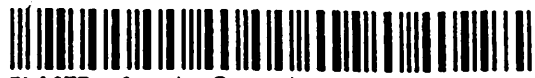


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HILLSBOROUGH OWNERS ASSOCIATION
c/o BERDING & WEIL, LLP
Attn: Michael S. Woodbury, Esq.
2339 Gold Meadow Way, Suite 220
Sacramento, CA 95670



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SECOND RESTATED DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
HILLSBOROUGH

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FOR
HILLSBOROUGH

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**SECOND RESTATED DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
HILLSBOROUGH**

This Second Restated Declaration of Covenants, Conditions and Restrictions for Hillsborough (the "Declaration") is made by HILLSBOROUGH OWNERS ASSOCIATION, a California nonprofit mutual benefit corporation (the "Association").

RECITALS

A. The Association is an "association", as that term is defined in California Civil Code Section 1351(a), which has been created to manage that certain common interest development located in Placer County, California, commonly known as Hillsborough, which is more particularly described as follows (the "Development"):

Lots 1 through 121, inclusive, Lot A, Lot D, and Lots G through P, inclusive, as shown on the plat of "Hillsborough Unit No. 1" Recorded on October 18, 1990, in Book R of Maps, at Page 33, of the Official Records of Placer County, California.

Lots 122 through 180, inclusive, Lot C, and Lot Q, as shown on the plat of "Hillsborough Unit No. 3" Recorded on October 18, 1990, in Book R of Maps, at Page 34, of the Official Records of Placer County, California.

Lot 218 and Lot K as shown on the plat of "Hillsborough Unit No. 2A" Recorded July 2, 1996, in Book T of Maps, at Page 47, of the Official Records of Placer County, California.

B. The original developer of the Development, Southfork Partnership, a California general partnership ("Declarant"), executed that certain Amended and Restated Declaration of Covenants, Conditions and Restrictions for Hillsborough, which was Recorded on December 7, 1990, as Instrument No. 90-079276 of the Official Records of Placer County, California, and re-Recorded on February 13, 1991, as Instrument No. 91-007529 of the Official Records of Placer County, California (the "First Restated Declaration").

C. An instrument entitled Declaration of Annexation for Hillsborough was Recorded on December 7, 1990, as Instrument No. 90-079277 of the Official Records of Placer County, California (the "1990 Annexation").

D. The First Restated Declaration was amended by an instrument entitled Second Amendment to Declaration of Covenants, Conditions and Restrictions for Hillsborough, which was Recorded on July 16, 1992, as Instrument No. 92-054858 of the Official Records of Placer County, California (the "Second Amendment").

E. An instrument entitled Declaration of Annexation Hillsborough Owners Association was Recorded on July 2, 1996, as Instrument No. 96-038705 of the Official Records of Placer County, California (the "1996 Annexation").

F. The First Restated Declaration, as amended by the Second Amendment, by (i) its own terms, (ii) the terms of the 1990 Annexation, and (iii) the terms of the 1996 Annexation, establishes certain limitations, easements, covenants, restrictions, conditions, liens, and charges which run with and are binding upon all parties having or acquiring any right, title, or interest in the real property comprising the Development.

G. At least fifty-one percent (51%) of the holders of the voting rights of the Association desire to amend, restate and supersede the First Restated Declaration, as amended by the Second Amendment, pursuant to Article 15, Section 15.05 of the First Restated Declaration.

NOW, THEREFORE, it is hereby declared as follows:

1. The First Restated Declaration, as amended by the Second Amendment, is hereby amended, restated and superseded in its entirety to read as set forth in this Declaration.

2. All of the real property comprising the Development constitutes a "planned development" as that term is defined in California Civil Code Section 1351(k).

3. All of the real property comprising the Development is held and owned and shall be held, owned, operated, managed, conveyed, hypothecated, encumbered, leased, used, occupied, and improved subject to the following covenants, conditions, and restrictions, all of which are declared and agreed to be in furtherance of a plan and purpose of protecting, preserving, and enhancing the value, desirability, and attractiveness of the Development and every part thereof, and of fostering the development, management, improvement, enjoyment, and sale of the real property comprising the Development and any part thereof.

4. All of the covenants, conditions, and restrictions set forth in this Declaration shall constitute enforceable equitable servitudes as provided in California Civil Code Section 1354, shall constitute covenants that shall run with the real property comprising the Development, and shall be binding upon and inure to the benefit of each Owner of any portion of such real property or of any interest therein and their heirs, successors, and assigns.

ARTICLE 1 DEFINITIONS

1.1 Absolute Majority. "Absolute Majority" shall mean a majority of the Total Voting Power of the Association.

1.2 Additional Charges. "Additional Charges" shall mean all costs, fees, charges, and expenditures, including without limitation, interest, late charges, attorneys' fees, Recording and filing fees, and all other costs actually incurred by the Association in collecting and/or enforcing payment of Assessments, fines, and/or penalties.

1.3 Architectural Control Committee. "Architectural Control Committee" shall mean the committee created pursuant to Article 10 of this Declaration.

1.4 Articles. "Articles" shall mean the Articles of Incorporation of the Association, as they may be amended from time to time, and as filed with the Office of the Secretary of State of California.

1.5 Assessment. "Assessment" shall mean a charge levied by the Association against an Owner and his or her Lot as provided in Article 6 of this Declaration. "Assessment" shall include any or all of the following:

(a) Annual Assessments, which shall have the meaning set forth in Section 6.5 of this Declaration.

(b) Enforcement Assessments, which shall have the meaning set forth in Section 6.8 of this Declaration.

(c) Reimbursement Assessments, which shall have the meaning set forth in Section 6.7 of this Declaration.

(d) Special Assessments, which shall have the meaning set forth in Section 6.6 of this Declaration.

1.6 Association. "Association" shall mean the Hillsborough Owners Association, its successors and assigns.

1.7 Board of Directors. "Board of Directors" or "Board" shall mean the governing body of the Association.

1.8 Bylaws. "Bylaws" shall mean the Bylaws of the Association as they shall be adopted by the Board of Directors and Members and any duly-adopted amendments thereof.

1.9 Capital Improvement. "Capital Improvement" shall mean the original construction of an improvement that did not previously exist, as distinguished from the repair, upgrading, or replacing of an existing improvement.

1.10 City. "City" shall mean the City of Roseville, County of Placer, State of California.

1.11 Common Area. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners and Residents of the Development including, without limitation, (i) lot A (private streets) and lot D (private park) as shown on the Unit 1 Map, (ii) lot C (private streets) as shown on the Unit 3 Map, and (iii) lot K (private street) as shown on the Unit 2A Map.

1.12 Contract Purchaser/Contract Seller. "Contract Purchaser" and "Contract Seller" shall mean the purchaser and the seller, respectively, under an installment land contract in which title to the property is transferred after the final installment payment is made.

1.13 County. "County" shall mean the County of Placer, State of California.

1.14 Declaration. "Declaration" shall mean this instrument, as it may be amended from time to time.

1.15 Development. "Development" shall mean all the real property described in the Declaration comprising the Hillsborough residential planned development, including such additions thereto as may hereafter be brought within the jurisdiction of the Association.

1.16 Development Agreement. "Development Agreement" shall mean the Amended and Restated Development Agreement by and between the City of Roseville and Southfork Partnership Relative to the Development known as the Southfork Property, adopted by the City on August 16, 1989, by Ordinance No. 2255, and Recorded on September 20, 1989, in Book 3717, Page 001 of the Official Records of Placer County, California, as it may be modified or amended from time to time.

1.17 Governing Documents. "Governing Documents" shall mean the Articles, Bylaws, Declaration, Rules, and the policies and resolutions duly adopted by the Board and distributed to the Members.

1.18 JR East Owners Association. "JR East Owners Association" shall mean and refer to the owners association organized pursuant to the provisions of the Master Declaration.

1.19 Lot. "Lot" shall mean any plot of land shown upon any Recorded subdivision map for any portion of the Development, with the exception of the Common Area and the Scenic Corridors.

1.20 Maintenance. "Maintenance" shall mean the act of caring for property and keeping it in its existing state, preserving it from failure or deterioration, including painting, caulking, cleaning, and minor, non-structural upkeep.

1.21 Master Declaration. "Master Declaration" shall mean the JR East Master Declaration of Covenants, Conditions and Restrictions (JR East Owners Association) recorded on May 22, 1990 as Instrument No. 32533, in Book 3905, Page 448 et seq., of the Official Records of Placer County, California, as amended from time to time.

1.22 Member. "Member" shall mean an Owner.

1.23 Member in Good Standing. "Member in Good Standing" shall mean a Member of the Association who is current in the payment of all dues, Assessments, fines, penalties, and other charges imposed in accordance with the Governing Documents, and who is in compliance with all of the provisions of the Governing Documents, as may be more particularly set forth in the Bylaws.

1.24 Mortgage. "Mortgage" shall mean a deed of trust as well as a mortgage in the conventional sense. "First Mortgage" shall mean any Recorded Mortgage with first priority over other Mortgages.

1.25 Mortgagee. "Mortgagee" shall mean a beneficiary under a deed of trust as well as a mortgagee under a mortgage.

1.26 Owner. "Owner" means any person, firm, corporation or other entity in which fee title to a Lot is vested as shown by the Official Records of the Office of the County Recorder, including Contract Sellers, but excluding Contract Purchasers and excluding those having such interest merely as security for the performance of an obligation. Where the context requires, the term "Owner" shall include the family, guests, tenants/lessees (hereafter, "tenants") and invitees of an Owner; provided, however, that such persons are not "Owners" for purposes of exercising voting rights in the Association.

1.27 Record. "Record" shall mean, with respect to any document, the recordation or filing of such document in the Office of the County Recorder.

1.28 Repair. "Repair" shall mean the minor restoration of property that is torn, broken, or otherwise damaged, or has sustained wear, tear, or deterioration such that minor restoration is necessary.

1.29 Replacement. "Replacement" shall mean substantial reconstruction, restoration, or substitution of the whole or a substantial part of property that has been damaged or destroyed through usage or through hazard or catastrophe such that it is no longer useable or serviceable in its current condition.

1.30 Residence. "Residence" shall mean a residential structure located upon a Lot which is designed for human residential use and occupancy.

1.31 Resident. "Resident" shall mean any person who resides on a Lot within the Development whether or not such person is an Owner as defined in Section 1.26 of this Declaration.

1.32 Rules. "Rules" shall mean the rules and regulations governing the use, occupancy, management, administration, and operation of the Development or any part thereof as adopted and published by the Board of Directors from time to time.

1.33 Scenic Corridors. "Scenic Corridors" shall mean (i) Lots G through P as shown on the Unit 1 Map, and (ii) Lot Q as shown on the Unit 3 Map, which are owned and maintained by the JR East Owners Association in accordance with the Master Declaration.

1.34 Scenic Corridor Walls. "Scenic Corridor Walls" shall mean the masonry walls running along those portions of the Scenic Corridors which both (i) run along on East Roseville Parkway, Hillsborough Drive or Sierra College Boulevard and (ii) share a common lot line with any Lot within the Development.

1.35 Shared Fence and Shared Wall. "Shared Fence" and "Shared Wall" shall have the meaning set forth in Section 2.7 of this Declaration.

1.36 Simple Majority. "Simple Majority" shall mean a majority of the votes of the Members (i) represented and voting at a meeting at which a quorum is present, or (ii) cast by written ballot (in conformity with California Corporations Code Section 7513) in which the number of ballots received equals or exceeds the number required to establish a quorum.

1.37 Subdivision Map. "Subdivision Map" shall mean, collectively, the Unit 1 Map, the Unit 3 Map, the Unit 2A Map, and any other Recorded subdivision map(s) for any portion of the Development.

1.38 Total Voting Power. "Total Voting Power" shall mean the total number of votes of all Members entitled to vote at a particular time, calculated on the basis of one vote for each Lot, excluding any Lots as to which an Owner is not then a Member in Good Standing.

1.39 Tree Drains. "Tree Drains" shall mean those drains on Lots 75, 76, 115 and 119 as shown on the Unit 1 Map which provide special drainage to native oak trees located on each such Lot, the maintenance of which is the responsibility of the Owners of such Lots in accordance with Section 8.4(f).

1.40 Unit 1 Map. "Unit 1 Map" shall mean the plat of "Hillsborough Unit No. 1" Recorded on October 18, 1990, in Book R of Maps, at Page 33. of the Official Records of Placer County, California.

1.41 Unit 3 Map. "Unit 3 Map" shall mean the plat of "Hillsborough Unit No. 3" Recorded on October 18, 1990, in Book R of Maps, at Page 34. of the Official Records of Placer County, California.

1.42 Unit 2A Map. "Unit 2A Map" shall mean the plat of "Hillsborough Unit No. 2A" Recorded on July 2, 1996, in Book T of Maps, at Page 47. of the Official Records of Placer County, California.

ARTICLE 2

PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT

2.1 No Partition. There shall be no judicial partition of the Development or any part thereof, nor shall any Owner or any person acquiring any interest in the Development or any part thereof seek any judicial partition thereof; provided, however, that if any Lot shall be owned by two or more co-tenants as tenants in common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition by sale as between such co-tenants.

2.2 Common Area. Subject to the provisions of the Declaration, the Common Area shall be held, maintained, and used to meet the common interests of the Members of the Association, and their families, tenants, resident Contract Purchasers, and guests as provided in the Governing Documents.

2.3 Owners Non-Exclusive Easements of Enjoyment. Every Owner shall have a non-exclusive easement of use of and enjoyment in, to, and throughout the Common Area of the Development. Each such non-exclusive easement shall be appurtenant to and pass with the title to every Lot, subject to the following rights and restrictions:

(a) The right of the Board of Directors to establish and enforce reasonable Rules governing the use of the Common Area and facilities thereon including, without limitation, rules limiting the number of guests of Members permitted to use the Common Areas and facilities thereon at any one time;

(b) The right of the Board, as further provided by this Declaration, to adopt Rules regulating parking upon the Common Area;

(c) The right of the Board to charge reasonable admission and other fees for the use of any facilities situated upon the Common Area;

(d) The right of the Board, as may be more particularly addressed in the Bylaws, to suspend an Owner's right to use the recreational facilities for any period during which any Assessment against such Owner's Lot remains unpaid and/or for infraction of the Governing Documents;

(e) The right of the Board, as set forth in Section 3.3 of this Declaration, to grant easements and rights of way in, on, over, or under the Common Area subject to such conditions as may be agreed to by the Board;

(f) The right of the Board to mortgage, pledge, encumber, or otherwise hypothecate the Common Area and facilities thereon as security for money borrowed by the Association; and

(g) The right of the Association or its authorized agents, as provided in this Declaration, to perform its obligations under this Declaration, including, without limitation, obligations with respect to construction, maintenance, repair, or replacement for the benefit of the Common Area or the Owners in common.

2.4 Delegation of Use. Any Owner may delegate his rights of use and enjoyment, including easements, in the Development to the members of his family, tenants, Contract Purchasers, guests and invitees, subject to the terms of the Governing Documents. Upon the leasing or renting of a Lot, or upon occupancy of a Lot by a Contract Purchaser, the Owner shall be deemed to have delegated and assigned all such rights exclusively to the tenants or Contract Purchasers of such Lot. Each Owner shall notify the Secretary of the Association of the names of any tenants or any such Contract Purchasers of such Owner's

Lot. Each Owner, tenant, or Contract Purchaser shall also notify the Secretary of the Association of the names of all members of his or her household to whom such Owner, tenant, or Contract Purchaser has delegated any rights of enjoyment in the Development as provided herein and the relationship which each such person bears to such Owner, tenant, or Contract Purchaser. Any rights of enjoyment delegated pursuant to this section are subject to suspension to the same extent that rights of Owners are subject to suspension as provided in the Governing Documents.

2.5 Common Area Construction. Except as may be authorized by the Board, no person or entity, other than the Association or its duly-authorized agents, shall construct, reconstruct, refinish, alter, or maintain any improvement upon the Common Area, or shall make or create any excavation or fill upon the Common Area, or shall change the natural or existing drainage of the Common Area, or shall plant, remove, or destroy any seed, plant material, tree, shrub, or other vegetation upon the Common Area.

2.6 Mechanic's Liens. In the event there shall be Recorded against the Common Area a Notice of Mechanic's Lien for, or purporting to be for, labor or materials alleged to have been furnished or delivered for any Owner within the Development or his or her Lot, such Owner shall forthwith cause such lien to be discharged by payment, bond, or otherwise. If the Owner fails to cause the lien to be discharged, the Board may send written notice to the Owner specifying that unless the Owner causes the lien to be discharged within five (5) days from the date of such notice, the Board may cause the lien to be discharged. Within such five (5) day period, the Owner shall be permitted a hearing before the Board regarding the validity of such lien and any offsets or defenses thereto. At that time, the Board shall determine whether the lien adversely and improperly affects and encumbers the rights and interests of the Association or the other Owners. If the Board of Directors determines that the lien does adversely and improperly affect and encumber such rights and interests and that adequate protection of such rights and interests has not been provided, the Board may cause the lien to be discharged by payment, bond, or otherwise. The Board shall have the right to levy a Reimbursement Assessment against the Owner responsible for causing the lien to be discharged in an amount equal to all amounts paid by the Association together with interest thereon at the legal rate and all costs and expenses paid or incurred in connection therewith, including reasonable attorneys' fees.

2.7 Shared Fences and Shared Walls. The following provisions shall govern shared fences and shared walls:

(a) General Rules of Law to Apply. Each fence or wall which (i) is built as a part of the original construction of the Residences within the Development, (ii) serves as the boundary between the Lots, and (iii) is not a Scenic Corridor Wall, shall constitute a shared fence or shared wall. To the extent not inconsistent with the provisions of this article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to the shared fences and shared walls.

