section 18.4.

Notwithstanding the above paragraph, unless all parties thereto otherwise agree, the following shall not be claims and shall not be subject to the provisions of this Article XVIII:

(a) any suit by the Association against any Bound Party to enforce the provisions of Article III (Covenant for Maintenance Assessments) or Article IV (Nonpayment of Assessments);

(b) any suit by the Association or Declarant to obtain a temporary restraining order or injunction (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to act under and enforce the provisions of Article VII (Repair and Maintenance) or Article XI (Use Restrictions); and

(c) any suit between or among Resident Owners, which does not include Declarant, a Builder or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Management Documents.





With the consent of all parties thereto, any of the above may be submitted to the alternative dispute resolution procedures set forth in this Article XVIII.

**Section 18.4 Notice and Right to Cure.**

(a) Any Bound Party having a Claim (“**Claimant**”) against any other Bound Party (“**Respondent**”) (the Claimant and the Respondent, being individually referred to herein as a “**Party**,” or, collectively, as the “**Parties**”) shall notify each Respondent in writing (the “**Notice**”), stating plainly and concisely:

- (i) the nature of the Claim, including the parties involved and Respondent's role in the Claim;
- (ii) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises)
- (iii) the proposed remedy; and
- (iv) the fact that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

(b) Except as provided in this Section 18.4, the Notice shall, upon mailing, toll all statutory and contractual limitations on actions against all Parties who may be responsible for the Claims, whether named in the Notice or not, including claims for indemnity applicable to the Claim, for a period of one hundred fifty (150) days or a longer period agreed to in writing between the Parties; provided, however, at any time, Declarant may give written notice (the “**Cancellation Notice**”) to cancel the tolling of the statute of limitations provided in this Subsection 18.4(b). Upon delivery of a Cancellation Notice, the Parties shall be relieved of any further obligations to satisfy the requirements of this Section 18.4 except that Claimant shall not be relieved of the obligations under Subsection 18.4(f), below. The tolling of all applicable statutes of limitations shall cease sixty (60) days after a Cancellation Notice is delivered to the Claimant.

(c) In the event that any Claimant asserts any Claim(s) that any portion of the Common Areas, any Lot and/or any improvements constructed on the Project are deficient, inadequate, incomplete, or otherwise defective or that Declarant or any Builder was negligent in the planning, design, engineering, grading, construction or other development of the Project (collectively, an “**Alleged Defect**”), Declarant hereby reserves the right for itself and any successor, assign or agent to inspect, repair and/or replace such Alleged Defect as set forth herein.

(d) Within twenty-five (25) days of the date the Claimant delivers a Notice to Declarant which, in any manner, asserts or implies an Alleged Defect, Declarant may inspect the Project and conduct testing, including testing which may cause physical damage to any property within the Project, in order to evaluate such Alleged Defect. If the Claimant has conducted inspection and testing prior to the date Declarant received the Notice asserting an Alleged Defect, the Claimant shall make available to the Declarant for inspection and testing at



least those areas inspected or tested by the Claimant. The Declarant shall further have the right, upon reasonable notice to Claimant and the Owners of Lots upon which the Declarant intends to enter, during normal business hours to enter onto or into, as applicable, the Project, including, without limitation, any residential dwelling unit or other improvement constructed within the Project, for the purposes of inspection and testing (including testing that may cause physical damage to any property in the Project) in order to evaluate the Alleged Defect, and each Owner and Association shall make such areas available to Declarant for inspection and testing. The inspection and testing shall be completed within fifteen (15) days from the date the Claimant makes such areas available for inspection and testing, unless the Claimant and the Declarant agrees to a longer period or unless inspection and testing cannot reasonably be completed within such time. If Declarant does not timely complete the inspection and testing, Claimant shall be relieved of any further obligations to satisfy the requirements of this Section; provided, however, that Claimant shall not be relieved of the obligations under Subsection 18.4(f), below. In conducting such inspection and testing, the Declarant shall be entitled to take any actions it deems reasonable and necessary under the circumstances. The Declarant shall pay all costs of inspection and testing that is requested by the Declarant, shall restore the property to the condition which existed immediately prior to the testing, and shall indemnify the Association and each Owner of a Lot upon which the Declarant enters for the purposes of inspection and testing for any damages resulting from such inspection and testing. The results of the inspection and testing shall not be inadmissible in evidence in any civil action solely because the inspection and testing was conducted pursuant to this Section.

