

Covenants, Conditions, and Restrictions (CC&R's)

For the Green Valley Lake Community Association, Inc.

If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

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Assessor/Recorder

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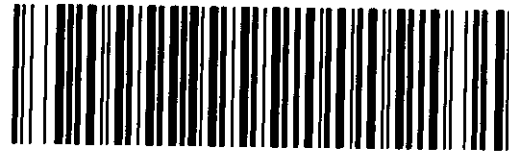
RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

**GREEN VALLEY LAKE COMMUNITY
ASSOCIATION, INC.**

c/o HUGHES & GILL, P.C.
1600 South Main Street, Suite 305
Walnut Creek, CA 94596
(925) 926-1200

P ATTORNEY

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AMENDED AND RESTATED

MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF

GREEN VALLEY LAKE COMMUNITY ASSOCIATION, INC.

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GREEN VALLEY LAKE COMMUNITY ASSOCIATION, INC.

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AMENDED AND RESTATED
MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
GREEN VALLEY LAKE COMMUNITY ASSOCIATION, INC.

This Amended and Restated Master Declaration of Covenants, Conditions and Restrictions is made on the date hereinafter set forth by GREEN VALLEY LAKE COMMUNITY ASSOCIATION, INC. (hereinafter sometimes referred to as the "Association").

RECITALS

A. WHEREAS, the Association is the successor in interest to Fairfield Pacific Corporation, which, as Declarant, executed that certain Declaration of Covenants, Conditions and Restrictions for GREEN VALLEY LAKE dated September 27, 1991 and recorded as Instrument No. 91-00070929 in the Office of the County Recorder of Solano County, State of California (the 1991 Declaration);

B. WHEREAS, on February 3, 1992, Declarant executed the First Amendment to Declaration of Covenants, Conditions and Restrictions for GREEN VALLEY LAKE on February 25, 1992 as Document No. 92-00014663 in the Official Records of Solano County, State of California;

C. WHEREAS, on April 28, 1998, a second Amendment to Declaration of Covenants, Conditions and Restrictions for GREEN VALLEY LAKE and Covenants and Easements Relating to GREEN VALLEY LAKE, No. 3, dated August 22, 1997 was recorded April 28, 1998 as Instrument No. 1998-00031185 in the Official Records of Solano County State of California;

D. WHEREAS, on March 28, 2000, Supplemental Declarations Green Valley Lake Phases 2, 3, 4, 5, 6, 7 and 8 dated March 7, 2000 were recorded as instruments

2000-23787, 2000-23788, 2000-23789, 2000-23790, 2000-23791, 2000-23792 and 2000-23793, respectively in the Official Records of Solano County, State of California;

E. WHEREAS, on August 22, 2000, the Map of "Green Valley Lake Unit 4" was recorded in the Official Records of Solano County in Book 70 of Maps at page 95 et seq.;

F. WHEREAS, on September 20, 2002, a Supplemental Declaration Green Valley Lake Unit V ("Silverwing"), dated September 10, 2002 was recorded as Instrument No. 200200118699 in the Official Records of Solano County, State of California; and on June 27, 2003, the Final Map of Edgewater was recorded in the Official Records of Solano County in Book 76 of Maps, pages 55-60;

G. WHEREAS, the 1991 Declaration, as amended and supplemented, 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 those certain parcels of real property located in the County of Solano, State of California, and more particularly described as follows:

See Exhibit "A" attached hereto.

H. WHEREAS, the VOTING MEMBERS as defined in Article I, Section 41 of the 1991 Declaration, representing at least seventy-five percent (75%) of the Members of the Association, desire to amend, modify, and otherwise change the 1991 Declaration, as amended and supplemented, pursuant to Article XIII, Section 2, thereof;

I. NOW, THEREFORE, pursuant to Article XIII, Section 2 of the 1991 Declaration, as amended and supplemented, the VOTING MEMBERS representing at least seventy-five percent (75%) of the Members of the Association, do hereby declare that the aforesaid 1991 Declaration, as amended and supplemented, be and hereby is AMENDED AND RESTATED IN ITS ENTIRETY as set forth in the within Amended and Restated Master Declaration of Covenants, Conditions and Restrictions of GREEN VALLEY LAKE COMMUNITY ASSOCIATION, INC.;

J. IT IS FURTHER HEREBY DECLARED that all of the real property described herein constitutes a Planned Development within the meaning of California *Civil Code* section 1351(k);

K. IT IS FURTHER HEREBY DECLARED that all of the real property described herein 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 said real property and every part thereof, and of

fostering the development, management, improvement, enjoyment, and sale of the said real property and any part thereof; and

L. IT IS FURTHER HEREBY DECLARED that all of the covenants, conditions, and restrictions herein set forth shall constitute enforceable equitable servitudes as provided in *Civil Code section 1354*, shall constitute covenants that shall run with the said real property, and shall be binding upon and inure to the benefit of each Owner of any portion of the said real property or of any interest therein and their heirs, successors, and assigns.