(b) Sharing of Repair and Maintenance. The cost of reasonable maintenance and repair of a shared fence or shared wall shall be shared by the Owners who make use of the fence or wall in proportion to such use.

(c) Destruction by Fire or Other Casualty. If a shared fence or shared wall is destroyed or damaged by fire or other casualty, any Owner who has used the fence or wall may restore it, and if the other Owners thereafter make use of the fence or wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

(d) Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this section shall be appurtenant to and run with the land and shall pass to such Owner's successors in title.

(e) Arbitration. If any dispute arises concerning a shared fence or shared wall, or under the provisions of this section, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators and shall be binding.

ARTICLE 3 EASEMENTS

3.1 Easements in General. In addition to all easements reserved and granted on the Subdivision Map and the easements provided in Article 2 of this Declaration, there are hereby specifically reserved and granted for the benefit of the Lots and Lot Owners in common and for each Lot and Owner severally, and for the Association, as their respective interests shall obtain, the easements, reciprocal negative easements, secondary easements and rights of way as particularly identified in this article.

3.2 Utility Easements. Easements over and under the Development or any portion thereof for the installation, repair, maintenance, and replacement of electric, telephone, water, gas, and sanitary sewer lines, meters, and facilities, cable lines, drainage facilities, walkways, and landscaping as shown on the Subdivision Map, and as may be hereafter required or needed to service the Development, are reserved by and shall exist in favor of the Association, together with the right to grant and transfer the same. The Association shall maintain all utility installations located in the Common Area except for those installations maintained by utility companies, public, private, or municipal.

3.3 Easements Granted by Board. The Board shall have the power to grant and convey to any person or entity easements and rights of way, in, on, over, or under the Common Area for the purpose of constructing, erecting, operating, or maintaining thereon, therein, or thereunder overhead or underground lines, cables, wires, conduits, or other devices for electricity, cable television, power, telephone and other purposes, public sewers, storm water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes, and any similar public or quasi-public improvements or facilities, and for any other purposes deemed by the Board to be appropriate and not inconsistent with the purposes and interests of the Association, and each purchaser, in accepting a deed to a Lot, expressly consents thereto; provided, however, that no such easements may be granted if such easement would interfere with the use, occupancy, or enjoyment by an Owner or Resident of any Lot and any existing exclusive easements over Common Area appurtenant thereto, if any, without the consent of the affected Owner(s).

3.4 Association Easements for Maintenance and Repair.

(a) The Association shall have an easement in, on, over or under every Lot as reasonably necessary to:

(i) maintain and repair the Common Area including, without limitation, the private streets within the Development,

(ii) perform maintenance upon a Lot which is not performed by its Owner as provided by Section 8.2 and Section 8.5, and

(iii) perform its obligations under this Declaration.

(b) Pursuant to the instrument entitled "Declaration of Covenants, Restrictions and Easements (Hillsborough Unit 1)", which was Recorded on February 13, 1991, as Instrument No. 91-007528, of the Official Records of Placer County, California, the Association has an easement in gross across, and right of entry to enter upon, Lots 1 through 3, 12 through 14, 93, 94, 99 through 102, 104 through 112, and 121, as shown on the Unit 1 Map.

ARTICLE 4 USE RESTRICTIONS

I 4.1 Single Family Residential Use. Except as provided in Section 4.4. Residences shall be occupied and used for single-family residential purposes only.

4.2 Restriction to One Story. Pursuant to the instrument entitled "Declaration of Covenants, Conditions, and Restrictions (Hillsborough Unit 1)", which was Recorded on February 13, 1991, as Instrument No. 91-007527, of the Official Records of Placer County, California, the residences, dwellings and buildings erected on certain Lots are restricted to one (1) story.

4.3 Restrictions in the Master Declaration. The property comprising the Development is subject to the covenants, conditions, and restrictions contained in the Master Declaration.

4.4 Restriction on Businesses. No business of any kind shall be established, maintained, operated, permitted, or conducted within the Development except: (i) such professional and administrative professions as may be permitted by applicable governmental ordinances and provided that there shall be no external evidence thereof and (ii) care facilities limited to the extent specifically authorized by statute, including family day care centers and community care facilities as provided in subsections (a) and (b) of this section. Copies of any licenses or permits issued or required for such businesses allowed by this section must be provided to the Association at all times that such businesses are operated.

(a) Family Day Care Centers. No family day care center for children shall be permitted within the Development except as specifically authorized by California Health and Safety Code Section 1597.40 and other applicable state statutes. The owner/operator of any permitted day care facility shall provide the Association with prior written notice as to its operation, comply with all local and state laws regarding the licensing and operation of a day care center, provide proof, upon the request of the Association, of such compliance, and, in addition, shall:

(i) Name the Association as an additional insured on the liability insurance policy or bond carried by the owner/operator of the day care center, as provided under California Health and Safety Code Section 1597.531. This subsection is intended to be and shall be conclusively deemed to be the written notice to the operator or owner from the Association as specified in California Health and Safety Code Section 1597.531:

(ii) Defend, indemnify and hold the Association harmless from any claim, demand, loss, liability action or cause of action arising out of the existence and operation of the day care center;

(iii) Abide by and comply with all of the Association's Rules;

(iv) Supervise and be completely responsible at all times for children for whom day care services are provided while they are within the Development; and

(v) Cooperate with the Association if the Association's insurance agent or carrier requires proof of insurance, proof of the agreement of the owner or operator of the center to these conditions, or other reasonable requests.

(b) Community Care Facilities. Except for residential facilities defined as community care facilities under California Health and Safety Code Section 1502, serving six (6) or fewer persons, no health care facilities operating as a business or charity and serving the sick, elderly, disabled, handicapped or retarded shall be permitted in the Development. The owner/operator of any such community care facility shall comply with all local and state laws regarding the licensing and operating of such a community care facility, and, in addition, to the extent permitted by applicable laws, shall:

(i) Name the Association as an additional insured on the liability insurance policy or bond carried by the owner/operator of such a community care facility;

(ii) Defend, indemnify and hold the Association harmless from any claim, demand, loss, liability action or cause of action arising out of the existence and operation of such a community care facility;

(iii) Abide by and comply with all of the Association's Rules as applied to Residences in the Development in a general manner;

(iv) Supervise and be completely responsible for occupants of such a residential facility at all times while they are within the Development; and

(v) Cooperate with the Association if the Association's insurance agent or carrier requires proof of insurance, proof of the agreement of the owner or operator of such a community care facility to these conditions, or other reasonable requests.

II 4.5 Offensive Conduct, Nuisances, Noise. No noxious, harmful, or offensive activities shall be conducted upon or within any part of the Development, nor shall anything be done thereon which may be or become a nuisance, or cause unreasonable embarrassment, disturbance, or annoyance to any Residents of the Development, or which shall in any way interfere with their use of the Common Area and facilities thereon or the use and enjoyment of their Lots or Residences. Without limiting any of the foregoing, no Resident shall permit noise, including but not limited to the barking of dogs or excessively loud music, to emanate from the Resident's Lot, which would unreasonably disturb another Resident's enjoyment of his or her Lot or of the Common Area. Each Owner and Resident shall comply with all requirements of all federal, state, and local governmental authorities and all laws, ordinances, rules and regulations applicable to his or her Lot and Residence.

III 4.6 Use of Common Area. All use of Common Area is subject to the Governing Documents. Without limiting the generality of the foregoing, no alterations or additions to the Common Area shall be permitted without the prior written approval of the Board; nothing shall be altered, constructed, placed, kept, stored, parked (except for vehicles on the private streets in accordance with the provisions of Section 4.21), planted on, or removed from the Common Area without the prior written consent of the Board; and the Common Area shall be kept free of rubbish, debris, and other unsightly or unsanitary materials. Each Owner shall avoid causing any damage to the Common Area.

II 4.7 Hazards. There shall be no obstruction of any part of the Common Area. Nothing shall be done, placed, or kept within the Development that will increase the rate of insurance or result in the cancellation of insurance under any insurance policy maintained by the Association, or which will be in

violation of any governmental statute, ordinance, rule, or regulation. Nothing shall be stored in the Common Area without the prior consent of the Board.

IV 4.8 Requirement of Architectural Approval. As addressed in greater detail in Article 10 of this Declaration, construction, installation, modification, or alteration of buildings, outdoor structures, landscaping, and outdoor lighting are subject to approval of the Architectural Control Committee. Approval may also be required in accordance with the provisions of the Master Declaration.

IV 4.9 Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) feet and six (6) feet above the roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines or, in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight-line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. No fence or hedge exceeding three (3) feet in height shall be erected or permitted to remain or allowed to grow nearer any street than setback lines shown on the Maps.

III 4.10 Set Back. All dwellings and structures, including, but not limited to, swimming pools, except for a fence not exceeding three (3) feet in height, shall be located on any Lot or Lots a distance from any street or streets adjacent to the Lot equal to or greater than the set back line shown on the Maps or as required by local zoning codes and ordinances, whichever distance is greater. All dwellings, garages and other structures shall be located at least twenty (20) feet from the front boundary, five (5) feet from the side boundary, unless such side boundary abuts a street, in which case such side boundary shall be fifteen (15) feet, and twenty (20) feet from the rear boundary of the Lot unless otherwise approved by the City. On corner Lots, the fences on the front and side streets shall be located no closer to the front street boundary and side street boundary than the primary residential structure on the Lot. For the purpose of this subsection, eaves, steps and chimneys shall not be considered as a part of a building, provided, however, that this provision shall not be construed to permit any portion of a building to encroach upon another Lot. If the City imposes more stringent or conflicting requirements with respect to any of the provisions of this section, then the City's requirements shall apply. Each owner shall be solely responsible for determining the applicable requirements of the City and shall be solely responsible for compliance therewith.

II 4.11 Sports Apparatus. No basketball standards (including basketball standards referred to as "portable") or fixed sports apparatus shall be placed upon or attached to any Lot (except in the rear yard areas not visible from the street), or on a garage or the Common Area.

I 4.12 Exterior Newspaper Tubes. There shall be no exterior newspaper tubes.

4.13 Outside Drying and Laundering. No outside clothesline or other outside clothes washing, drying, or airing facilities shall be maintained in the Development.

I 4.14 Antennas. No outside mast, tower, pole, antenna, or satellite dish shall be erected, constructed, or maintained on the Common Area including the outside of any building within the Development or upon any Lot, except (i) those erected, constructed, or maintained by the Association, (ii) those expressly approved by the Architectural Control Committee or the Board of Directors, (iii) those initially installed during the construction of the buildings, or (iv) as specifically permitted by law.

II
4.15 Animals.

(a) Limitation on Pets. No dogs, cats, birds, or other animals of any kind shall be kept, maintained, or bred in any Residence or upon any Lot or elsewhere within the Development except that domestic dogs, cats and other customary household pets may be kept in reasonable numbers and size, as determined by the Board, and subject to the Rules and any applicable local governmental ordinances, provided they are not kept, bred, or raised for commercial purposes. While in Common Areas each dog must be restrained on a leash held by a responsible person capable of controlling it.

(b) Owner's Responsibility for Pets. The owner of each pet shall be responsible for immediately removing and disposing of any waste introduced to any portion of the Development by such pet. The Board shall have the power to impose fines and other sanctions for violations of provisions of the Governing Documents relating to pets, including without limitation fines for failure to remove and dispose of pet waste as required by this section. Each Owner, Resident, and any person bringing or keeping an animal within the Development shall be absolutely liable to the Association and all other persons for any injury or damage to persons or property caused by the animal brought upon or kept upon the Development by such person or by members of his or her family, tenants, guests, or invitees. The Owner shall indemnify the Association and its officers, directors, and agents against any and all claims, damages, losses, demands, liabilities, and expenses, including but not limited to attorneys' fees, arising out of or resulting from the presence or conduct of any animal brought upon or kept within the Development by the Owner, members of his or her family, guests, tenants, or invitees.

(c) Pet Rules. The Board may adopt and enforce pet rules, which shall be Rules as that term is defined by this Declaration, in addition to the provisions of this section. The Association shall have the right to prohibit the keeping of any animal which constitutes, in the sole and exclusive opinion of the Board, a nuisance to any other person.

III 4.16 Trash Disposal. Trash, garbage, accumulated waste plant material, and all other waste and refuse shall be deposited only in covered sanitary containers or recycling containers in accordance with the following provisions:

(a) The containers shall be located upon each Lot in an area which shall be completely screened or otherwise concealed from view from the Common Area or any other Lot.

(b) The containers shall be placed for pick up no earlier than 5:00 p.m. on the day prior to collection and must be stored, as provided in this section, no later than twenty-four (24) hours after pick up.

(c) No Owner or Resident shall permit or cause any garbage, trash, or other waste or refuse to be kept upon any portion of any Lot or elsewhere in the Development, except in such containers.

III 4.17 Construction Materials, Construction Debris. No portion of the Development shall be used for the storage of building materials other than in connection with approved construction. All construction debris shall be picked up and deposited daily in an appropriate container.

III 4.18 Machinery and Equipment. Unless the prior written approval of the Board is obtained, no machinery or equipment of any kind shall be maintained or operated upon a Lot except (i) machinery and equipment which is customary and necessary in connection with approved construction, and (ii) lawnmowers and other lawn and gardening equipment.

III 4.19 Signs. No sign of any kind shall be displayed to the public view from any portion of the Development except that this limitation shall not apply to:

- (a) Signs required by legal proceedings;
- (b) Signs which by law cannot be prohibited;
- (c) A single sign of customary and reasonable dimension and design, complying with the Architectural Control Committee rules and reasonably located on a Lot advertising the Lot for sale or rent;
- (d) A single identification sign which has been approved by the Board of Directors located on a Lot identifying the number or address of the Lot;
- (e) Signs approved by the Board located at or near any entrance to the Development identifying the Development;
- (f) Signs required for traffic control and regulation of streets or open areas within the Development; and
- (g) Signs on the Common Area as approved by the Board for a purpose reasonably related to the affairs of the Association.

4.20 Signs on Property of Others. Where applicable law provides that an advertising device is permitted to be placed on the real property owned by other than the person placing the device, provided that the owner of the real property consents to such placement, the Board shall have the right to adopt reasonable Rules regarding the manner such consent is requested, obtained and documented including the right to demand written evidence of such consent.

III 4.21 Vehicles and Parking.

(a) Limitations on Types of Vehicles.

(i) No van (other than a van reasonably necessary to meet the transportation needs of a disabled person residing on a Lot), trailer, mobile home, motor home, recreational vehicle, camper, boat, golf cart or similar equipment, motorcycle or commercial vehicle shall be parked, kept, stored, or permitted to remain upon any area within the Development unless placed or maintained completely within an enclosed garage. The Board, in its complete discretion and upon such basis and terms as it deems prudent, shall have the power to adopt, modify and repeal Rules permitting the temporary use and parking within the Development of vehicles otherwise prohibited by the provisions of this subsection.

(ii) No dilapidated, unclean, unsightly, inoperable, or abandoned vehicle shall be parked, kept, stored, or permitted to remain upon any area within the Development unless placed or maintained completely within an enclosed garage.

(iii) The term "commercial vehicles" shall not include sedans or standard size pickup trucks which are used for both business and personal uses, provided that any signs or markings of a commercial nature on such vehicles shall be unobtrusive and inoffensive as determined by the Board.

(b) Limitation on Numbers and Parking of Resident and Owner Vehicles.

(i) The Residents and Owners of a single Lot shall not bring into the Development at any one time more vehicles than the number of full-sized vehicles which can be parked completely within the garage serving such Residence plus one additional vehicle.

(ii) Except as specifically provided in this section, vehicles of Residents may only be parked wholly within the garage located on the Lot occupied by such Residents or owned by such Owner.

(iii) Subject to the limitations of Section 4.21(a), no more than one (1) vehicle of a Resident or Owner of a Lot may be parked in the driveway located on such Lot and then only if such vehicle does not protrude into the street.

(iv) Vehicles of Residents and Owners may not be parked elsewhere within the Development including, without limitation, on the private streets.

(c) Guest Parking. Vehicles of guests shall not be parked anywhere in the Development, except as provided below:

(i) Vehicles of guests may be parked wholly within the garage of the visited Resident.

(ii) Vehicles of guests may be parked on the driveway located on the Lot of the visited Resident or Owner provided that no vehicle parked in any driveway shall protrude into the street.

(iii) Vehicles of guests may be parked on the Common Area private streets except that no parking shall be permitted in fire lanes as more fully provided in Section 4.21(d).

(iv) Except with the written permission of the Board, which may be granted or withheld at the Board's sole discretion, vehicles of guests shall not be parked upon a driveway or upon the Common Area private streets for a period in excess of seventy-two (72) continuous hours. Movement of a vehicle for the purpose of avoiding this seventy-two (72) hour restriction shall be ineffective for the purposes of this subsection.

(v) All parking of vehicles of guests shall be subject to the limitations and restrictions of Section 4.21(a).

(vi) For the purposes of this subsection, "vehicles of guests" shall mean and refer to any vehicle owned or operated by other than an Owner or a Resident.

(d) No Parking Areas. No vehicle may be parked on any portion of the Common Area designated by the Board as "no parking" areas. Parking in fire lanes is strictly prohibited and shall be subject to towing and fines pursuant to Section 4.21(g).

(e) Noisy and Polluting Vehicles. No unreasonably noisy vehicles and no vehicles (including, without limitation, scooters, motorcycles or other motorized devices) emitting foul smelling or offensive exhaust fumes shall be operated within the Development.