(e) At any time after any Notice is delivered pursuant to this Section, the Parties may agree in writing to modify or excuse any of the time periods or other obligations imposed by this Section. All notices, requests, statements, or other communications required pursuant to this Section shall be delivered by first-class registered or certified mail, return receipt requested, or in any manner in which it is permissible to serve a summons pursuant to Section 415.10 or 415.20 of the California Code of Civil Procedure.

(f) Any judgment or award in connection with any legal action, cause of action, proceeding, reference or arbitration against the Declarant alleging damages (1) for the costs of repairing or the replacement of any Alleged Defect, (2) for the diminution in value of any real or personal property resulting from such Alleged Defect, or (3) for any consequential damages resulting from such Alleged Defect shall first be used to correct and or repair such Alleged Defect or to reimburse the Claimant for any costs actually incurred by such Claimant in correcting and/or repairing the Alleged Defect. In the event the Association recovers any funds from the Declarant (or any other person or entity) to repair an Alleged Defect, any excess funds remaining after repair of such Alleged Defect shall be paid into the Association's reserve fund unless at least seventy-five percent (75%) of the voting power of the Association elects to allocate or distribute the remaining funds otherwise.

(g) Nothing set forth in this Section shall be construed to impose any obligation on the Declarant to inspect, repair or replace any item or Alleged Defect for which the Declarant is not otherwise obligated under applicable law or any limited warranty provided by the Declarant in connection with the sale of the Lots and/or the improvements constructed thereon. The right of the Declarant to enter, inspect, repair, and/or replace reserved hereby shall



be irrevocable and may not be waived or otherwise terminated except by a writing, in recordable form, executed and recorded by the Declarant in the Official Records of the County.

**Section 18.5 Negotiation and Mediation.**

(a) The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving any and all Claims by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in such negotiation.

(b) If the Parties do not resolve the Claim(s) within thirty (30) days after the date the Notice has been delivered to any and all Respondents (or within such other period as may be agreed upon by the Parties) ("**Termination of Negotiations**"), Claimant shall, within thirty (30) days of such Termination of Negotiations, submit any and all unresolved Claims to mediation in accordance with the following rules and procedures:

(i) The mediation shall be conducted in accordance with the rules and procedures of the commercial arbitration rules of the American Arbitration Association ("**AAA**"), or the substantive equivalent thereof, provided, however, that such mediation rules and procedures are reasonable and fair to the Parties and provided further that and such mediation rules and procedures contain provisions which are consistent with the requirements of this Section 18.5.

(ii) In the event that the Claim is solely between the Declarant and one (1) Resident Owner, the Declarant shall advance the fees necessary to initiate the mediation, with the costs and fees, including ongoing costs and fees to be paid as agreed by the Parties and, if they cannot agree, as determined by the mediator with the costs and fees of the mediation to ultimately be borne as determined by the mediator. In the event that the Claim involves any Parties other than the Declarant and one (1) Resident Owner, each Party shall bear its own costs of the mediation, including attorneys' fees, and each Party shall share equally all charges rendered by the mediator.

(iii) The mediation process shall be administered by a neutral and impartial persons(s).

(iv) The appointed mediator shall be a neutral and impartial individual. The mediator shall be appointed not more than fifteen (15) days following submittal of the Claim(s) to mediation. The selection of the mediator shall be governed by the provisions of Section 1297.121 of the California Code of Civil Procedure. The mediator may be challenged for any of the grounds listed therein or in Section 1297.124 of the California Code of Civil Procedure.

(v) The venue of the mediation must be the County, unless the Parties mutually agree to some other location.

(vi) The mediation proceedings must commence in a prompt and timely manner following appointment of the mediator in accordance with (a) the mediation



rules and procedures utilized, or if the rules and procedures utilized do not specify a date by which mediation must commence, then (b) a date as agreed to by the Parties or, if the Parties cannot agree, a date determined by the mediator.

(vii) The mediator shall be authorized to provide all recognized remedies available in law or equity for any Claim(s) that form the basis of the mediation. The Parties may, pursuant to a written agreement, authorize the limitation or prohibition of the award of punitive damages by the mediator.