ARTICLE 1

DEFINITIONS

1.1 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.

1.2 Annual Assessments. "Annual Assessments" shall have the meaning set forth in Section 5.5.

1.3 Architectural Control Committee. "Architectural Control Committee" and "ACC" shall mean the Architectural Control Committee created pursuant to Article 8 of this Declaration and Article 10 of the Bylaws.

1.4 Articles. "Articles" shall mean the Master Amended and Restated Articles of Incorporation of GREEN VALLEY LAKE COMMUNITY ASSOCIATION, INC., as they may be amended from time to time, and as filed with the Office of the Secretary of State of California.

1.5 Assessments. "Assessments" shall mean any or all of the following: Annual Assessments, Special Assessments, and Reimbursement Assessments.

1.6 Association. "Association" shall mean the GREEN VALLEY LAKE COMMUNITY ASSOCIATION, INC., 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 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 but not limited to private drives and entrance way.

1.11 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.

1.12 County. "County" shall mean the County of Solano.

1.13 Declaration. "Declaration" shall mean this Amended and Restated Master Declaration of Covenants, Conditions and Restrictions of The GREEN VALLEY LAKE COMMUNITY ASSOCIATION, INC., recorded in the Office of the County Recorder of Solano County, California, and any amendments thereto.

1.14 Development. "Development" shall mean all the real property described herein comprising the Association, including such additions thereto as may hereafter be brought within the jurisdiction of the Association.

1.15 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.

1.16 Lot. "Lot" shall mean any plot of land shown upon any recorded subdivision map of the Development upon which a Residence has been constructed, with the exception of the Common Area.

1.17 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.

1.18 Master Association. "Master Association" shall mean the Association as it relates to subassociations within the Development.

1.19 Member. "Member" shall mean an Owner.

1.20 Mortgage. "Mortgage" shall mean a deed of trust as well as a mortgage in the conventional sense.

1.21 Mortgagee. "Mortgagee" shall mean a beneficiary under a deed of trust as well as under a Mortgage.

1.22 Owner. "Owner" shall mean the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Development, including Contract Sellers, but excluding Contract Purchasers and excluding those persons or entities having such interest merely as security for the performance of an obligation.

1.23 Reimbursement Assessment. "Reimbursement Assessment" shall have the meaning set forth in Section 5.7.

1.24 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.

1.25 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.

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

1.27 Resident. "Resident" shall mean any person who resides on a Lot within the Development whether or not such person is an Owner.

1.28 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 or with the approval of the Board of Directors from time to time.

1.29 Special Assessment. "Special Assessment" shall have the meaning set forth in Section 5.6.

1.30 Subassociation. "Subassociation" shall mean the "Vineyards Owners' Association" and "Edgewater at Green Valley Lake Homeowners Association."

1.31 Subdivision Map. "Subdivision Map" shall mean all Subdivision Maps for the Development as set forth in Exhibit "A" hereto.

1.32 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.

ARTICLE 2

OWNERSHIP RIGHTS AND EASEMENTS

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, and there shall be no use of the Common Area except by such persons.

2.3 Owners Non-Exclusive Easements of Enjoyment. Every Owner of a Lot shall have a non-exclusive easement of use of and enjoyment in, to, and throughout the Common Area of the Development for ingress, egress, and support over and through the Common Area. 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 and regulations governing the use of the Common Area and facilities thereon;
- (b) The right of the Board to charge reasonable admission and other fees for the use of any facilities situated upon the Common Area;
- (c) The right of the Board to suspend an Owner's rights and privileges as a Member, including voting rights and rights 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 of the Association;
- (d) The right of the Board, as set forth in Section 2.3, 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;

(e) The right of the Board to sell or transfer Common Area property owned by the Association;

(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 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 and subject to the terms thereof. 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 2.4 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 filed 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 Easements in General. In addition to all easements reserved and granted on the Subdivision Map(s) and the easements provided in Section 2.3, there are hereby specifically reserved and granted for the benefit of the Lots and Lot Owners in common and for each Lot and Lot 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 2.