(f) Current Registration. All vehicles operated or located within the Development shall maintain, and the Board shall have the authority to require written evidence of, current registration.

(g) Parking Rules and Enforcement. In order to prevent or eliminate any parking problems within the Development, or to further define and enforce the restrictions contained in this section, the Board shall have the authority to adopt further reasonable rules and restrictions regarding vehicles and parking within the Development as the Board may deem prudent and appropriate. The Board shall also have the power to impose fines and other sanctions for violations of provisions of the Governing Documents relating to vehicles and parking. Such authority and power shall include, without limitation:

(i) The power and authority to cause the towing, at the vehicle owner's expense, of vehicles which are parked within the Development in violation of any of the provisions of the Governing Documents, provided that towing of vehicles of guests and other non-Residents of the Development shall be subject to the provisions of applicable law. Costs incurred by the Association relating to the towing and/or storage of any vehicle parked in violation of any provision of the Governing Documents shall be assessed as a Reimbursement Assessment against the Lot Owner responsible or whose household members, tenants, Contract Purchasers, or guests are responsible for the presence of such vehicle:

(ii) The power and authority to fix and impose fines for violations of this section in accordance with Section 11.5(c) and the Bylaws.

(iii) The power and authority to adopt Rules regulating the time, place and manner of parking on the Common Area including limitations on the amount of time vehicles may remain parked on the Common Area; and

(iv) The power and authority to grant temporary variances from the Rules adopted by the Board on such terms and conditions as the Board deems appropriate.

(v) The power and authority to designate certain portions of the Common Area as "guest parking" and "no parking" areas, which areas shall be indicated by signs or other means of identification.

II 4.22 Window Coverings. Drapes, window shades, and other window coverings shall be installed in the windows of all Residences and garages and shall comply with any Rules adopted by the Board of Directors. In no event shall aluminum foil, newspaper, bed sheets or similar materials be placed in windows. All window coverings shall be maintained in good repair and condition at all times. New Owners shall have thirty (30) days from the date upon which they became an Owner to comply with this section.

II 4.23 Fences and Other Structures. No fences, awnings, ornamental screens, screen doors, sunshades or walls of any nature which are visible from the Common Area shall be erected or maintained within the Development, except those existing as part of the original improvements to the Lots and their duplicate replacements, unless they have been approved by the Architectural Control Committee pursuant to Article 10.

II 4.24 Outbuildings. No outbuilding, tent, shack, trailer, shed, cabana, umbrella or temporary building of any kind shall be located within the Development, except in strict compliance with the provisions of this Declaration, including Article 10. In no event shall any such structure or any garage be used as a Residence or for residential purposes, either temporarily or permanently.

III 4.25 Tanks. No tanks for the storage of fuel may be located on any Lot except for (i) propane fuel tanks, not to exceed five (5) gallons in capacity, as required for the operation of outdoor appliances, and (ii) an appropriate, safe gasoline storage container not exceeding five (5) gallons in capacity, as required for the operations of gasoline-powered lawnmowers and other lawn and gardening equipment.

4.26 Subdivision or Merger of Lots. No Lot may be subdivided, nor may more than one Lot be combined into a single parcel of land, for any reason.

4.27 Mineral Exploration. No Lot shall be used to explore for or to remove any water, oil, hydrocarbons, or minerals of any kind without the approval of the Board, and only if permitted by local ordinance.

III 4.28 Power Equipment and Car Maintenance. With the exception of customary and usual washing of vehicles of Residents and the operation of lawnmowers and other lawn and gardening equipment, no power equipment, work shops, or car maintenance of any nature whatsoever shall be permitted in the Development except with prior written approval of the Board. In deciding whether to grant approval, the Board shall consider, without limitation, the effects of noise, air pollution, dirt or grease, fire hazard, interference with radio or television, and similar objections.

III 4.29 Landscaping and Drainage. Except in compliance with the requirements of Article 9, no tree shall be planted on any Lot where the distance between the center of the tree trunk is less than three (3) feet from any fence nor shall any modification or alteration of any Lot be made or allowed to exist which would (i) alter the grade of the Lot, (ii) cause a Lot to drain into a neighboring Lot, or (iii) interfere with the natural or established drainage systems or patterns within the Development.

III 4.30 Exterior Fires. There shall be no exterior fires whatsoever except for fires wholly contained in reasonably sized (i) barbecues, (ii) tiki torches, (iii) ceramic fire pots and (iv) torches containing insect repellent.

II 4.31 Compliance with Laws. Nothing shall be done or kept anywhere within the Development which violates any local, state or Federal law, ordinance, statute, rule or regulation.

II 4.32 Insurance Increases. Except with the prior written consent of the Board, nothing shall be done or kept by an Owner anywhere within the Development which could increase the rate of, or cause the cancellation of, any policy of insurance maintained by the Association.

III 4.33 Rental of Lots. An Owner shall have the right to lease his or her Lot subject to the provisions of the Governing Documents and the following requirements:

(a) Notification of the Board. The Owner shall notify the Board of the name of the tenants and the members of the tenant's household and shall provide the Board with a copy of the signed lease or rental agreement as provided at Section 4.33(e).

(b) Owner Responsibility. Each Owner leasing a Lot shall be strictly responsible and liable to the Association for the actions of such Owner's tenant(s) in or about all Lots and Common Area and for each tenant's compliance with the provisions of all Governing Documents. An Owner leasing or renting a Lot shall provide the tenant(s) with copies of the Governing Documents and all subsequent amendments.

(c) Association's Enforcement Rights. In the event a tenant's conduct involves damage or misuse of any Common Area or facilities on any Common Area or constitutes an unreasonable nuisance to Residents, the Association shall be entitled to maintain an eviction action against such tenant to the same extent as the Owner of the Lot, the Association being deemed to be a third party beneficiary of any lease or rental agreement involving any Lot within the Development. The Association's right to maintain an eviction action shall arise only in the event that (i) the Association has given notice to the Owner detailing the nature of the infraction and the Owner has had a reasonable opportunity to take corrective action or to appear before the Board to present arguments as to why eviction by the Association is not necessary, and (ii) the Owner has not taken action to prevent and/or correct the actions of the tenant giving rise to the damage or nuisance.

(d) Indemnification of Association. Every Owner of a Lot that is occupied by persons other than the Owner pursuant to a lease or otherwise, agrees to and shall indemnify and defend the Association, its officers, directors, managers, and agents and shall hold them harmless from any cost, loss, claim, or damages of any kind, including but not limited to attorneys' fees arising out of the conduct or presence of the occupants of the Lot upon the Development, including any such arising or alleged to have arisen out of the enforcement or nonenforcement by the Association of the Governing Documents against such occupants. Without limiting the generality of the foregoing, all costs, including attorneys' fees incurred by the Association to enforce the Governing Documents against such occupants, including eviction as provided herein, shall be reimbursed to the Association by the Owner and may be assessed by the Association as a Reimbursement Assessment.

(e) Requirements of Written Lease or Rental Agreement. Any lease or rental of any Lot shall be only by written lease or rental agreement, a copy of which shall be filed with the Board, which agreement shall expressly provide (i) that it is subject to all of the provisions of the Governing Documents, (ii) that the tenants and lessees of such Lot shall comply with all provisions of the Governing Documents, and (iii) that any violation of any provisions of the Governing Documents shall constitute a breach and default of the terms of such lease or rental agreement. Pursuant to Section 3.1 of the Bylaws, the lease or rental agreement shall not attempt to, nor shall any such agreement be effective to, transfer membership in the Association to the lessee.

(f) Requirement of Inclusive Lease. No Owner may lease, rent or hire any garage, accessory building, or similar improvement to anyone who does not have the right of possession of the entirety of the Residence on the Lot.

(g) Minimum Rental Term; No Hotel-Like Services. Any lease or rental agreement entered into between an Owner and a lessee or renter shall be for a minimum term of thirty (30) days. No lease or rental of a Lot shall be permitted which contemplates or results in the provision of those services typically provided by a hotel or motel.

4.34 Time-Share Arrangements. No Lot or Lots or any portion thereof in the Development shall be leased, subleased, occupied, rented, let, sublet, or used for or in connection with any time sharing agreement, plan, program or arrangement, including, without limitation, any so called "vacation license," "travel club," "extended vacation," or other membership or time interval ownership arrangement. The term "time sharing" as used herein shall be deemed to include, but shall not be limited to, any agreement, plan, program, or arrangement under which the right to use, occupy, or possess any Lot or Lots or any portion thereof or Residence thereon in the Development rotates among various persons, either corporate, partnership, individual, or otherwise, on a periodically recurring basis for value exchanged, whether monetary or like kind use privileges, according to a fixed or floating interval or period of time. This section shall not be construed to limit the personal use of any Lot or any portion thereof in the Development by any Owner or his or her or its social or familial guests.

111 4.35 Garages and Driveways.

(a) Each Owner and Resident shall keep his or her garage and driveway in a neat, orderly, sanitary, and safe condition.

(b) Each garage door shall remain closed except during the time required for the entry and exit of vehicles and individuals and when and only for as long as reasonably necessary to (i) clean the garage, (ii) perform routine washing of vehicles, and (iii) perform yard maintenance upon the Lot.

(c) Except for modifications completed and in existence on May 1, 1999, no permanent modification shall be made to any garage which would interfere with the use of such garage for the accommodation of the number of full-sized vehicles which the garage was originally designed to accommodate. The term "permanent modification" shall include, without limitation, those modifications which include the construction of walls and cabinets affixed to the structure of the garage.

ARTICLE 5 HILLSBOROUGH OWNERS ASSOCIATION

5.1 Management and Operation. The Association, through the Board of Directors, shall manage and operate the Development in accordance with the applicable provisions of the Governing Documents and the applicable provisions of California law. The Association shall have all of the powers set forth in the Governing Documents together with general power to do any and all things that a nonprofit mutual benefit corporation may lawfully do under the laws of the State of California, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Governing Documents.

5.2 Membership. Every Owner of a Lot shall be a Member of the Association and shall remain a Member thereof until such time as his or her Lot ownership ceases for any reason. Membership shall be appurtenant to and may not be separated from ownership of a Lot and shall not be transferred, encumbered, pledged, alienated, or otherwise hypothecated in any way, except in connection with the sale or encumbrance of the Lot to which it is appurtenant.

5.3 Voting. Only Members in Good Standing shall be entitled to vote, and only one vote shall be cast for each Lot, as more particularly set forth in the Bylaws.

5.4 Board of Directors. The affairs of the Association shall be managed by or under the direction of a Board of Directors. The number and qualifications of Directors shall be as established in the Bylaws, and the members of the Board shall be elected as provided in the Bylaws. The Board of Directors shall have all of the powers and duties set forth in any provision of the Governing Documents, including without limitation such powers and duties as may be expressly set forth in this Declaration.

5.5 Association Rules. The Board of Directors shall have the power and the authority to establish, promulgate, amend, repeal, and enforce such Rules as the Board deems necessary for the management and operation of the Development and the conduct of business and affairs of the Association. Such Rules may concern, but need not be limited to, matters pertaining to use of the Common Area; pets; signs; collection and disposal of refuse; minimum standards for maintenance of property; use of recreation facilities; parking and traffic regulations; rental or leasing of Lots; and any other subject matter within the jurisdiction of the Association as provided in the Governing Documents or by law.

5.6 Manager and Other Personnel. The Board of Directors shall have the power and authority to employ a manager and such other persons or entities as the Board shall deem appropriate to assist it in managing the Development and conducting the business and affairs of the Association, as more particularly set forth in the Bylaws

5.7 Insurance. The Board shall procure and maintain liability insurance and property insurance as it shall deem proper and as more particularly set forth in the Bylaws.

5.8 Capital Improvements. The Board of Directors shall have the power and authority to provide for the construction, reconstruction, installation, or acquisition of capital improvements upon the Common Area, provided that in any fiscal year expenditures for capital improvements shall not exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year except upon the approval of an Absolute Majority. This limitation shall not apply to the expenditure of any funds accumulated in a reserve fund for capital improvements so long as the expenditure is for the purpose for which the fund was established nor shall it apply to any reconstruction governed by Article 7 of this Declaration.

5.9 Sale or Transfer of Association Property. Except as provided in Section 3.3, the Board of Directors shall not in any fiscal year sell or transfer property owned by the Association having a value in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year without approval of an Absolute Majority.

5.10 Sale, Transfer or Dedication of Common Area to Public Agency or Utility. Except as provided in Section 3.3, the Board of Directors shall have the power to dedicate, sell or transfer all or any part of the Common Area to a public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Board provided that the approval of an Absolute Majority is first obtained.

5.11 Mortgage of Association Real Property. The Board acting on behalf of the Association shall have the power and authority to mortgage, pledge, encumber, or otherwise hypothecate the Common Area and facilities thereon as security for money borrowed or debts incurred by the Association.

5.12 Access. The Board and its duly authorized agents or representatives shall have the right, after reasonable notice to the Owner thereof, to enter any Lot for the purpose of performing the maintenance authorized herein or for any other purpose reasonably related to the performance by the Association or the Board of their responsibilities.

5.13 Exclusive Easements. The Board shall not have the power to grant to Owners easements, licenses to use, and/or rights of way over the Common Area for their exclusive use.

5.14 Relationship with JR East Owners Association. The relationship between the Members, the Association and the JR East Owners Association is established in the Master Declaration, as it may be amended from time to time and shall include, without limitation, the following matters:

(a) Exercise of Voting Rights. Voting rights in the JR East Owners Association are established by, and shall be exercised in accordance with, the provisions of the Master Declaration including, without limitation, Article 5 thereof.

(b) Class A Members. The Master Declaration contemplates the existence of more than one class of members in the Association. However, this Declaration provides for a single membership class in the Association. Accordingly, for the purposes of the Master Declaration, all Members shall be considered class A members.

(c) Collection of Assessments. The assessments imposed by the Master Declaration shall be collected in accordance with the provisions of the Master Declaration including, without limitation, Article 6 thereof. As more fully provided in the Master Declaration, the Association shall have the responsibility for the collection of such assessments unless otherwise instructed by the JR East Owners Association.

(d) Hillsborough Representative. The Board shall appoint a representative, who shall serve at the pleasure of the Board, to attend the meetings of the JR East Owners Association and to otherwise act in accordance with the Master Declaration.

ARTICLE 6 ASSESSMENTS AND LIENS

6.1 Covenant of Owner. Each Owner of a Lot within the Development, by acceptance of a deed or other conveyance thereof, whether or not it shall be so expressed in such deed or conveyance, shall be deemed to have covenanted and agreed to pay to the Association: (i) Annual Assessments, (ii) Special Assessments, (iii) Reimbursement Assessments, and (iv) Enforcement Assessments levied by the Association as hereinafter provided, together with all Additional Charges. Such deed or conveyance shall be deemed to vest in the Association the right and power to initiate all actions and procedures as the Board shall deem necessary or appropriate for the collection of such Assessments and Additional Charges and for the enforcement of the liens hereinafter provided for.

Each Assessment levied by the Association under this article, together with all Additional Charges, shall be a separate, distinct, and personal debt and obligation of the Owner against whom it is assessed, and shall bind his or her heirs, devisees, personal representatives, successors, and assigns. Such obligation to pay Assessments and Additional Charges and the right and power of the Association to initiate all actions and procedures for collection shall run with the land, so that each successive Owner or Owners of Record of any Lot shall, in turn, become liable to pay all such Assessments and Additional Charges assessed during the time he or she is Record Owner of such Lot. After an Owner transfers of Record any Lot he or she owns, he or she shall not be liable for any Assessments levied thereafter with respect to such Lot. Such Owner shall remain personally liable, however, for all unpaid amounts due and owing at the time of transfer, together with Additional Charges accruing until time of collection. A Contract Seller of any Lot shall continue to be liable for all Assessments and Additional Charges until a conveyance by deed of such Lot is Recorded.

6.2 Creation of Lien. Each Assessment levied by the Association pursuant to this Declaration, together with all Additional Charges, shall be a charge upon the land and upon levy shall be secured by a continuing lien upon the property against which such Assessment is levied. The Association shall have a separate lien and a separate lien is hereby created upon each Lot to secure the payment of any such Assessments and Additional Charges as may be levied under this Declaration. The lien provided for herein shall continue to secure all Assessments and Additional Charges levied upon any Lot notwithstanding the transfer of Record title to such Lot, and any such transfer shall be subject to the Association's lien, provided that, prior to such transfer, a Notice of Delinquent Assessment has been Recorded as provided in this Declaration and by law. The priority of all such liens on each Lot shall be in inverse order so that upon the foreclosure of the lien for any particular charge on any Lot, any sale of such Lot pursuant to foreclosure of the lien will be made subject to all liens securing the respective monthly Assessments and Additional Charges on such Lot for succeeding months.

6.3 Purpose of Assessments. The Assessments levied by the Board shall be used exclusively to pay for the costs of management and operation of the Development, of conducting the business and affairs of the Association, to promote the recreation, health, safety, welfare, benefit, and interests of the Owners and Residents in the Development, and for the improvement and maintenance of the Common Area and, to the

extent provided for in the Governing Documents or by law, of the Lots situated within the Development or which, in the opinion of the Board, shall be deemed to be necessary or proper for the management of the Development or of the affairs of the Association, or the benefit of the Lot Owners, or for the enforcement of the Governing Documents.

6.4 Authority of the Board. The Board shall have the power and the duty to levy Annual and Special Assessments sufficient to meet the Association's obligations under the Governing Documents and applicable law.