(viii) The Parties must conclude the mediation proceedings and resolve the Claim within thirty (30) days following the commencement of the mediation proceedings, or within such other reasonable period of time as determined by the mediator or agreed to by the Parties. Any such resolution of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. In the event that the Parties do not resolve the Claim within the time period set forth in this Subsection 18.5(b)(viii), the mediator shall issue a notice of termination of the mediation proceedings ("**Termination of Mediation**"). The Termination of Mediation shall set forth that the Parties are at an impasse and the date that mediation was terminated.

If Claimant does not submit the Claim(s) to mediation within 30 days of Termination of Negotiations, as required above, or fails to appear for the mediation proceedings, Claimant shall be deemed to have waived the Claim(s), and Respondent shall be released and discharged from any and all liability to such Claimant on account of such Claim(s); provided, nothing herein shall release or discharge Respondent from any liability to any person or entity other than said Claimant.

If the Parties agree to a resolution of any Claim through negotiation or mediation in accordance with this Section 18.5 and any Party thereafter fails to abide by the terms of such agreement, then any other Party shall initiate arbitration proceedings to enforce such agreement without the need to again comply with the procedures set forth in Section 18.4 or this Section 18.5. In such event, the Party taking action to enforce the agreement shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement, including without limitation, attorneys' fees, arbitration fees, and court costs, if any.

### **Section 18.6 Binding Arbitration.**

Upon Termination of Mediation, the Claimant shall, within thirty (30) days of such Termination of Mediation, initiate final and binding arbitration of Claims which remain unresolved following negotiation and mediation. Any and all such unresolved Claims shall be submitted to arbitration in accordance with the following rules and procedures:

(a) The arbitration shall be conducted in accordance with the rules and procedures of the commercial arbitration rules of the AAA, or the substantive equivalent thereof, provided, however, that such arbitration rules and procedures are reasonable and fair to the



Parties and provided further that and such arbitration rules and procedures which are consistent with the requirements of this Section 18.6.

(b) In the event that the Claim is solely between the Declarant and one (1) Resident Owner, the Declarant shall advance the fees necessary to initiate the arbitration, with the costs and fees, including ongoing costs and fees to be paid as agreed by the Parties and if they can't agree as determined by the arbitrator(s) with the costs and fees of the arbitration to ultimately be borne as determined by the arbitrator(s). In the event that the Claim involves any Parties other than the Declarant and one (1) Resident Owner, each Party shall bear its own costs and expenses and an equal share of the arbitrator's fees and administrative fees of arbitration. Notwithstanding the foregoing, if a Party unsuccessfully contests the validity or scope of arbitration in a court of law, the non-contesting Party shall be awarded reasonable attorneys' fees and expenses incurred in defending such contest. All decisions respecting the arbitrability of any Claim shall be decided by the arbitrator(s).

(c) The arbitration process shall be administered by a neutral and impartial persons(s).

(d) The arbitrator(s) appointed shall be neutral and impartial individual(s) who shall have expertise in the area(s) of dispute, which may include legal expertise if legal issues are involved. If the Claim, or the aggregate amount of the Claims, exceeds \$250,000, the dispute shall be heard and determined by three (3) arbitrators. Otherwise, unless mutually agreed to by the Parties, there shall be one (1) arbitrator. Any and all arbitrators shall be appointed not more than fifteen (15) days following submittal of the Claim(s) to arbitration. The selection of any and all arbitrators shall be governed by the provisions of Section 1297.121 of the California Code of Civil Procedure. An arbitrator may be challenged for any of the grounds listed therein or in Section 1297.124 of the California Code of Civil Procedure.

(e) The venue of the arbitration must be the County, unless the Parties mutually agree to some other location.

(f) The arbitration proceedings must commence in a prompt and timely manner following appointment of the arbitrator(s) in accordance with (i) the rules of the arbitration, or if the rules don't specify a date by which the arbitration must commence, then (ii) a date as agreed to by the parties, and if they cannot agree, (iii) a date determined by the arbitrator(s).

(g) The arbitrator(s) shall be authorized to provide all recognized remedies available in law or equity for any Claim(s) that form the basis of the arbitration. Claims submitted to the arbitration process under this Subsection 18.6(g) shall not be decided by or in a court of law. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Claim. The Parties may, pursuant to a written agreement, authorize the limitation or prohibition of the award of punitive damages by the arbitrator.



(h) The award of the arbitrator(s) shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a Party nor an arbitrator may disclose the existence, content, or results of any arbitration proceedings hereunder without the prior written consent of all Parties.