2.8 Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Lot and such portion or portions of the Common Area adjacent thereto and/or as between adjacent Lots due to the unwillful placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon in accordance with the terms of the Declaration; provided, however, that in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, a tenant, or the Association.

In the event that a structure on any Lot is partially or totally destroyed and then repaired or rebuilt in accordance with the provisions of the Declaration, the Owners of each Lot agree that minor encroachments over adjoining Lots and/or Common Area shall be permitted and there shall be easements for the maintenance of said encroachments so long as they shall exist. In addition, each Lot and its Owner are hereby declared to have an easement for retaining walls, footings, and all other encroachments as originally constructed over each adjoining Lot and/or Common Area for the maintenance thereof, together with an easement for the drainage of water from such gutters and all other encroachments over each such adjoining Lot and/or Common Area.

2.9 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 and facilities, heating and air-conditioning facilities, cable or master television antenna lines, drainage facilities, walkways, and landscaping as shown on the recorded map or maps of the Development, 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. The Association shall pay all charges for utilities supplied to the Development except those metered or charged separately to the Lots.

2.10 Easements Granted by the 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 Owner(s) affected.

2.11 Easement Over Subassociation Common Area. The Association, as master association, shall have an easement over and across the common area of every Subassociation, as servient tenement. This non-exclusive appurtenant easement shall provide for ingress and egress, for the purpose of performing all rights and duties pursuant hereto and according to law. The easement established by this Section 2.11 shall be appurtenant to and pass with title to every Lot, subject to the terms of this Declaration.

ARTICLE 3

USE RESTRICTIONS

3.1 Residential Use. Residences shall be occupied and used for residential purposes only.

3.2 Rental of Lots. Any leasing or renting of any Residence within the Development shall be subject to all the provisions of the Governing Documents and this Section 3.2.

(a) Restriction on Number of Lots Leased. No more than twenty-five percent (25%) of the Residences within the Development shall, at any particular time, be leased or rented or occupied by anyone other

than an Owner, members of his or her household, or temporary guests, except as provided in this Section 3.2. The restriction on the number or percentage of Residences that may be leased or rented as set forth in this Section 3.2 shall not apply to any Lot which is being leased or rented on the date this Declaration is recorded, but shall apply to any Lot or Lots upon transfer of title to such Lot subsequent to the date this Declaration is recorded.

(b) Implementation. Upon request from the Board after this Declaration is recorded, each Owner renting or leasing a Lot shall provide such information as the Board may reasonably require to implement the provisions of this Section 3.2, including but not limited to the names of the tenants and the members of the tenants' household and a copy of the signed lease. Any permitted rental or leasing of a Lot commencing after this Declaration is recorded and the renewal of a tenancy in effect on the date this Declaration is recorded shall be pursuant to a written lease or rental agreement in accordance with Section 3.2(m).

(c) Exceptions. The Board of Directors shall have the right but shall not be obligated to waive some or all of the provisions of this Section 3.2 either (i) in cases of deserving and unusual hardship or (ii) for a limited term, not to exceed one (1) year upon written request of an Owner representing that he or she will retake possession and occupancy of the Lot as a Resident thereof upon the expiration of such limited term and subject to such other conditions as the Board may determine. The Board shall have the right to review and approve the lease for such limited term. Exceptions as authorized by the Board shall take precedence over the order of priority established pursuant to Subsection (i), below.

(d) Written Application. Any Owner desiring to lease or rent his or her Residence shall submit an application in writing to the Board of Directors, which shall state: the name, mailing address, Residence address, and record ownership date of the Owner; the proposed lease term; the number of tenants; and such other information which the Board of Directors may reasonably require from time to time. Each record Owner shall have the further right, upon written request delivered to the Association, to appear in person before the Board of Directors and to discuss the request to lease or rent his or her Residence.

(e) Board Review of Application. Within thirty (30) days after receipt of such application to lease or rent, the Board of Directors shall review such application, and approve or disapprove it in a written notice transmitted to the requesting Owner. If the application is disapproved, the notice shall specify the reason(s) for disapproval. The Board shall approve the application, unless doing so will increase the number of Residences leased or rented within the Development to more than allowed under Section 3.2(a), or will otherwise result in the violation of any provision of this Section 3.2.