6.5 Annual Assessment.

(a) Calculation of Estimated Requirement. Not later than forty-five (45) days prior to the beginning of each fiscal year, the Board shall complete and distribute to all Owners an estimate of the net funds required by the Association for such fiscal year, including a reasonable amount allocated to contingencies and to a reserve fund for restoration, repair, and/or replacement of those components for which the Association is responsible and which must be repaired or replaced on a periodic basis; to manage, administer, operate, and maintain the Development; to conduct the affairs of the Association; and to perform all of the Association's duties in accordance with this Declaration.

(b) Allocation of Annual Assessment. The Board shall allocate and assess the amount of estimated required funds equally among the Lots by dividing the amount by the number of Lots. Unless the Board shall designate otherwise, Annual Assessments shall be levied on an annual basis and shall be paid in twelve (12) equal monthly installments during the fiscal year, and each installment shall be due and payable on the first day of each month.

(c) Surplus Funds. If, as of the end of any fiscal year, there is a surplus of cash in the Association's current maintenance and operating account, as reflected in the Association's financial statement for such fiscal year, such surplus shall be applied to reserves unless some other disposition of such surplus funds is determined by the vote of the Members.

(d) Increases in Annual Assessment. Pursuant to California Civil Code Section 1366(b), except as otherwise provided by law, the Board shall not increase the Annual Assessment for any fiscal year above the amount of the Annual Assessment for the preceding fiscal year by more than the maximum amount permitted by law, except upon the affirmative vote or written consent of a majority of Members voting on any such increase in the Annual Assessment, provided that a quorum is established. For purposes of the preceding sentence, a quorum shall mean more than fifty percent (50%) of the Members of the Association, notwithstanding any lower quorum requirement which may be set forth in the Bylaws.

6.6 Special Assessments.

(a) Purpose of Special Assessments. If at any time during any fiscal year the Annual Assessment proves inadequate for any reason, including nonpayment of any Owner's share thereof or the unexpected repair, replacement, or reconstruction of improvements located in the Development, or if funds are otherwise required for any authorized activity of the Association, the Board may levy a Special Assessment in the amount of such actual or estimated inadequacy or cost.

(b) Allocation of Special Assessments. Special Assessments shall be allocated and assessed among the Lots in the same manner as Annual Assessments.

(c) Approval of Special Assessments. Except in the case of an emergency situation as defined in California Civil Code Section 1366, in any fiscal year the Board may not levy Special Assessments which, in the aggregate, exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year, except upon the affirmative vote or written consent of a majority of the Members voting on any such Special Assessment, provided that a quorum is established. For purposes of the preceding sentence, a quorum shall mean more than fifty percent (50%) of the Members of the Association, notwithstanding any lower quorum requirement which may be set forth in the Bylaws.

6.7 Reimbursement Assessments. The Association shall levy a Reimbursement Assessment against any Owner and his or her Lot if a failure by such Owner, or any person or pet for whom the Owner is responsible, to comply with any provision of the Governing Documents has necessitated or resulted in an expenditure of funds by the Association to deal with such lack of compliance or to bring such Owner or his Lot into compliance. The Association shall also levy a Reimbursement Assessment in the event that the Association has expended funds performing emergency repairs as authorized by this Declaration. A Reimbursement Assessment shall include any costs, including attorneys' fees, incurred by the Association, including costs of collecting from an Owner any amount which the Owner is obligated to pay to the Association. A Reimbursement Assessment shall be due and payable to the Association when levied.

6.8 Enforcement Assessments. The Board may levy an Enforcement Assessment (and any fine imposed by the Board in accordance with the provisions of the Governing Documents shall be deemed to be such an Enforcement Assessment), for violation of any of the provisions of the Governing Documents. Any Enforcement Assessment shall be due and payable to the Association when levied.

6.9 Failure to Fix Assessments. The failure or omission by the Board to fix or levy any Annual Assessment provided for by the terms of this Declaration before the expiration of any fiscal year, for that fiscal year or the next fiscal year, shall not be deemed either a waiver or a modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay Assessments or any installment thereof for that or any subsequent year, but the amount of the Annual Assessment fixed for the preceding fiscal year shall be the amount of the Annual Assessment for the ensuing fiscal year until a new Annual Assessment is levied.

6.10 Offsets. All Assessments levied by the Board shall be payable in the full amount specified, including any Additional Charges imposed as provided by the terms of this Declaration, and no offsets against any such amounts shall be permitted for any reason whatsoever, including without limitation a claim that the Association has failed to properly exercise its duties of maintenance or enforcement.

6.11 Delinquent Assessments. Any installment or other portion of an Assessment not paid within fifteen (15) days after its due date shall be delinquent and shall be subject to interest and late charges not to exceed the maximum rate permitted by law, as well as all other Additional Charges. The Board, on behalf of the Association, may enforce the payment of any delinquent Assessment plus Additional Charges by bringing an action at law against any Owner personally obligated to pay the same, or by foreclosing the lien against the Owner's Lot by judicial or non-judicial foreclosure, except as prohibited by law. Prior to Recording a Notice of Delinquent Assessment, the Association shall provide notice to the Owner as required by California Civil Code Section 1367(a) or other applicable statute. The Notice of Delinquent Assessment shall be mailed in the manner set forth in California Civil Code Section 2924b to all record owners of the Lot no later than ten (10) days after recordation as required by California Civil Code Section 1367(b). No procedures shall be initiated to foreclose the lien securing any Assessment levied under this article until after the expiration of thirty (30) days following the Recording of a lien created pursuant to California Civil Code Section 1367(b) or other applicable statute. Except as prohibited by law, upon the Recording of the Notice of Delinquent Assessment referred to above, the Association may, at its option, declare the entire balance of

all sums then due or to become due from the Owner, immediately due and payable, which total sum may then be included in any suit, action, or other procedure initiated to collect such sums, including all Additional Charges.

6.12 Power of Sale. Each Owner does hereby appoint the Association as trustee to enforce and to foreclose any lien which is established pursuant to the terms of this Declaration, by private power of sale, as provided in Division III, Part 4, Title 14, Chapter 2, Article 1. of the California Civil Code, and does further grant to the Board of Directors, on behalf of the Association, the authority and power to sell the Lot of such Owner in the event of any default in payment of any Assessments or Additional Charges levied against such Lot, for lawful money of the United States, to the highest bidder, to satisfy such lien, except as prohibited by law. The Association or any Owner may purchase the Lot at the sale. The Board may commence any procedure for the collection of delinquent Assessments upon its own decision. The remedies provided in this Declaration for collection of delinquent Assessments shall be cumulative and not exclusive.

6.13 Certificate of Satisfaction and Release of Lien. Upon payment in full of a delinquent Assessment, including any Additional Charges, or the satisfaction thereof, the Board shall Record, in the same manner as the Notice of Delinquent Assessment, a further certificate stating the satisfaction thereof and the release of the lien.

6.14 Priority. Except as otherwise expressly provided by law, the lien securing each of the Assessments provided for under this article shall have priority as of the date of Recording of the original Declaration applicable to the Development over all other liens and encumbrances applicable to the Lots; provided, however, that such Assessment lien shall be subordinate to the lien of any First Mortgage Recorded against the Lot; and provided, further, that such subordination shall apply only to the Assessments which have become due and payable prior to the sale of such property pursuant to a decree of foreclosure of any such First Mortgage, or pursuant to a power of sale contained in any such First Mortgage. Such foreclosure sale shall not relieve such property from liability for any Assessments and Additional Charges thereafter becoming due, nor from the lien of any subsequent Assessment.

6.15 Association Funds. Unless otherwise determined by the Board, the Association shall maintain at least two separate accounts in one or more banks or other depositories selected by the Board, which accounts shall be clearly designated HILLSBOROUGH OWNERS ASSOCIATION OPERATING ACCOUNT and HILLSBOROUGH OWNERS ASSOCIATION RESERVE ACCOUNT. The Assessments collected by the Association shall be properly deposited into such accounts. The Assessments collected by the Association shall be used for the purposes set forth in Section 6.3.

6.16 Waiver of Exemptions. Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this article, the benefit of any homestead or exemption laws of the State of California in effect at the time any Assessment or installment thereof becomes delinquent or any lien is imposed pursuant to the terms of this article.

6.17 Property Exempt From Assessments. The following property subject to this Declaration shall be exempt from the Assessments, Additional Charges, and liens created herein:

(a) All property dedicated to and accepted by the County, or other local public authority, and devoted to public use;

(b) Any Lot which is owned by the Association as a result of the Association having acquired such Lot through foreclosure; provided, however, that such exemption shall be applicable only during the period in which the Association is Record Owner of such Lot; and

- (c) All Common Area.

ARTICLE 7 DAMAGE OR DESTRUCTION OF BUILDINGS; CONDEMNATION

7.1 Replacement or Repair of Association Property. In the event of damage to or destruction to the Common Area or other property owned by the Association by causes insured against by the Association, the Association shall repair or replace the same from the insurance proceeds payable to it or to the trustee designated by the Board of Directors unless an election is made by the vote of an Absolute Majority not to repair or replace the Common Area. If the Members decide not to repair or replace the Common Area, the insurance proceeds shall be distributed to the Members or otherwise used as determined by the vote of an Absolute Majority. If damage or destruction occurs to the Common Area and the insurance proceeds are insufficient to cover the costs of repair or replacement thereof, the Association may impose a Special Assessment upon all Owners as provided in Section 6.6 to cover the additional costs of repair or replacement not covered by insurance proceeds.

7.2 Replacement or Repair of Improvements to Lots. In the event of damage or destruction of the improvements on any Lot, the Owner of such Lot shall be completely responsible for the repair or rebuilding of the improvements. Such repair or rebuilding shall be commenced within a reasonable time, which shall in no event exceed one (1) year after the occurrence of the damage or destruction.

7.3 Condemnation of Common Area. If part or all of the property is taken by any authority having the power of eminent domain, the Association shall represent the Owners in any condemnation proceedings or in any negotiations, settlements and agreements with the condemning authority for acquisition of the Common Areas, or part thereof, or in litigation of the issues with respect to the compensation to be paid. Each Owner hereby designates the Association as his attorney-in-fact for such purposes. All compensation and damages, exclusive of that paid for individual Lots, shall be payable to the Association as trustee for all Owners and Mortgagees as their interests may appear. Upon receipt of the award the Association shall determine, by the vote or written consent of seventy-five percent (75%) of the Members, whether the award is sufficient to repair and restore the property and whether it is practicable to do so. If the Association determines to rebuild, the Board shall levy a Special Assessment to cover any reconstruction costs not compensated by the award. If the Association determines not to rebuild, the Board shall prepare a new subdivision map for the remaining property and shall distribute the award to the Owners and Mortgagees as their interests appear.

7.4 Condemnation of Lots. If the taking involves individual Lots, the Owner directly affected shall represent and negotiate for himself with respect to the damages and compensation for such taking.

ARTICLE 8 MAINTENANCE OF PROPERTY

8.1 Association Responsibility.

(a) Maintenance of Common Area. The Association shall provide maintenance, repair, and replacement of the Common Area and all facilities, improvements, and landscaping thereon, including, without limitation, parking areas, entry gates to the Development and related facilities, private streets, walks and utility facilities (except for those utility facilities which are maintained by public or private utility companies or agencies), and all other real and/or personal property that may be acquired by the Association, keeping such property in good condition and repair. The Association shall further be responsible for providing lighting, landscaping, gardening (including periodic

replacement, as the Board deems necessary, of trees, shrubs, and other plants upon the Common Area), and janitorial services for the Common Area, as needed, and shall cause any and all other acts to be done which may be necessary to assure the maintenance of the Common Area in good condition and repair, including painting of the exterior surfaces of any building(s) and such other portions of the Common Area as the Board, in its discretion, determines to be necessary.

(b) Maintenance of Scenic Corridor Walls and Iron Fences. Whether they are located on the Common Area, the Lots or elsewhere, the Association shall maintain, repair and replace (i) the Scenic Corridor Walls in accordance with the specifications set forth in Exhibit "A" attached to this Declaration, and (ii) the iron fences on the perimeter of lot D as shown on the Unit 1 Map in accordance with the specifications set forth in Exhibit "B" attached to this Declaration. Except as indicated in this section, the Association shall have no maintenance, repair or replacement responsibilities with respect to the Lots or any other fences thereon.

(c) Maintenance of Monuments. The Association shall maintain, repair and replace all monuments and associated structures placed at the entrance to the Development except to the extent that the maintenance, repair and replacement of such monuments is the responsibility of, or undertaken by, the JR East Owners Association.

(d) Street Lighting. The Association shall maintain, repair and replace all lighting fixtures for the private streets originally constructed as part of the Development, whether such fixtures are located on Lots or on the Common Area.

(e) Scenic Corridors. The Association shall not have any maintenance responsibilities with respect to the Scenic Corridors, which shall be maintained by the JR East Owners Association in accordance with the Master Declaration.

8.2 Authority for Entry of Lot. The Association or its agents may enter any Lot, whenever such entry is necessary, in the Board's sole discretion, in connection with the performance of any maintenance, repair, construction, or replacement for which the Association is responsible or which it is authorized to perform, including without limitation the authorization provided in Section 8.5. Although under no obligation to do so, the Board, in its complete and sole discretion, may enter or may authorize the Association's agents to enter any Lot to effect emergency repairs where such repairs are necessary for safety reasons or to prevent or discontinue damage to the entered Lot, any other Lot or the Common Area. The cost of performing any such emergency repairs shall be charged to the Owner as a Reimbursement Assessment. Such entry shall be made with as little inconvenience to the Residents as practicable and only upon reasonable advance written notice of not less than twenty-four (24) hours, except in emergency situations.

8.3 Association Liability. Except as specifically provided in Section 8.1(b) and Section 8.1(d), the Association shall not be responsible or liable for any maintenance, repair, or replacement of a Lot or any improvement thereon, except to the extent that the need for such maintenance, repair, or replacement results from the negligence or fault of the Association, its employees, contractors, or agents.

8.4 Owner Responsibility for Lots

(a) Generally. Except for the maintenance specifically assigned to the Association pursuant to Section 8.1(b) and Section 8.1(d), each Owner shall be responsible for the maintenance, repair and replacement of his or her Lot and all improvements thereon including, without limitation (i) the Residence (ii) all landscaping, and (iii) in accordance with the provisions of Section 2.7, all fences.

(b) Landscaping. Each Owner shall maintain the landscaping on his or her Lot in a neat and attractive condition including, without limitation, the fertilization, regular mowing and edging of grass and trimming of bushes and trees.

(c) Fences. Except as provided in Section 8.1(b), each Owner shall maintain, in good condition and repair, the fences located on or serving his or her Lot in accordance with Section 2.7 and Section 10.2(d).

(d) Weeds and Trash. Each Owner shall keep his or her Lot free of trash, weeds and other debris.

(e) Drainage and Erosion Control. Each Owner shall maintain and keep in good working order all drainage and erosion control systems on his or her Lot.

(f) Tree Drain Lots. The Owners of Lots 75, 76, 115 and 119 shall be responsible for the maintenance, repair and replacement of the Tree Drains located on their Lots.

(g) Utility Connections. Utility lines and connections, including without limitation, water, sewer, electrical, cable television, telephone and gas lines, which are located on, under, or over any Lot and which provide service to the Residence or other improvements located upon such Lot, shall be maintained, repaired and replaced by the Owner of such Lot or by the utility company providing such service.

(h) Compliance With Architectural Provisions. An Owner's right and responsibility for maintaining, repairing or replacing any portions of his or her Lot, including landscaping, shall be subject to any applicable provisions of the Governing Documents relating to landscaping and architectural control, including Article 10.

8.5 Owner Failure to Maintain. The Board shall have the absolute discretion to determine whether any maintenance, repair, or replacement which is the responsibility of an Owner, including, without limitation, those specific responsibilities listed in Sections 8.4(b) through 8.4(g), is necessary to preserve the appearance and value of the property comprising the Development, or any portion thereof, and may notify an Owner of the work the Board deems necessary. In the event an Owner fails to perform such work within thirty (30) days after notification by the Board to the Owner, the Board may, after written notice to the Owner and the right of a hearing before the Board, cause such work to be done and charge the cost thereof to the Owner as a Reimbursement Assessment.

8.6 Owner Liability. In the event the need for any maintenance, repair, or replacement by the Association is caused by the willful or negligent act or omission of an Owner or an Owner's family, tenants, Contract Purchaser, guests, invitees, or household pets, the cost of such maintenance, repair, or replacement, including the cost of materials, labor, supplies, and services shall be charged to, and paid by, such Owner in the form of a Reimbursement Assessment.

ARTICLE 9 MORTGAGEE PROTECTION

9.1 Mortgage Permitted. Any Owner may encumber his Lot with a Mortgage.

9.2 Priority of Mortgages. Any lien created or claimed under the provisions of this Declaration is expressly made subject and subordinate to the rights of any First Mortgage that encumbers all or a portion of the Development, or any Lot, made in good faith and for value, and no such lien shall in any way defeat,

invalidate or impair the obligation or priority of such Mortgage unless the Mortgagee expressly subordinates his interest, in writing, to such lien. No breach of the covenants, conditions or restrictions herein contained, nor the enforcement of any lien provisions herein shall affect, impair, defeat or render invalid the lien or charge of any First Mortgage made in good faith and for value encumbering any Lot. But all covenants, conditions and restrictions of this Declaration 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.

9.3 Curing Defaults. A 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.

9.4 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 is entitled to all of the rights and protections afforded to other mortgagees.