**Section 18.7 Governing Law.** The provisions of this Article XVIII shall be interpreted in accordance with the Federal Arbitration Act (9 U.S.C. Sections 1—14) (“FAA”). Accordingly, any controversy, grievances, claims or disputes regarding the enforcement of this Article XVIII, including, without limitation, a petition to compel arbitration or an application to confirm, vacate, modify or correct the award rendered by the arbitrator (collectively, “**Arbitration Enforcement Proceedings**”), where federal jurisdiction prerequisites have been met shall be brought before the United States court in and for the district within which the Property is located. In the event that any such Arbitration Enforcement Proceedings do not meet federal jurisdiction prerequisites and are consequently filed in a state court, the provisions of the FAA shall apply.

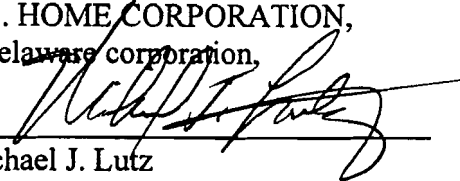
**Section 18.8 Amendment of Article.** Without the express prior written consent of Declarant, this Article XVIII may not be amended for a period of twenty years from the effective date of this Declaration.

(The remainder of this page intentionally left blank)

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

“DECLARANT”

U.S. HOME CORPORATION,  
a Delaware corporation.

By:   
Michael J. Lutz  
Division President



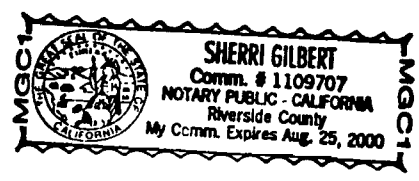
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State of California )  
County of San Bernardino )

On January 25<sup>th</sup> 2000 before me, Sherril Gilbert  
Notary (here insert name and title of officer), personally appeared  
Michael J. Witz, personally known to me (or ~~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 within instrument.

WITNESS my hand and official seal.

Signature: [Handwritten Signature] (Seal)



LIST OF EXHIBITS

<u>Exhibit</u>	<u>Description</u>
A	Legal Description of Initial Property
B	Legal Description of Annexable Property
C	Depiction of Association Maintenance Easement Areas
D	Legal Description of Common Areas
E	Depiction of Common Areas
F	Legal Description of CSA Maintenance Areas
G	Depiction of CSA Maintenance Areas
H	Depiction of CSA Maintenance Easement Areas



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EXHIBIT "A"

to the Declaration of Covenants, Conditions and Restrictions  
(Vintage Community Association)

Legal Description of Initial Property

Lots 9 through 36, inclusive, Lots 74 through 77, inclusive, Lots 102 through 108, inclusive, Lot 120, and Lots "A", "B", "C", "D", "E", "F", "G" and "H" of Tract 23067-2 ~~according to Map thereof No. \_\_\_\_\_~~  
\_\_\_\_\_ filed in the Office of the County Recorder of Riverside County, California, as File No. \_\_\_\_\_ on \_\_\_\_\_.  
IN BOOK 289, PAGES 89 THROUGH 96 OF MAPS.



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EXHIBIT "B"

to the Declaration of Covenants, Conditions and Restrictions  
(Vintage Community Association)

Legal Description of Annexable Property

Lots 1 through 8, inclusive, Lots 37 through 73, inclusive, Lots 78 through 101, inclusive, Lots 109 through 119, inclusive, and Lots "I", "J", "K" and "L" of Tract 23067-2 according to Map thereof No. \_\_\_\_\_ filed in the Office of the County Recorder of Riverside County, California, as File No. \_\_\_\_\_ on \_\_\_\_\_, \_\_\_\_\_ IN BOOK 289  
PAGES 89 THROUGH 96 OF MAPS.