9.5 Relationship with Assessment Liens.

(a) The liens created under Article 6 hereof shall be subordinate to the lien of 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 Mortgage; and (2) the foreclosure of the lien of said Mortgage or sale under a power of sale included in such Mortgage (such events being hereinafter referred to as "events of foreclosure") shall not operate to affect or impair the lien hereof, except that any persons who obtain an interest through any of the events of foreclosure shall take title free of the lien hereof for all such charges as shall have accrued up to the time of any of the events of foreclosure, but subject to the lien hereof for all of said charges that shall accrue subsequent to the events of foreclosure.

(c) Any Mortgagee who obtains title to a Lot by reason of any of the events of foreclosure, or any purchaser at a private or judicial foreclosure sale, shall take title to such Lot free of any lien claim for unpaid assessments against such Lot which accrue prior to the time such Mortgagee or purchaser comes into possession of the Lot, except for liens or claims for a share of such assessments resulting from a reallocation of such assessments.

(d) Nothing in this section shall be construed to release any Owner from his obligation to pay for any assessment levied pursuant to this Declaration.

9.6 Special Provisions for Eligible Mortgage Holders. As used in this section, an "eligible" mortgage holder, insurer or guarantor is one who has requested notice of certain actions in accordance with Section 9.8 hereinbelow. The following provisions are imposed for the benefit of eligible mortgage holders:

(a) Any restoration or repair of the Development, after a partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with the Declaration and the original plans and specifications, unless other action is approved by eligible holders holding Mortgages on Lots which have at least fifty-one percent (51%) of the votes of Lots subject to eligible holder mortgages.

(b) Any election to terminate the legal status of the Development after substantial destruction or a substantial taking in condemnation of the project property must require the approval of eligible holders holding Mortgages on Lots which have at least fifty-one percent (51%) of the votes of Lots subject to eligible holder mortgages.

(c) No reallocation of interests in the Common Areas resulting from a partial condemnation or partial destruction of the Development may be effected without the prior approval of eligible holders holding Mortgages on all remaining Lots whether existing in whole or in part, and which have at least fifty-one percent (51%) of the vote of such remaining Lots subject to eligible holder mortgages.

(d) When professional management has been previously required by any eligible mortgage holder or eligible insurer or guarantor, whether such entity became an eligible mortgage holder or eligible insurer or guarantor at that time or later, any decision to establish self-management by the Association shall require the prior consent of Owners of Lots to which at least sixty-seven percent (67%) of the votes in the Association are allocated and the approval of eligible holders holding Mortgages on Lots which have at least fifty-one percent (51%) of the votes of Lots subject to eligible holder mortgages.

(e) Except as otherwise provided in sections (a), (b), (c) and (d) of this section:

(i) The consent of Owners of Lots to which at least sixty-seven percent (67%) of the votes in the Association are allocated and the approval of eligible holders holding Mortgages on Lots which have at least sixty-seven percent (67%) of the votes of Lots subject to eligible holder mortgages shall be required to terminate the legal status of the Development as a PUD project.

(ii) The consent of the Owners of Lots to which at least sixty-seven percent (67%) of the votes in the Association are allocated and the approval of eligible holders holding Mortgages on Lots which have at least fifty-one percent (51%) of the votes of Lots subject to eligible holder mortgages shall be required to add or amend any material provisions of this Declaration, the Articles or the Bylaws, which establish, provide for, govern or regulate any of the following:

- (1) Voting;
- (2) Assessments, assessment liens or subordination of such liens;
- (3) Reserves for maintenance, repair and replacement of the Common Areas (or Lots, if applicable);
- (4) Insurance or fidelity bonds;
- (5) Rights to use of the Common Areas;
- (6) Responsibility for maintenance and repair of the several portions of the Development;
- (7) Expansion or contraction of the Development or the addition, annexation or withdrawal of property to or from the Development;

- (8) Boundaries of any Lot;
- (9) The interests in the general or limited Common Areas;
- (10) Convertibility of Lots into Common Areas or of Common Areas into Lots;
- (11) Leasing of Lots;
- (12) Imposition of any right of first refusal or similar restriction on the right of a Lot Owner to sell, transfer or otherwise convey his or her Lot;
- (13) Any provisions which are for the express benefit of Mortgage holders, eligible mortgage holders or eligible insurers or guarantors of First Mortgages on Lots.

9.7 Changes Requiring Additional First Mortgagee Approval. Except upon the prior written approval of at least two-thirds (2/3) of all first Mortgagees (based on one (1) vote for each First Mortgage owned), neither the Association nor the Members shall be entitled to do any of the following:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area either directly or indirectly; provided, however, the granting of easements for public utilities or for other public purposes consistent with the intended use of such common property by the Development shall not be deemed a transfer within the meaning of this clause.

(b) Change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner.

(c) Fail to maintain fire and extended coverage insurance on insurable Association property including the Common Area, on a full current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value, or use casualty insurance proceeds for losses to any part of the Development for other than the repair, replacement and reconstruction of such improvements except as provided by statute in case of substantial destruction.

(d) By act or omission, change waive or abandon the provisions hereof, or enforcement thereof, pertaining to architectural design, exterior appearance, exterior maintenance of units or the maintenance of the Common Area, including the maintenance of the Common Area party walks or common fences and driveways, or the upkeep of lawns and plantings.

(e) Change the provisions of Section 5.14 with respect to the obligations of the Association under the Master Declaration.

(f) Effectuate a decision to terminate professional management and assume self-management of the Development.

The Mortgagee approval requirements of this section are in addition to those of Section 9.6.

9.8 Notice to First Mortgagees Upon Request. Upon written request to the Association, identifying the name and address of the holder insurer or guarantor and the Lot number or address, the holder

of any First Mortgage or the insurer or guarantor of a First Mortgage will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Development or any Lot on which there is a First Mortgage held, insured or guaranteed by such Mortgage holder, insurer or guarantor;

(b) Any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to a First Mortgage held, insured or guaranteed by such holder, insurer or guarantor, which remains uncured for a period of sixty (60) days;

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained the Association;

(d) Any proposed action which would require the consent of a specified percentage of Mortgagees as specified in Section 9.6 or 9.7.

9.9 Rights to Inspect, Receive Statements, Attend Meetings.

(a) All Lot Owners and lenders, and all holders, insurers or guarantors of any First Mortgage shall be entitled to inspect current copies of the Declaration, Bylaws, the Association Rules and any other rules concerning the Development and the books, records and financial statements of the Association. Such inspection shall be upon request, during normal business hours or under other reasonable circumstances.

(b) All holders, insurers or guarantors of a First Mortgage shall be entitled, upon written request, to have an audited financial statement for the immediately preceding fiscal year of the Association, free of charge to the party so requesting. Such financial statement shall be furnished within a reasonable time following such request.

(c) Any first Mortgagee shall, upon written request to the Association, be entitled to receive written notice of all annual and special meetings of the members of the Board, and first Mortgagees shall further be entitled to 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 a first Mortgagee the right to call a meeting of the board or of the Members for any purpose or to vote at any such meeting.

9.10 Right of First Refusal. The right of an Owner to sell, transfer or otherwise convey his Lot is not subject to any "right of first refusal" or any similar restriction in favor of the Association. In the event this Declaration is amended to provide for any right of first refusal 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.

9.11 Mortgagees' Right to Cure Defaults. First Mortgagees of Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against all or a portion of any Common Area of the Development and may pay overdue premiums on hazard insurance policies, for such common property, and first Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

9.12 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.

9.13 Distribution Rights. No provision of this Declaration, or the Articles or the Bylaws, or any Rules and regulations established thereunder, shall be deemed to give an Owner, or any other party, priority over any rights of first Mortgagees of a Lot pursuant to their Mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of Lots.

ARTICLE 10 ARCHITECTURAL AND LANDSCAPE CONTROL

10.1 Submission of Plans and Specifications. Except for improvements made or constructed by or on behalf of the Association, no building, fence, wall, obstruction, balcony, screen, patio cover, tent, awning, improvement or other structure of any kind or any landscaping shall be commenced, erected, painted, or maintained within the Development, nor shall any exterior addition to or change or alteration therein be made, until the plans and specifications showing the nature, kind, shape, color, height, size, materials, and location of the same shall have been submitted to and approved in writing by the Architectural Control Committee as to quality of workmanship and design, harmony of external design and location in relation to surrounding structures, topography, and finished grade elevation and is in compliance with Section 10.2.

10.2 General Design Standards. The following design standards shall apply:

(a) Type and Character of Design. Exterior design of all the improvements on any Lot shall be compatible with the overall atmosphere of Hillsborough. Approval of such exterior design shall be in the sole discretion of the Architectural Control Committee.

(b) Home Size. Each residence shall have a total floor area (excluding decks, patios, balconies and garages) of at least two thousand (2,000) square feet.

(c) Garages and Driveways. The residential improvements on each Lot shall include a garage which shall accommodate at least two (2) cars. Carports shall not be allowed. At least one (1) garage door in each Residence shall be equipped with an automatic garage door opener. Each Lot must have a concrete driveway.

(d) Fences and Walls. Except for Scenic Corridor Walls and the iron fence along the perimeter of lot D as shown on the Unit 1 Map, all fences and walls, including the location, style, color, height and function of such fence or wall, must be approved in writing by the Architectural Control Committee prior to installation. All such fences and walls shall be constructed of wrought iron or redwood materials in accordance with the fence and wall specifications set forth in Exhibit "B" and Exhibit "C" attached to this Declaration. Except as provided in Section 8.1(b), each Owner shall maintain and repair the fences on or serving his or her Lot. As more fully provided in Section 8.5, if an Owner fails or refuses to fully and faithfully comply with and conform to the provisions of this section, then the Board shall have the right to enter upon such Lot or Lots and cause to be performed such work as may be necessary to fulfill the requirements of this section, charging the costs to the Owner as a Reimbursement Assessment.

(e) Building Materials. There shall be no prescribed siding material, except that no vertical side of any structure shall have a finished surface of imitation wood shingles or other siding material which the Architectural Control Committee, in its complete discretion, deems unsuitable or inferior. No reflective finishes shall be used on exterior surfaces with the exception of hardware items. All improvements erected on Lots shall be of new construction, provided that the use of used

brick or other materials which, in the judgment of the Architectural Control Committee, are attractive and preservative of property values shall be permitted in the discretion of the Architectural Control Committee.

(f) Roofs. Single level homes shall have a roof pitch not less than 6' in 12'. Two-story homes and multi-level homes shall have a roof pitch not less than 5' in 12'. Roofing materials shall be clay-fired tile, concrete tile, wood shingles, or heavy or medium-split cedar shakes. Under no circumstances may asphalt shingles be used. All rooftop colors shall be subject to Architectural Control Committee approval. Rooftop heating and/or air-conditioning units are prohibited with the exception of solar energy panels. Wherever possible, solar energy shall be installed in such a manner as to not be visible from the Common Area.

(g) Telephone and Electrical Service. No overhead telephone or electrical service lines may be constructed on any Lot or cross over any Lot. All portions of telephone and electrical service lines not located entirely within the enclosed portion of a Residence other than service pedestals must be buried beneath the surface of the ground.

(h) Licensed Contractors. All Residences, or alterations or additions thereto, must be constructed by a contractor duly licensed by the State of California.

(i) Restrictions. All improvements must comply with the provisions of this Declaration including, without limitation, those specified in Article IV.

10.3 Establishment of Architectural Control Committee. The Board shall appoint an Architectural Control Committee consisting of three (3) Members of the Association, at least one of whom shall be a Director. The Board may also appoint one (1) alternate Committee member who may be designated by the Committee to act as substitute on the Committee in the event of absence or disability of any Committee member. In the event of death or resignation of any member of the Committee, the Board shall have the full authority to designate a successor. If at any time there shall not be a duly-constituted Architectural Control Committee, the Board shall exercise the functions of the Architectural Control Committee in accordance with the terms of this article.

10.4 Duties. It shall be the duty of the Architectural Control Committee to consider and act upon proposals or plans submitted to it pursuant to the terms of this article to perform other duties delegated to it by the Board, and to carry out all other duties imposed upon it by this Declaration.

10.5 Meetings. The Architectural Control Committee shall meet as necessary to properly perform its duties hereunder. The vote or written consent of a majority of the members shall constitute an act by the Committee. The Committee shall keep and maintain a record of all actions taken by it at such meetings or otherwise. The Architectural Control Committee and its members shall be entitled to reimbursement for reasonable out-of-pocket expenses incurred by them in the performance of any Architectural Control Committee function.

10.6 Rules. The Architectural Control Committee may, from time to time, and subject to the Board's approval, adopt, amend, and repeal rules and regulations to be known as "Architectural Rules." The Architectural Rules shall interpret and implement the provisions of this article by setting forth the standards and procedures for Architectural Control Committee review and guidelines for architectural design, placement of buildings and other structures, and landscaping, color schemes, exterior finishes and materials, and similar features which are recommended for use in the Development; provided, however, that the Architectural Rules shall not be in derogation of the minimum standards required by this Declaration. In accordance with

Section 10.2, such Architectural Rules may, without limitation, (i) establish maximum heights for, and (ii) specify the composition of all roofing materials of, any sheds or other structures.

10.7 Application. Any Owner proposing to perform any work of any kind whatever, which requires prior approval pursuant to this article, shall apply for approval by notifying the Association, in writing, of the nature of the proposed work and furnishing such information and documentation as the Committee or Board may require.

10.8 Fees. The Architectural Control Committee may, in its sole discretion, consult with professionals, including without limitation architects, engineers, soils experts, or contractors, in reviewing architectural or landscaping applications, drawings, plans, and specifications. The Architectural Control Committee may not charge a fee for its review except that it may charge a reasonable fee or fees equal to the cost of consultations obtained pursuant to this section.

10.9 Grant of Approval. The Architectural Control Committee shall grant the requested approval only if:

(a) The Owner shall have complied with the provisions of Section 10.1 above:

(b) The Committee shall find that the plans and specifications conform to this Declaration, including without limitation Section 10.2, and to the Architectural Rules in effect at the time such plans were submitted to the Committee;

(c) The Committee shall determine that the proposed improvements would be consistent with the standards of the Development and the purposes of this Declaration as to quality of workmanship, design and materials, as to harmony of exterior design with the existing structures, and as to location with respect to topography and finished grade elevations; and

(d) If the proposed improvement involves the construction or alteration of a Residence, a contractor duly licensed by the State of California will be constructing the proposed improvement.

10.10 Form of Approval. All approvals and denials of requests for approval shall be in writing except as provided in Section 10.11. The Architectural Control Committee may approve a request for approval subject to the Owner's consent to any modifications made by the Architectural Control Committee. If the Owner does not consent to the modifications, the request for approval shall be deemed denied in its entirety. Any approval or approval with modifications shall become effective on the eleventh day following the date of such approval and shall be subject to Board review as provided in Section 10.12.

10.11 Time for Committee Action. Any request for approval which has not been acted upon within forty-five (45) days from the date of receipt thereof by the Architectural Control Committee shall be deemed approved. The Owner requesting approval shall have the burden of establishing the date of receipt of the request for approval by the Architectural Control Committee.

10.12 Board Review. The Architectural Control Committee shall submit a copy of its findings and determinations to the Board which shall then have ten (10) days from the date of the approval or denial of the request for approval to review, upon its own initiative, the action of the Committee. The Board may also review the action of the Architectural Control Committee at the request of the Architectural Control Committee or any Member, including the Owner submitting the request for approval, provided that any such request shall be presented to the Board within ten (10) days from the date of the approval or denial of the request for approval by the Architectural Control Committee. If a review is conducted, the Board may affirm.

reverse or modify the decision in its discretion and in accordance with the provisions of the Governing Documents.

10.13 Commencement. Upon receipt of approval pursuant to Sections 10.9 and 10.10, the Owner shall, as soon as practicable following the effective date of such approval as specified in Section 10.10, satisfy all conditions thereof and diligently proceed with the commencement and completion of all installation, construction, reconstruction, refinishing, alterations, and excavations pursuant to such approval, commencement to occur, in all cases, within ninety (90) days from the effective date of such approval. If the Owner shall fail to comply with this paragraph, any approval previously given shall be deemed revoked unless the Board, upon written request of the Owner made prior to the expiration of the time for commencement, extends the time for such commencement. No such extension shall be granted except upon a finding by the Board that there has been no change in the circumstances upon which the original approval was granted.

10.14 Completion. The Owner shall, in any event, complete the installation, construction, reconstruction, refinishing, or alteration of any improvement within one (1) year after commencing construction thereof (or in the case of projects under construction when this Declaration is Recorded, within one (1) year after the date of Recordation), except and for as long as such completion is rendered impossible or would result in great hardship to the Owner due to strikes, fires, national emergencies, natural calamities, or other supervening forces beyond the control of the Owner or his agents. If an Owner fails to comply with this section, the Architectural Control Committee shall notify the Board of such failure, and the Board shall proceed in accordance with the provisions of Section 10.15, below, as though the failure to complete the improvements was a non-compliance with approved plans.

10.15 Inspection. Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon the completion of any installation, construction, reconstruction, alteration, or refinishing of the exterior of any improvements, or upon the completion of any other work for which approved plans are required under this article, the Owner shall give written notice thereof to the Architectural Control Committee.

(b) Within sixty (60) days after the receipt of such written notice, the Committee, or its duly authorized representative, may inspect such improvement to determine whether it was installed, constructed, reconstructed, altered, or refinished to substantial compliance with the approved plans. If the Committee finds that such installation, construction, reconstruction, alteration, or refinishing was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such non-compliance within such sixty (60) day period, specifying particulars of non-compliance and shall require the Owner to remedy such non-compliance.

(c) If the Owner shall have failed to remedy such non-compliance upon the expiration of thirty (30) days from the date of such notification, the Committee shall notify the Board in writing of such failure. The Board shall then set a date on which a hearing before the Board shall be held regarding the alleged non-compliance. The hearing date shall be not more than thirty (30) nor less than fifteen (15) days after notice of the non-compliance is given to the Board by the Architectural Control Committee. Notice of the hearing date shall be given at least ten (10) days in advance thereof by the Board to the Owner, to the Architectural Control Committee and, in the discretion of the Board, to any other interested party.

(d) At the hearing the Owner, the Architectural Control Committee and, in the Board's discretion, any other interested person, may present information relevant to the question of the alleged non-compliance. After considering all such information, the Board shall determine whether

reverse or modify the decision in its discretion and in accordance with the provisions of the Governing Documents.

10.13 Commencement. Upon receipt of approval pursuant to Sections 10.9 and 10.10, the Owner shall, as soon as practicable following the effective date of such approval as specified in Section 10.10, satisfy all conditions thereof and diligently proceed with the commencement and completion of all installation, construction, reconstruction, refinishing, alterations, and excavations pursuant to such approval, commencement to occur, in all cases, within ninety (90) days from the effective date of such approval. If the Owner shall fail to comply with this paragraph, any approval previously given shall be deemed revoked unless the Board, upon written request of the Owner made prior to the expiration of the time for commencement, extends the time for such commencement. No such extension shall be granted except upon a finding by the Board that there has been no change in the circumstances upon which the original approval was granted.

10.14 Completion. The Owner shall, in any event, complete the installation, construction, reconstruction, refinishing, or alteration of any improvement within one (1) year after commencing construction thereof (or in the case of projects under construction when this Declaration is Recorded, within one (1) year after the date of Recordation), except and for as long as such completion is rendered impossible or would result in great hardship to the Owner due to strikes, fires, national emergencies, natural calamities, or other supervening forces beyond the control of the Owner or his agents. If an Owner fails to comply with this section, the Architectural Control Committee shall notify the Board of such failure, and the Board shall proceed in accordance with the provisions of Section 10.15, below, as though the failure to complete the improvements was a non-compliance with approved plans.

10.15 Inspection. Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon the completion of any installation, construction, reconstruction, alteration, or refinishing of the exterior of any improvements, or upon the completion of any other work for which approved plans are required under this article, the Owner shall give written notice thereof to the Architectural Control Committee.

(b) Within sixty (60) days after the receipt of such written notice, the Committee, or its duly authorized representative, may inspect such improvement to determine whether it was installed, constructed, reconstructed, altered, or refinished to substantial compliance with the approved plans. If the Committee finds that such installation, construction, reconstruction, alteration, or refinishing was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such non-compliance within such sixty (60) day period, specifying particulars of non-compliance and shall require the Owner to remedy such non-compliance.

(c) If the Owner shall have failed to remedy such non-compliance upon the expiration of thirty (30) days from the date of such notification, the Committee shall notify the Board in writing of such failure. The Board shall then set a date on which a hearing before the Board shall be held regarding the alleged non-compliance. The hearing date shall be not more than thirty (30) nor less than fifteen (15) days after notice of the non-compliance is given to the Board by the Architectural Control Committee. Notice of the hearing date shall be given at least ten (10) days in advance thereof by the Board to the Owner, to the Architectural Control Committee and, in the discretion of the Board, to any other interested party.

(d) At the hearing the Owner, the Architectural Control Committee and, in the Board's discretion, any other interested person, may present information relevant to the question of the alleged non-compliance. After considering all such information, the Board shall determine whether

there is a non-compliance, and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a non-compliance exists, the Board shall require the Owner to remedy or remove the same within a period of not more than forty-five (45) days from the date of the Board's ruling. If the Owner does not comply with the Board's ruling within such period or within any extension of such period as the Board, in its discretion, may grant, the Board, at its option, may either remove the non-complying improvement or remedy the non-compliance and all expenses incurred in connection therewith shall be assessed against the Owner as a Reimbursement Assessment.

(e) If, for any reason, the Architectural Control Committee fails to notify the Owner of any non-compliance within sixty (60) days after receipt of a notice of completion from the Owner, the improvement shall be deemed to be in accordance with the approved plans. The Owner shall have the burden of establishing the date of receipt of the notice of completion by the Architectural Control Committee.

10.16 Preliminary Approval. Any Owner proposing to construct improvements requiring the prior approval of the Architectural Control Committee may apply to the Committee for preliminary approval by submission of preliminary drawings of the proposed improvements in accordance with the Architectural Rules. The purpose of the preliminary approval procedure is to allow an Owner proposing to make substantial improvements an opportunity to obtain guidance concerning design considerations before expending substantial sums for plans and other exhibits required to apply for final approval. Application for preliminary approval shall be considered and disposed of as follows:

(a) Within forty-five (45) days after proper application for preliminary approval, the Architectural Control Committee shall consider and act upon such request. However, notwithstanding any other provision of this Declaration, no failure to act upon an application for preliminary approval shall be deemed to be an approval of such application. The Committee shall grant the approval only if the proposed improvement, to the extent its nature and characteristics are shown by the preliminary application, would be entitled to a final approval on the basis of a full and complete application. In granting or denying approval, the Committee may give the applicant such directions concerning the form and substance of the final application for approval as it may deem proper or desirable for the guidance of the applicant.

(b) Any preliminary approval granted by the Architectural Control Committee shall be effective for a period of ninety (90) days from the date of the issuance thereof. During such period, any application for final approval which consists of proposed improvements in accordance with the provisions of the preliminary approval, and is otherwise acceptable under the terms of this Declaration, shall be approved by the Architectural Control Committee.

(c) In no event shall any preliminary approval be deemed to be an approval authorizing installation or construction of the subject improvements.

10.17 Non-Waiver. The approval by the Architectural Control Committee of any plans, drawings, or specifications for any work done or proposed, or for any other matter requiring the approval of the Committee under this Declaration, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification, or matter subsequently submitted for approval.

10.18 Estoppel Certificate. Within thirty (30) days after written demand is delivered to the Association by any Owner, and upon payment to the Association of a reasonable fee (as fixed from time to time by the Board), the Board shall Record an estoppel certificate, if permitted by the County, certifying (with respect to any Lot of such Owner) that as of the date thereof, either: (i) all improvements made and other work completed by such Owner comply with this Declaration, or (ii) such improvements or work do not so

comply, in which event the certificate shall also identify the non-complying improvements or work and set forth with particularity the basis of such non-compliance. Any purchaser from the Owner, or from anyone deriving any interest in a Lot through him, shall be entitled to rely on such certificate with respect to the matters therein set forth, such matters being conclusive as between the Association and all Owners and such persons deriving any interest through them.

10.19 Notice of Noncompliance. If any improvements are installed within the Development that are not in conformance with this Declaration, the Association is authorized to Record a Notice of Noncompliance, if permitted by the County, in accordance with Section 10.19. The Notice of Noncompliance shall provide: (i) a legal description of the Lot affected, (ii) the name of the record Owner as most recently reported to the Association, and (iii) a description of the general nature of the noncompliance. If and when such Lot is brought into compliance with this Declaration, as determined by the Board, the Association shall issue and, if permitted by the County, Record an estoppel certificate in accordance with Section 10.18.

10.20 Liability. Neither the Board, the Architectural Control Committee nor any member thereof shall be liable to the Association or to any Owner for any damage, loss, or prejudice suffered or claimed on account of: (i) the approval or disapproval of any plans, drawings, and specifications, whether or not defective; (ii) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications; (iii) the development of any property within the Development; (iv) the execution and filing of an estoppel certificate pursuant to Section 10.18, whether or not the facts therein are correct; provided, however, that the Committee, the Board or any member thereof has acted in good faith on the basis of such information as may be possessed by it or him; or (v) the execution and filing of a notice of noncompliance pursuant to Section 10.19, whether or not the facts therein are correct; provided, however, that the Committee, the Board or any member thereof has acted in good faith on the basis of such information as may be possessed by it or him. Without in any way limiting the generality of the foregoing, the Architectural Control Committee, the Board or any member thereof, may, but is not required to, consult with or hear the views of the Association or any Owner with respect to any plans, drawings, specifications, or any other proposal submitted to the Architectural Control Committee. Every purchaser, by acquiring title to a Lot or portion thereof agrees not to bring any action or suit against the Board, the Committee, or their members seeking to recover any such damages.

10.21 Compliance With Governmental Requirements. The application to the Association, and the review and approval of any proposals, plans, or other submittals, shall in no way be deemed to be satisfaction of or compliance with any building permit process or any other governmental requirements, the responsibility for which lies solely with the respective Owner, nor shall it constitute the assumption of any responsibility by or impose any liability on the Board, the Committee, or their members as to the accuracy, efficacy, or sufficiency of such proposals, plans or other submittals.

10.22 Compliance With the Provisions of the Master Declaration. Each Owner shall be responsible for obtaining any necessary approvals required by, and complying with the terms of, the Master Declaration. The application to the Association, and the review and approval of any proposals, plans, or other submittals, shall not be deemed to be satisfaction of or compliance with the Master Declaration, the responsibility for which lies solely with the respective Owner, nor shall it constitute the assumption of any responsibility by or impose any liability on the Board, the Committee, or their members as to the accuracy, efficacy, or sufficiency of such proposals, plans and other submittals.

ARTICLE 11 ENFORCEMENT

11.1 Violations as Nuisance. Every act or omission constituting or resulting in a violation of any of the provisions of the Governing Documents shall be deemed to constitute a nuisance and, in addition to any other remedies which may be available, such nuisance may be abated or enjoined by the Association or

its Officers or Board of Directors or by any Owner; provided, however, that the Board shall not be obligated to take action to abate or enjoin a particular violation if, in the exercise of its discretion, the Board determines that acting to abate or enjoin such violation is not likely to foster or protect the interests of the Association and its Members as a whole.

11.2 Violation of Law. Any violation of a state, municipal or local law, ordinance or regulation pertaining to the ownership, occupancy, or use of any property within the Development is hereby declared to be a violation of this Declaration and subject to any and all of the enforcement procedures set forth herein.

11.3 Owners' Responsibility for Conduct and Damages. Each Owner shall be fully responsible for informing members of his or her family and his or her tenants, Contract Purchasers, and guests of the provisions of the Governing Documents, and shall be fully responsible for the conduct, activities, any Governing Document violation of any of them, and for any damage to the Development or the Association resulting from the negligent or intentional conduct of any of them or any household pets. If a Lot is owned jointly by two or more persons, the liability of each Owner in connection with the obligations imposed by the Governing Documents shall be joint and several.

11.4 No Avoidance. No Owner may avoid the burdens or obligations imposed by the Governing Documents through non-use of any Common Area facilities or by abandonment of his or her Lot.

11.5 Rights and Remedies of the Association.

(a) Rights Cumulative. The Association, its Directors, Officers, or agents, and any Owner shall have the right to enforce any and all provisions of the Governing Documents by any proceeding at law or in equity, or through the use of such other remedies as are available and deemed appropriate by the Board. Each remedy provided is cumulative and not exclusive.

(b) Member Not In Good Standing. Upon a determination by the Board of Directors, after prior notice to the affected Member and an opportunity for a hearing, that such Member has violated any provision of the Governing Documents including a failure to pay any Assessment when due, the Board may, but shall not be required to, give notice in writing to such Member that he or she is deemed not to be a Member in Good Standing. Such Member shall be deemed to remain in that status until such time as the Board shall determine in writing that the violation which resulted in the Board's determination has been cured or remedied or, on some other basis as in the judgment of the Board is just and proper, that such Member shall again be deemed to be a Member in Good Standing of the Association.

(c) Imposition of Sanctions. In the event of a breach or infraction of any provision of the Governing Documents by an Owner, members of an Owner's family, or his or her tenants, Contract Purchasers, or guests, the Board shall have the power to impose a sanction against the Owner who is responsible as provided in Section 11.3 for such breach or infraction. A sanction may include, but shall not necessarily be limited to, the imposition of monetary penalties (fines) and/or the suspension of an Owner's rights as a Member of the Association, including an Owner's voting rights or an Owner's right to use the recreational or community facilities on the Common Area. Imposition of a sanction shall be effective only after notice and an opportunity for hearing as provided in the Bylaws. The payment of any such monetary penalty may be enforced as an Enforcement Assessment as provided in Article 6 of this Declaration as well as in any manner permitted by law. Further, each Owner shall be obligated to pay Reimbursement Assessments levied by the Board for reimbursement of any costs incurred by the Association relating to violation of any provisions of the Governing Documents by such Owner's family, tenants, Contract Purchasers, guests, pets, or other invitees.

(d) Inadequacy of Legal Remedy. Except for the non-payment of any Assessment levied pursuant to the provisions of Article 6 of this Declaration, it is hereby declared that a remedy at law to recover damages for a default in the performance of any of the terms and provisions of any of the Governing Documents or for the breach or violation of any such provisions is inadequate and that the failure of any Owner or a member of the family of any Owner or an Owner's tenants, guests, or household pets or any other occupant or user of any of the property within the Development to comply with any provision of the Governing Documents may be enjoined in any judicial proceedings initiated by the Association, its Officers or Board of Directors, or by any Owner or by their respective successors in interest.

(e) Limitation on Disciplinary Rights. The Association shall not have the power and authority to cause a forfeiture or abridgment of a Member's right to the full use and occupancy of his or her Lot as the result of the failure by such Owner, members of such Owner's family, or his or her tenants, guests, invitees or household pets to comply with any provision of the Governing Documents, except where such forfeiture or abridgment is the result of the judgment of a court of competent jurisdiction, a decision arising out of an arbitration proceeding, or a foreclosure or sale under private power of sale for failure of such Owner to pay Assessments levied by the Association pursuant to Article 6 of this Declaration. The provisions of this subsection shall not affect the Association's right to impose fines or monetary penalties or to suspend an Owner's membership rights, as provided in the Governing Documents.

11.6 Disciplinary Rules. The Board or a committee appointed by the Board for that purpose may adopt rules and regulations that further elaborate upon and refine procedures for conducting disciplinary proceedings and otherwise imposing sanctions upon Members of the Association for violation of provisions of the Governing Documents. Such rules, when approved and adopted by the Board, shall be deemed to be a part of the Association Rules provided for in, and constituting a part of, the Governing Documents.

11.7 Emergency Situations. The following shall constitute emergency situations: (i) an immediate and unreasonable infringement of or threat to the safety or peaceful enjoyment of Residents of the Development, (ii) a traffic or fire hazard, (iii) a threat of material damage to or destruction of the Development or any portion thereof, (iv) a violation of any provision of the Governing Documents that is of such a nature that there is no material question regarding the identity of the violator or whether the violation has occurred (such as parking violations). Notwithstanding any other provisions of the Governing Documents, under circumstances involving conduct that constitutes an emergency, the Board or its duly authorized agents may undertake immediate corrective or disciplinary action and, upon request of the Owner as to whom such corrective or disciplinary action has been taken, or on its own initiative, conduct a hearing as soon thereafter as reasonably possible. If the Association acts on its own initiative to schedule a hearing, notice of the date, time and location of the hearing shall accompany the notice of the disciplinary action which is transmitted to the Owner. If the Board has not scheduled a hearing and the Owner desires a hearing, the Owner's written request therefor shall be delivered to the Association no later than five (5) days following the date when the notice of the Board's disciplinary action is transmitted to the Owner. The hearing shall be held not later than fifteen (15) days following the date of the Board's notice of the disciplinary action or fifteen (15) days following the receipt of the Owner's request for a hearing, whichever is later. If a hearing is scheduled or requested, any sanctions imposed or other disciplinary action taken by the Board shall be held in abeyance and shall become effective only if affirmed at the hearing.

11.8 Alternative Dispute Resolution. Any dispute which is subject to California Civil Code Section 1354(b) shall be submitted to alternative dispute resolution procedures ("ADR") as herein described. The power and duty of the Board of Directors to levy and collect Assessments through lien foreclosure proceedings shall not be subject to ADR; however, any underlying dispute resulting in the imposition of a

Reimbursement Assessment or an Enforcement Assessment shall be submitted to ADR prior to foreclosure upon the request of any party to the dispute. In the case of any claim, dispute, or controversy which is not otherwise subject to California Civil Code Section 1354(b), involving a sum of money not in excess of the jurisdiction of the Small Claims Court, any party to the dispute shall have the right to file a claim in Small Claims Court and have the matter determined therein in lieu of ADR.

(a) Procedure. To the extent that prior notice and an opportunity for a hearing by the Board is required under the Governing Documents, such notice and an opportunity for a hearing shall be provided before any dispute is submitted to ADR. Prior to filing an action seeking judicial resolution of any dispute subject to the provisions of this section, the Association or any Member who is a party to such dispute and who desires to obtain resolution of such dispute shall serve upon all other parties to the dispute a Request for Resolution. The form of the Request for Resolution shall conform to the requirements of California Civil Code Section 1354 and service shall be in the manner provided in that section. If all parties agree, the matter shall be submitted to binding arbitration. If all parties do not agree to binding arbitration, the matter shall be submitted to mediation.

If a judicial action to resolve a dispute subject to the provisions of this section has been commenced but the dispute has not been submitted to ADR, then upon demand by any party to the action the dispute shall be submitted to ADR as provided in this section or a reference shall be ordered in accordance with the terms of California Code of Civil Procedure Section 638(1) or any successor provision of law. The provisions of this section shall not be deemed to prohibit a party to a dispute from seeking preliminary or temporary injunctive relief where such relief is necessary, provided that the substance of the dispute shall be submitted to ADR.