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EXHIBIT "C"

to the Declaration of Covenants, Conditions and Restrictions  
(Vintage Community Association)

Depiction of Association Maintenance Easement Areas

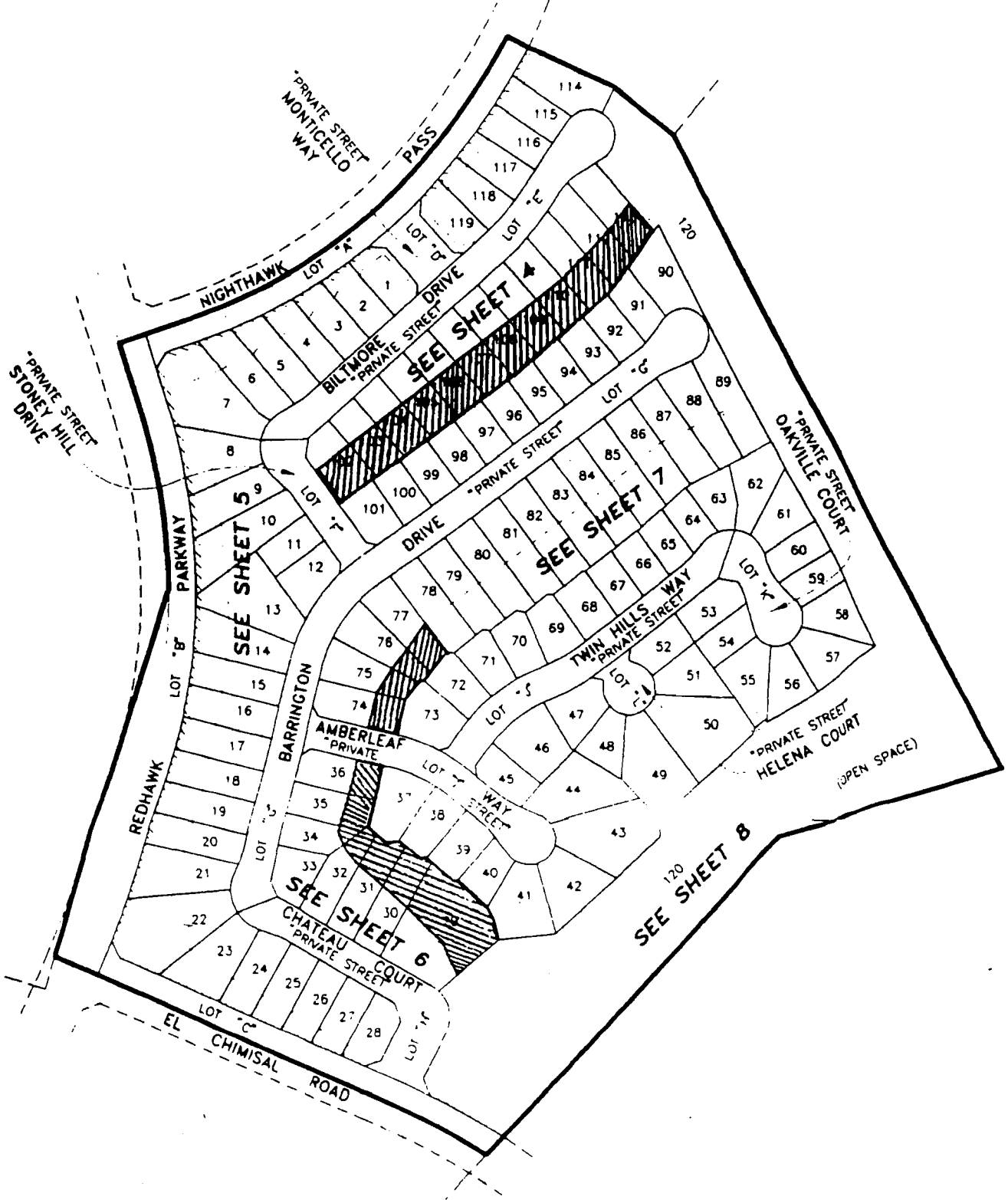
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EXHIBIT "C"

To Declaration of Covenants, Conditions  
and Restrictions (Vintage Community Association)



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DEPICTION OF  
ASSOCIATION MAINTENANCE EASEMENT AREAS

EXHIBIT "D"

to the Declaration of Covenants, Conditions and Restrictions  
(Vintage Community Association)

Legal Description of Common Areas

Lots "D", "E", "F", "G" and "H" of Tract 23067-2 ~~according to Map~~  
~~thereof No. \_\_\_\_\_~~ filed in the Office of the County Recorder of  
Riverside County, California, ~~as File No. \_\_\_\_\_ on \_\_\_\_\_,~~  
~~\_\_\_\_\_~~. IN BOOK 289, PAGES 89 THROUGH 96  
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EXHIBIT "E"

to the Declaration of Covenants, Conditions and Restrictions  
(Vintage Community Association)

Depiction of Common Areas

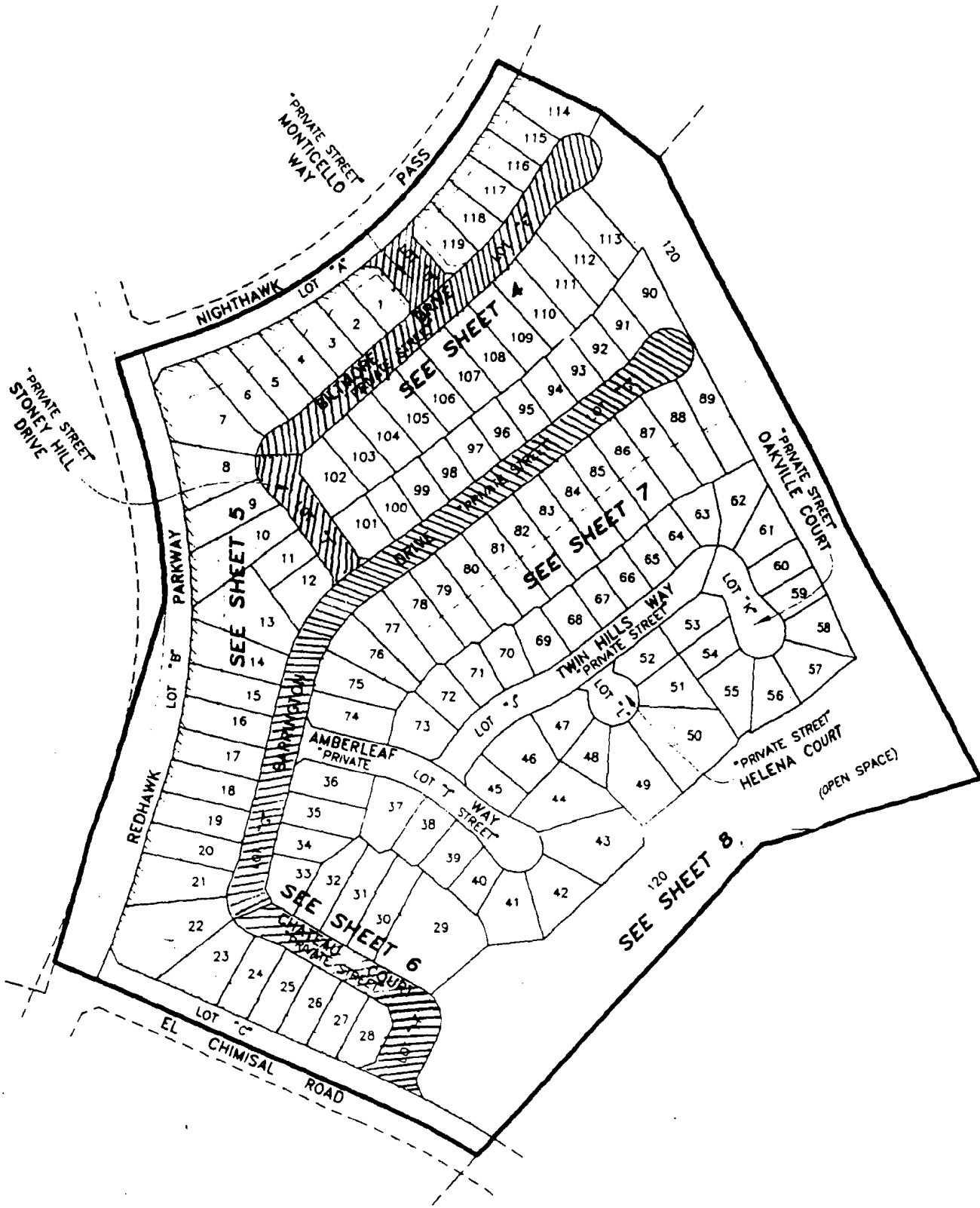
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EXHIBIT "E"

To Declaration of Covenants, Conditions  
and Restrictions (Vintage Community Association)



DEPICTION OF  
COMMON AREAS



EXHIBIT "F"

to the Declaration of Covenants, Conditions and Restrictions  
(Vintage Community Association)

Legal Description of CSA Maintenance Areas

Lots "A", B", and "C" and Lot 120 of Tract 23067-2 according to Map  
thereof No. \_\_\_\_\_ filed in the Office of the County Recorder of  
Riverside County, California, as File No. \_\_\_\_\_ on \_\_\_\_\_  
\_\_\_\_\_. IN BOOK 289, PAGES 89 THROUGH 96  
OF MAPS.