The ADR process shall be completed within one hundred twenty (120) days after the date of service of the Request for Resolution or after the date a court orders the dispute submitted to ADR or orders a reference, as the case may be.

(b) Mediation. Mediation shall consist of an informal meeting or meetings which all parties to the dispute may attend. In the event any party shall fail without cause to attend and participate in any such mediation that party shall conclusively be deemed to have waived that party's right to have the dispute resolved through mediation. If the parties to a dispute are able to agree upon a mediator, the agreed-upon person shall be notified and, upon such person's acceptance, shall be the mediator for that proceeding. The costs of mediation shall be advanced equally by the parties to the dispute.

The mediator shall establish the format of the mediation proceedings and the procedures to be followed. The mediator shall have the duty to assess the rights and obligations of the parties involved in the dispute and shall be entitled to interview the parties, agents or representatives of the parties, or any other person when the mediator deems such an interview appropriate or necessary. The mediator shall also be entitled to request and receive copies of correspondence, records, minutes, and other such evidentiary documentation to assist in resolving the dispute. The mediator shall use his or her best efforts to effect a settlement of the dispute that is in the best interest of all parties involved.

The mediator may provide the parties to the dispute with a recommendation as to resolution of the dispute, and the parties shall be notified of any such recommendation. If a dispute is not resolved as a result of mediation proceedings, or if the parties do not agree upon a mediator, the moving party may proceed with filing an action for judicial resolution pursuant to California Civil Code Section 1354.

(c) Binding Arbitration. Any dispute submitted to binding arbitration in accordance with this section shall be resolved in accordance with the provisions of the California Arbitration Act (California Code of Civil Procedure Section 1280 *et seq.* [the "Act"]) or in accordance with such other arbitration procedures as may be mutually agreed upon by the parties.

(i) Selection of Arbitrator. Unless the parties shall mutually agree to have three (3) arbitrators, there shall be one (1) arbitrator. If the parties are able to agree upon the selection of an arbitrator or arbitrators, such person or persons shall serve as arbitrator(s). If the parties are unable to so agree, an arbitrator shall be selected as provided in the Act or in accordance with such other procedure as may be mutually agreed upon by the parties.

(ii) Governing Rules and Procedures. Unless the parties agree otherwise, the arbitration hearing shall take place in the County, at the time and place selected by the arbitrator(s). The arbitrator(s) may, but shall not be required to, employ the applicable rules of the American Arbitration Association, Judicial Arbitration & Mediation Services, Inc. (JAMS), or another similar organization as a guide in conducting the arbitration proceedings and shall have absolute discretion to determine whether or not and to what extent the parties shall be permitted to pursue discovery procedures.

Arbitration shall be commenced by the personal delivery or mailing by registered or certified mail of a written demand for arbitration by one party upon the other. At the arbitration hearing, any relevant evidence may be presented including oral testimony of any material witnesses or documentary evidence, and the formal rules of evidence shall not govern. Evidence may be admitted or not admitted in the sole discretion of the arbitrator(s).

(iii) Costs. The costs of arbitration shall be advanced equally by the parties, and the prevailing party shall be entitled to and shall receive as part of the award reimbursement for all costs, including attorneys' fees, advanced or incurred in connection with the arbitration proceeding and any subsequent judicial proceeding arising therefrom; provided, however, that the arbitrator shall have the right to allocate costs between the parties in such proportions as the arbitrator(s) shall deem appropriate.

(iv) Award. The decision of the arbitrator(s) shall be in writing. If there are three arbitrators, the decision of any two of the arbitrators, shall constitute the decision of the arbitrators.

(d) Admissibility of Evidence; Disclosure. Unless mutually agreed to by the parties to the dispute, evidence of anything said or of admissions made in the course of the ADR process shall not be admissible in evidence and testimony referring to or disclosure of any such statement or admission may not be compelled in any civil action; and documents prepared for the purpose of, in the course of, or pursuant to ADR procedures shall not be admissible in evidence and disclosure of such documents may not be compelled in any civil action.

11.9 Non-Waiver. Failure to enforce any provision of the Governing Documents at any time shall not be deemed a waiver of the right to do so thereafter with respect to the same or any other violation of any provision of the Governing Documents.

11.10 Notices. Any notices required or given under this article shall, at a minimum, set forth the date, time, and location of any hearing, a brief description of the act or omission constituting the alleged violation of the Governing Documents, a reference to the specific Governing Document provision or provisions alleged to have been violated, and the sanction, disciplinary action, or other enforcement action

being contemplated by the Board, if any. The notice shall be in writing and may be given by any method reasonably calculated to give actual notice to the affected Member; provided, however, that if notice is given by mail, it shall be sent by first-class mail, postage prepaid, sent to the most recent address for the affected Member as shown on the records of the Association.

11.11 Costs and Attorneys' Fees. In the event the Association shall take any action to enforce any of the provisions of the Governing Documents or shall determine that any Member or members of his or her family or his or her tenants, Contract Purchasers, guests, invitees or household pets have violated any provision of the Governing Documents, and whether or not legal or judicial proceedings are initiated, the Association shall be entitled to recover the full amount of all costs including attorney's fees incurred by the Association in responding to such a violation and/or in enforcing any Governing Document provision. The remedies of the Association to recover the amount of such costs and attorney's fees shall include, but shall not necessarily be limited to, the imposition of a Reimbursement Assessment as provided in Article 6 of this Declaration.

11.12 City's Enforcement Rights. The property is subject to the Development Agreement and the Master Declaration as defined in Article 1. As required by Sections 3.B.5 and 4.B.4 of the Development Agreement and Sections 10.03 and 14.03 of the Master Declaration, the City shall have standing to bring an action in its own right, in the name of Declarant or in the name of any successor or assign of Declarant, including, but not limited to, the Association, to enjoin any violation or enforce the landscaping requirements of the Development Agreement and Master Declaration. In any action brought by the City, the City, if it prevails, shall be entitled to liquidated damages in the amount of and in addition to the expense of enforcement plus reasonable attorneys' fees.

11.13 Indemnification. Each Owner, by acceptance of his or her deed, agrees for himself or herself and for the members of his or her family, his or her Contract Purchasers, tenants, guests or invitees, to (i) indemnify each and every other Owner for, (ii) to hold each and every other Owner harmless from, and (iii) to defend each and every other Owner against, any claim of any person for personal injury or property damage occurring within the Lot of such Owner, except that such Owner's liability may be diminished to the extent that the injury or damage occurred by reason of the negligence of any other Owner or person temporarily visiting in such Lot or is fully covered by insurance.

ARTICLE 12 AMENDMENT

12.1 Approval of Members. This Declaration may be amended by the affirmative vote or written consent of Members representing at least an Absolute Majority. Any amendment of the Declaration shall be signed and acknowledged by the duly authorized officer(s) of the Association and shall be Recorded.

12.2 Approval of the City of Roseville. Notwithstanding Section 12.1, Section 11.12 and this section may not be amended without the consent of the City.

ARTICLE 13 GENERAL PROVISIONS

13.1 Headings. The headings used in this Declaration are for convenience only and are not to be used in interpreting the meaning of any of the provisions of this Declaration, or otherwise.

13.2 Severability. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any provision hereof shall not invalidate any other provisions hereof.

13.3 Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of fostering a plan of community ownership and occupancy and of management of the Development for the benefit of the community.

13.4 Number; Gender. The singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine, and neuter shall each include the masculine, feminine, or neuter, as the context requires.

13.5 Easements Reserved and Granted. Any and all easements referred to herein shall be deemed reserved or granted, or both reserved and granted, as appropriate, by reference to this Declaration in a deed to any Lot.

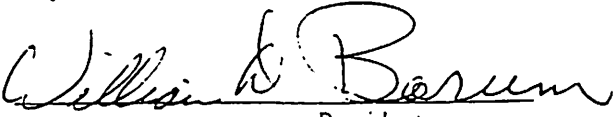
13.6 Power of Attorney. To the extent necessary to carry out and enforce the provisions of this Declaration, an irrevocable power of attorney coupled with an interest is granted to the Association by the Owners and each of them.

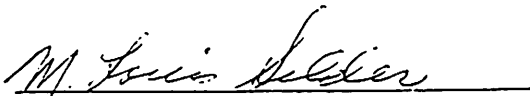
13.7 Term. The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges, and equitable servitudes contained in this Declaration shall run with and shall benefit and burden all of the real property subject to this Declaration, including without limitation the Lots and Common Areas, and shall inure to the benefit of and be binding upon the Owners, the Association, its Board of Directors and officers, and their respective agents and successors in interest, for a term of thirty (30) years from the date of Recordation of this Declaration. Thereafter the term shall be automatically extended for successive periods of ten (10) years each, unless within the six months prior to the expiration of the initial thirty (30) year term or any ten (10) year extension period a written instrument, approved by Owners entitled to vote and holding at least a majority of the voting power of the Association, terminating the effectiveness of this Declaration shall be Recorded.

IN WITNESS WHEREOF, the Members of HILLSBOROUGH OWNERS ASSOCIATION, constituting at least fifty-one percent (51%) of the holders of the voting rights of the Association, hereby affirm, approve, and adopt the foregoing Second Restated Declaration of Covenants, Conditions and Restrictions for Hillsborough, pursuant to Article 15, Section 15.05 of the First Restated Declaration, by means of the signatures of the President and Secretary of the Association, which Declaration shall be Recorded.

DATED: 29 OCT, 1999.

HILLSBOROUGH OWNERS ASSOCIATION,
a California nonprofit mutual benefit
corporation


_____, President


_____, Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Placer } ss.

On 29 Oct 99, before me, Richard Ronald Bassett, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared William B. Borum and M. Louis Seider
Name(s) of Signer(s)

personally known to me
 proved to me on the basis of satisfactory evidence

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



WITNESS my hand and official seal.

[Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Second Restated Declaration

Document Date: 10-29-99 Number of Pages: 42

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

- Signer's Name: _____
- Individual
- Corporate Officer — Title(s): President, Secretary
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

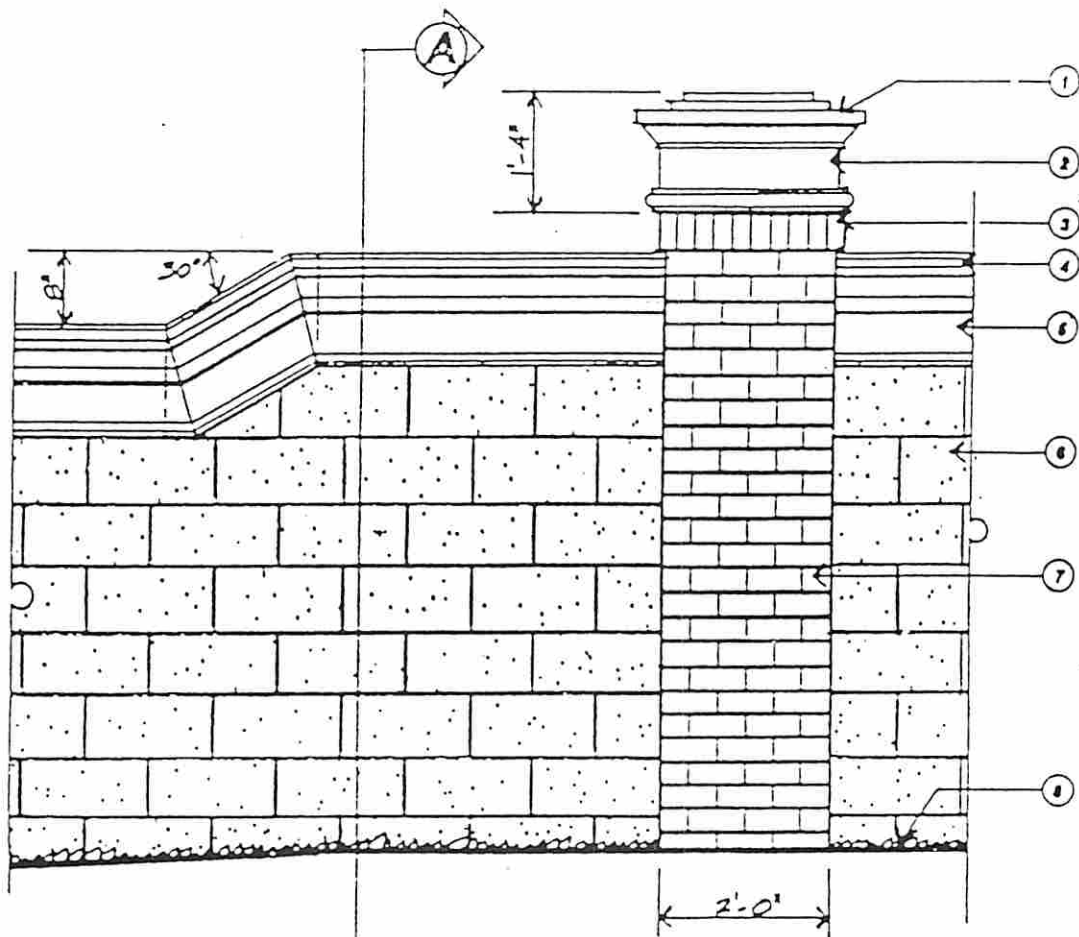
Exhibit A

NOTES:

- A. ALL BRICK SHALL BE SCHEFFIELD AS PER MANUFACTURED BY LAKEYWOOD BRICK & TILE COMPANY 1325 JAY STREET, DENVER, CO 80214, (303) 238-5313.
- B. BRICK PILASTERS SHALL BE SPACED 120" o.c.
- C. CONCRETE BLOCK SOUND WALL SHALL HAVE EXPANSION JOINTS LOCATED EVERY 30'.
- D. ALL PRECAST MOLDING SPECIFIED AS PER MANUFACTURED BY CONCRETE DESIGN, INC. 2540 S. PALO VERDE, TUCSON, AZ 85713 (502) 624-8653.

KEY:

- 1. PRECAST CONCRETE MOLDING #MQ1-16P. LATEX MORTAR TO PRECAST CONCRETE FINIAL AND FASCIA.
- 2. PRECAST CONCRETE FASCIA #MSO-12 ON ALL 4 SIDES AND CORNERS OF PILASTER.
- 3. 1 COURSE OF BRICK LAID IN ROWLOCK.
- 4. PRECAST CONCRETE CAP #MQ1. ATTACH TO TOP COURSE AND FASCIA WITH LATEX MORTAR. NOTE: CUT IN HALF FOR RADIUS PORTION OF WALL.
- 5. PRECAST CONCRETE FASCIA #MSO-12. ATTACH TO BLOCK WITH LATEX MORTAR. NOTE: CUT LENGTH IN HALF FOR RADIUS PORTION.
- 6. 6" x 8" x 16" GRAY SPLIT FACE BLOCK (BOTH SIDES). GROUT ALL CELLS SOLID.
- 7. STANDARD BRICK 2 1/4" x 3 1/2" x 7 1/2" VENEER LAID IN RUNNING BOND PATTERN. 16" x 8" x 16" PRECISION BLOCK CORE WITH #5 VERTICAL REBAR AT EACH CELL - SOLID GROUT ALL CELLS WITH STEEL.
- 8. FINISH GRADE.



'ELEVATION'

NOT TO SCALE

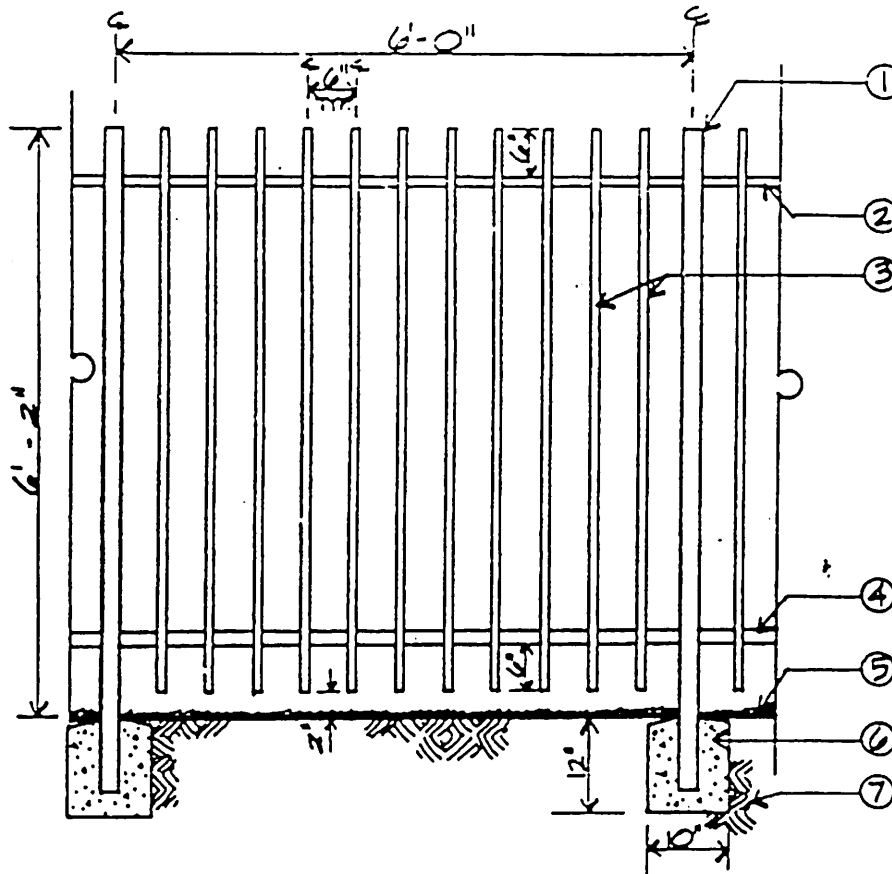
BRICK PILASTER & CONCRETE BLOCK WALL

KEY

1. 2" SQ. x 12 GA. TUBULAR STEEL VERTICAL SUPPORT BAR WITH PLASTIC CAP ON TOP. SET IN CONCRETE FOOTING, 6" o.c.
2. 1" SQ. x 12 GA. TUBULAR STEEL TOP RAIL
3. 3/4" SQ. x 12 GA. TUBULAR STEEL VERTICAL BARS WITH PLASTIC TOPS: FILET WELD ALL AROUND AT EACH HORIZONTAL RAIL, TYPICAL
4. 1 1/2" SQ. x 12 GA. TUBULAR STEEL BOTTOM RAIL
5. FINISH GRADE
6. CONCRETE FOOTING WITH SLOPE AWAY FROM POST.
7. COMPACTED SUBGRADE

NOTES

- A. ALL WROUGHT IRON GRILLES AND ALL METAL SHALL BE PAINTED WITH ONE (1) COAT OF PRIMER AND TWO (2) COATS OF FLAT BLACK PAINT AS SELECTED BY OWNER. ALL PRIMER AND PAINT SHALL BE SPRAY APPLIED.
- B. ALL VERTICAL TUBULAR STEEL BARS SHALL BE PROVIDED WITH TOP PLASTIC BLACK CAPS.