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EXHIBIT "G"

to the Declaration of Covenants, Conditions and Restrictions  
(Vintage Community Association)

Depiction of CSA Maintenance Areas

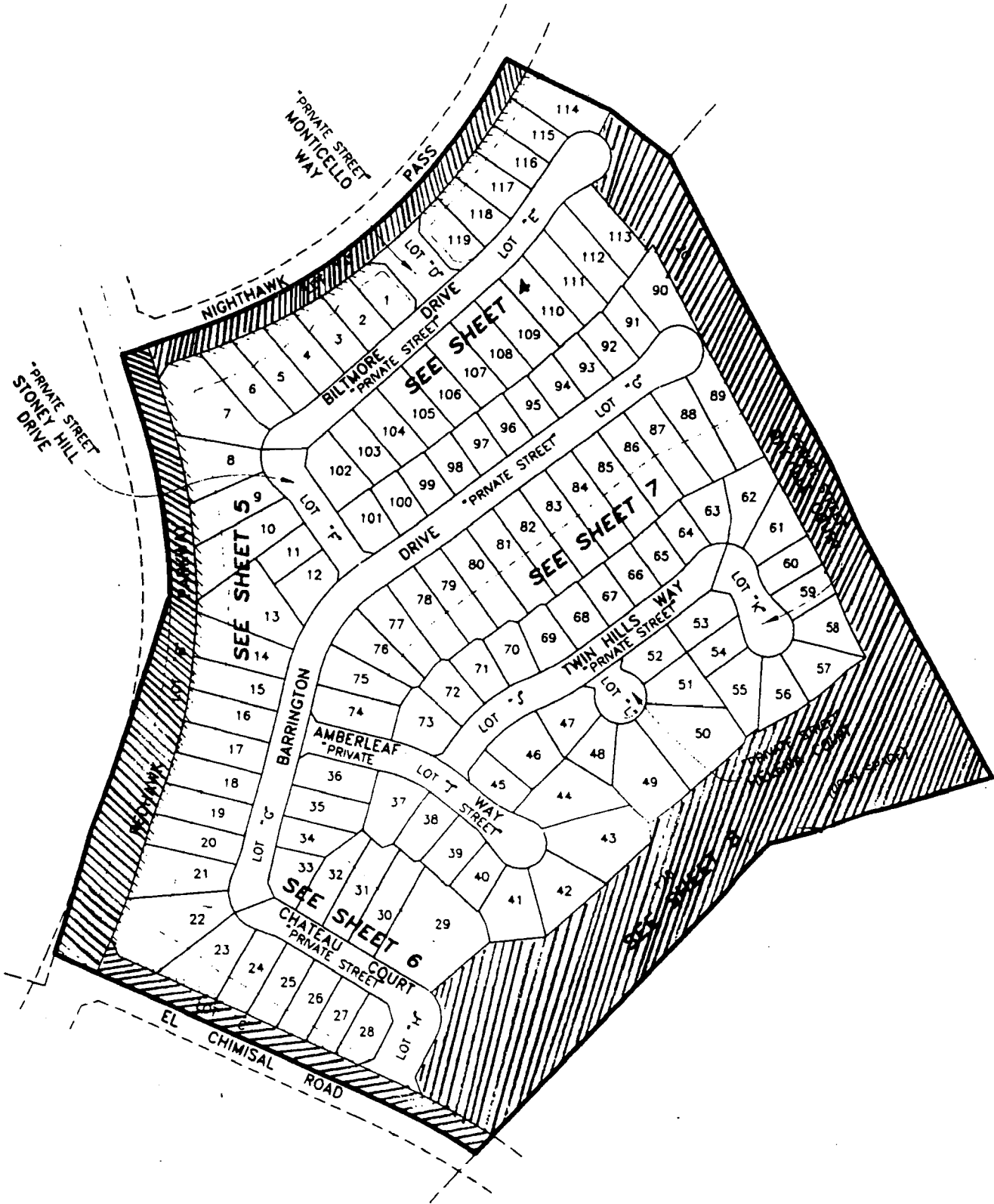
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EXHIBIT "G"

To Declaration of Covenants, Conditions  
and Restrictions (Vintage Community Association)