'ELEVATION'
NOT TO SCALE

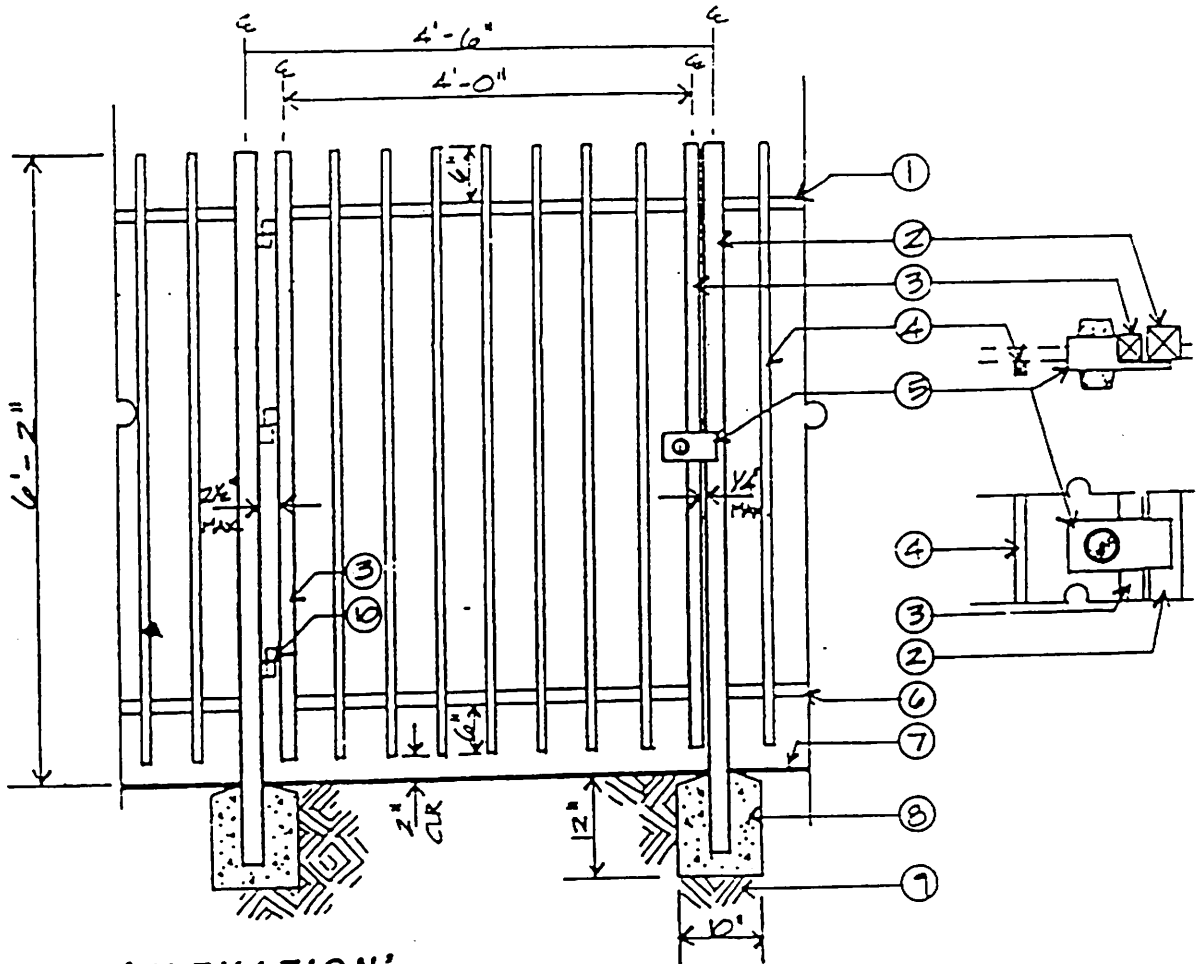
6' WROUGHT IRON FENCE

NOTES:

- A. ALL WROUGHT IRON GRILLES AND ALL METAL SHALL BE PAINTED WITH ONE (1) COAT OF PRIMER AND TWO (2) COATS OF FLAT BLACK PAINT AS SELECTED BY OWNER. ALL PRIMER AND PAINT SHALL BE SPRAY APPLIED.
- B. ALL VERTICAL TUBULAR STEEL BARS SHALL BE PROVIDED WITH TOP PLASTIC BLACK CAPS

KEY:

- 1. 1" SQ x 12 GA. TUBULAR STEEL TOP RAIL
- 2. 2" SQ x 12 GA. TUBULAR STEEL VERTICAL SUPPORT BAR WITH PLASTIC CAP ON TOP.
- 3. 1 1/2" SQ x 12 GA. TUBULAR STEEL VERTICAL BAR AT GATE
- 4. 3/4" SQ x 12 GA. TUBULAR STEEL VERTICAL BARS WITH PLASTIC TOPS: FILET WELD ALL AROUND AT EACH HORIZONTAL RAIL, TYPICAL
- 5. KWIKSET KEY LOCK WITH STEEL ENCASEMENT: FILET WELD ALL AROUND TO 1 1/2" TUBULAR STEEL BAR.
- 6. 1 1/2" SQ x 12 GA. TUBULAR STEEL BOTTOM RAIL
- 7. FINISH GRADE
- 8. CONCRETE FOOTING WITH SLOPE AWAY FROM POST.
- 9. COMPACTED SUBGRADE
- 10. HINGE: 2 PER GATE. BARREL DIAMETER 1", LENGTH 2 1/2". FILET WELD ALL AROUND TO VERTICAL STEEL BARS.

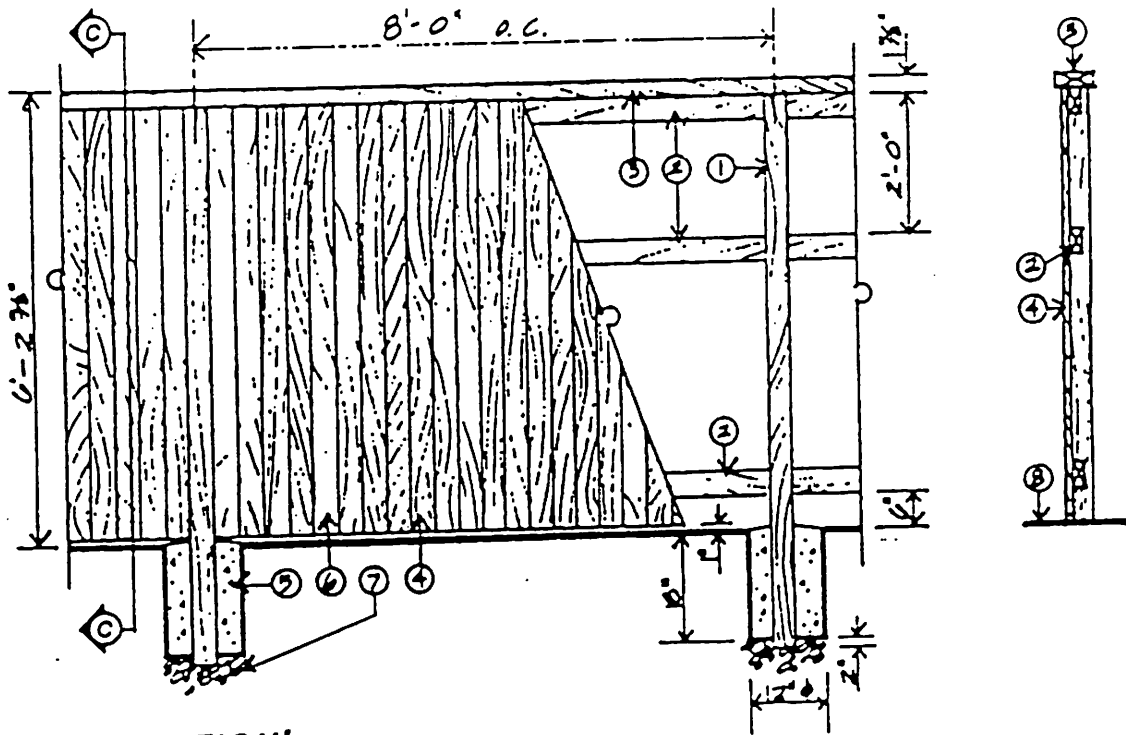


'ELEVATION'
NOT TO SCALE

WROUGHT IRON GATE

- KEY:
1. 4x4 POST, SET 8' o.c. TYPICAL.
 2. 2x4 STRINGERS.
 3. 2x6 TOP BOARD (CAP).
 4. 1x4 VERTICAL FENCING ROW.
 5. CONCRETE FOOTING WITH SLOPE AWAY FROM POST.
 6. FENCE COLOR: THISTLE, KELLY MOORE BRAND PAINT #12-40, OR IDENTICAL COLOR.
 7. 1 CU. FT. OF DRAIN ROCK, TYPICAL.
 8. FINISH GRADE.

- NOTES:
- A. ALL WOOD MEMBERS OF WOOD FENCE, INCLUDING VERTICAL SLATS, SHALL BE REDWOOD - CONSTRUCTION HEART GRADE.



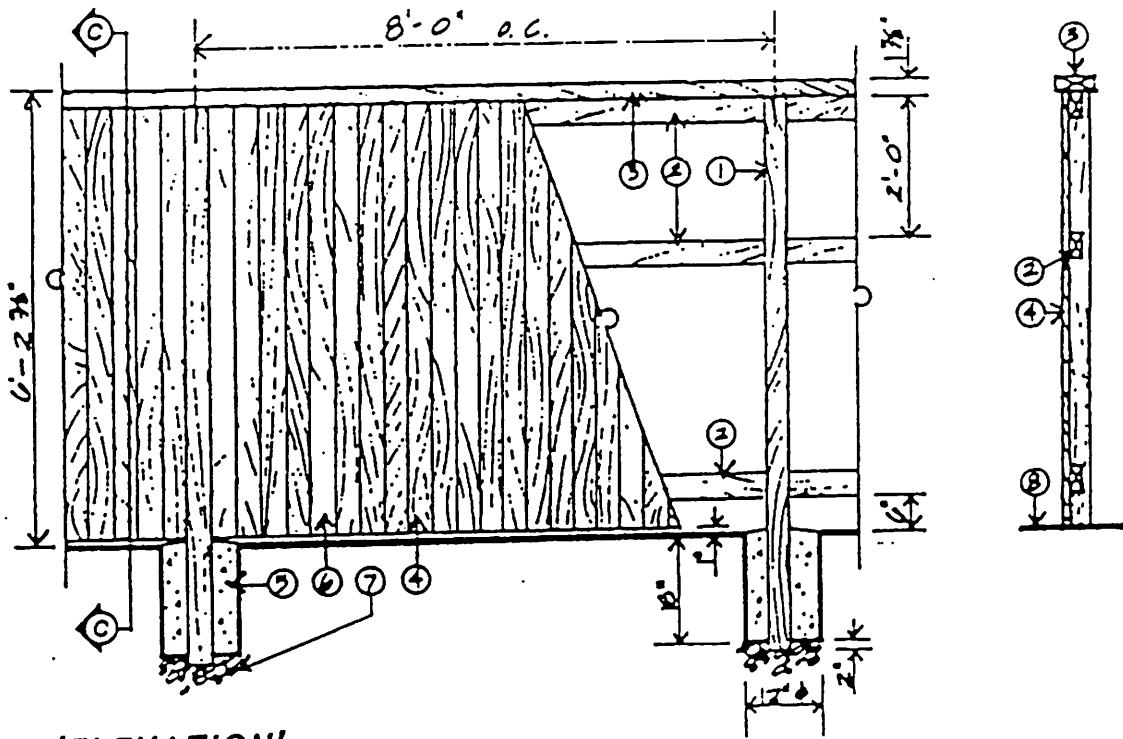
'ELEVATION'
NOT TO SCALE

'SECTION C-C'

WOOD FENCE

- KEY**
1. 4x4 POST, SET 8' o.c. TYPICAL.
 2. 2x4 STRINGERS.
 3. 2x6 TOP BOARD (CAP).
 4. 1x4 VERTICAL FENCING ROW.
 5. CONCRETE FOOTING WITH SLOPE AWAY FROM POST.
 6. FENCE COLOR: THISTLE, KELLY MOORE BRAND PAINT #12-40, OR IDENTICAL COLOR.
 7. 1 CU. FT. OF DRAIN ROCK, TYPICAL.
 8. FINISH GRADE.

- NOTES**
- A. ALL WOOD MEMBERS OF WOOD FENCE, INCLUDING VERTICAL SLATS, SHALL BE REDWOOD - CONSTRUCTION HEART GRADE.



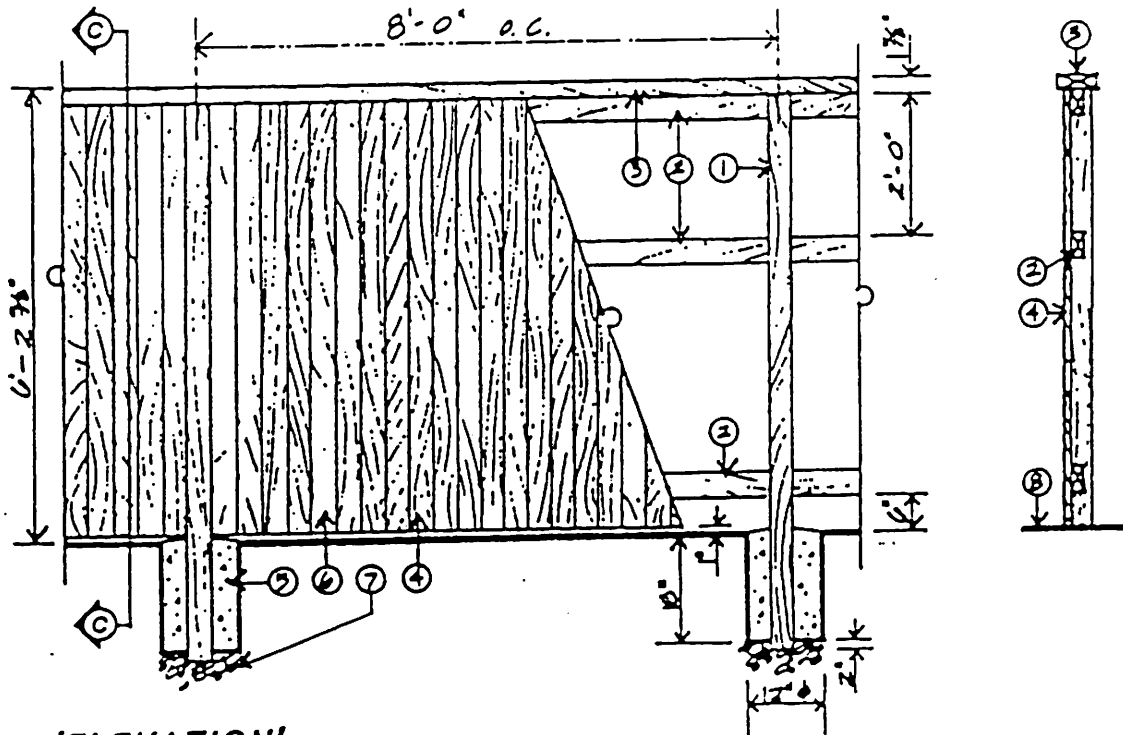
'ELEVATION'
NOT TO SCALE

'SECTION C-C'

WOOD FENCE

- KEY
1. 4 x 4 POST, SET 8' o.c. TYPICAL.
 2. 2 x 4 STRINGERS.
 3. 2 x 6 TOP BOARD (CAP).
 4. 1 x 4 VERTICAL FENCING ROW.
 5. CONCRETE FOOTING WITH SLOPE AWAY FROM POST.
 6. FENCE COLOR: THISTLE, KELLY MOORE BRAND PAINT #12-40, OR IDENTICAL COLOR.
 7. 1 CU. FT. OF DRAIN ROCK, TYPICAL.
 8. FINISH GRADE.

- NOTES
- A. ALL WOOD MEMBERS OF WOOD FENCE, INCLUDING VERTICAL SLATS, SHALL BE REDWOOD - CONSTRUCTION HEART GRADE.



'ELEVATION'
NOT TO SCALE

'SECTION C-C'

WOOD FENCE