DEPICTION OF  
CSA MAINTENANCE AREAS



EXHIBIT "H"

to the Declaration of Covenants, Conditions and Restrictions  
(Vintage Community Association)

Depiction of CSA Maintenance Easement Areas

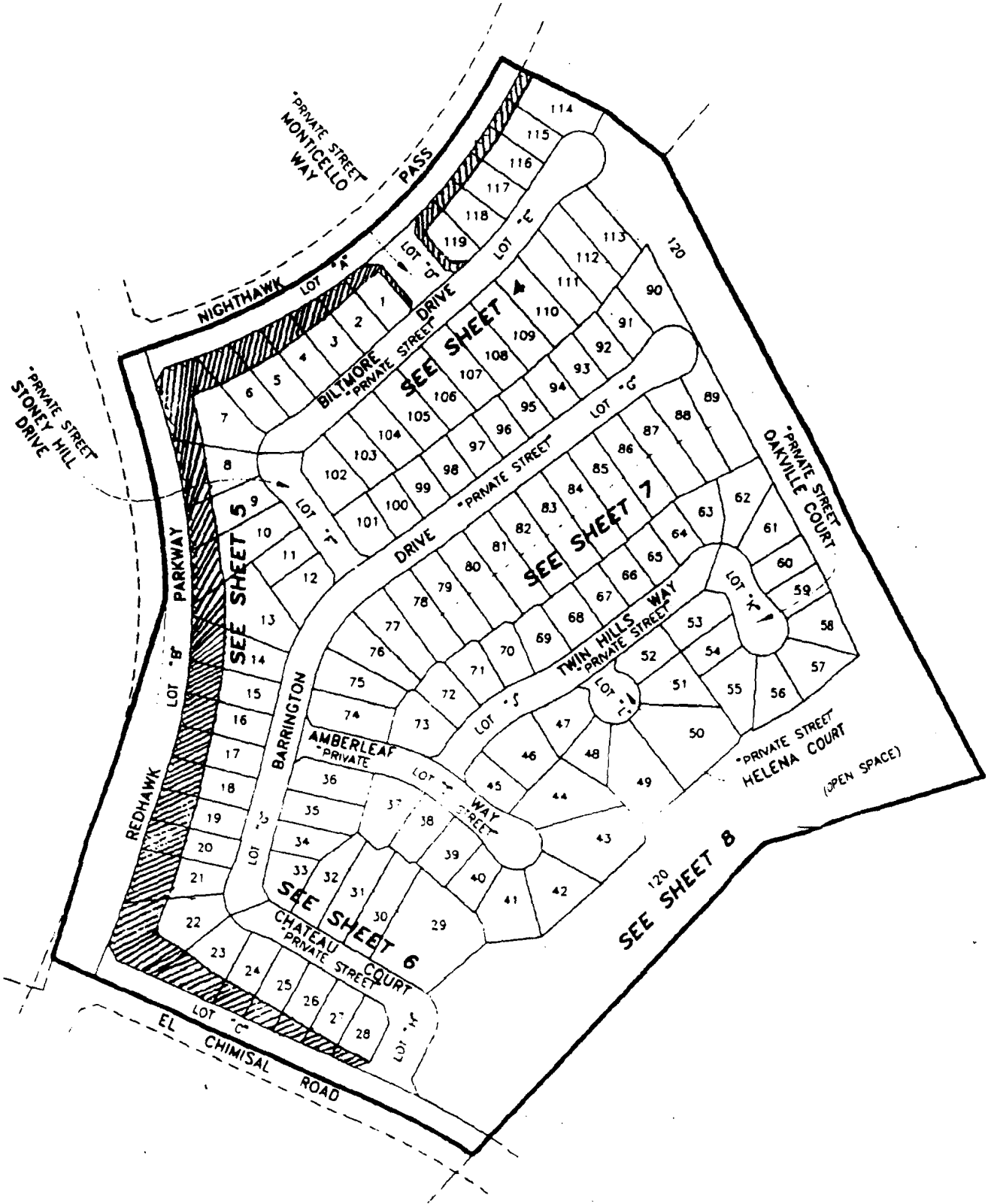
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EXHIBIT "H"

To Declaration of Covenants, Conditions  
and Restrictions (Vintage Community Association)



DEPICTION OF  
CSA MAINTENANCE EASEMENT AREAS