(f) Rehearing. If the application is disapproved, the Owner concerned shall have a right to rehearing upon written request to the Board of Directors, at its next regular meeting, or as otherwise agreed between the Owner and the Board. The Owner shall have the right to appear at the rehearing and present his or her case. Within ten (10) days after the conclusion of such rehearing, the Board shall transmit its written determination to the requesting Owner and, if again disapproved, shall specify the reasons for such disapproval.

(g) Decision of Board Conclusive. The decision of the Board of Directors in approving or disapproving an application of an Owner to lease his or her Residence shall be final and conclusive.

(h) List of Rented Lots. The Board of Directors shall prepare a list of all Owners currently leasing or renting a Residence, which list shall include the Owner's name, mailing address, Residence address, date of record ownership, and term of the lease. Such list shall be made available to any Owner upon payment of a reasonable administrative charge to be set by the Board of Directors.

(i) Priority of Applicants. The Board shall establish and maintain a priority list, identifying the name, mailing address, address of Residence, record date of ownership, and date the written application or request of each Owner to lease or rent his or her Residence was submitted to the Board. When the number of Residences leased or rented in the Development is less than the number allowed under Section 3.2, the Board shall authorize the Owner who submitted the earliest application to lease or rent his or her Residence. Once an Owner obtains permission to lease or rent, he or she may do so to consecutive lessees or renters or for consecutive terms without interruption of more than thirty (30) days or may reoccupy his or her Residence for a period not to exceed thirty (30) days, without having to reapply to the Board for permission to lease or rent.

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

(k) Association 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.

(l) 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, 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.

(m) Requirements of Written Lease or Rental Agreement. Any lease or rental of any Residence within the Development shall be by written lease or rental agreement, a copy of which shall be filed with

the Board, which shall expressly provide that its terms are subject to all of the provisions of the Governing Documents, that the tenants and lessees of such Lot shall comply with all provisions of the Governing Documents, and 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. Any lease or rental agreement entered into between an Owner and a lessee or renter shall be for a minimum term of six (6) months.

3.3 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.

3.4 Restriction on Businesses. No business of any kind shall be established, maintained, operated, permitted, or conducted within the Development except such professional and administrative professions as may be permitted by applicable governmental ordinances and provided that there shall be no external evidence thereof.

3.5 Child Care. Child care facilities may be subject to rules adopted by the Association in accordance with *Health & Safety Code section 1597.30 et seq.*

3.6 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 excessive barking of dogs, 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.

3.7 Use of the 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, 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.

3.8 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 obtained 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. 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.

3.9 Requirement of Architectural Control Committee Approval. As addressed in greater detail in Article 8, construction, installation, modification, or alteration of buildings, outdoor structures, landscaping, and outdoor lighting are subject to approval of the Architectural Control Committee, or in the event the ACC is not in existence, the Board.

3.10 Sports Apparatus. All sports apparatus, including basketball hoops and backboards, shall be located or screened so as to be concealed from view of neighboring lots, streets and property located adjacent to the lot. Installations are also subject to architectural control provisions set forth herein.

3.11 Mailboxes and Exterior Newspaper Tubes. Mailboxes and exterior newspaper tubes shall comply with all applicable postal regulations and Architectural Review Guidelines.

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

3.13 Antennas and Satellite Dishes . No outside television antenna, microwave or satellite dish, aerial, or other device (collectively "video antennas") with a diameter or diagonal measurement in excess of one meter shall be erected, constructed or placed on any common area or lot. Video antennas with the diameter or diagonal measurement of one meter or less may be installed only if they conform to the architectural guidelines, and if then required by the architectural guidelines, any necessary approval as obtained in accordance with the provisions of Article 8. Reasonable restrictions which do not significantly increase the cost of the video antenna system or significantly decrease its efficiency or performance may be imposed. The Board of Directors and/or Architectural Control Committee may also adopt Rules regarding the means of installation and maintenance of video antennas and related wiring. Owners shall be responsible for any

required removal and reinstallation of video antennas and related equipment as a result of maintenance, repair or replacement required to be performed by the Association.

3.14 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 by Owner(s) only, subject to the Rules, provided they are not kept, bred, or raised for commercial purposes. Unless otherwise provided in the Rules, "reasonable numbers" shall be deemed to limit the total number of all dogs, cats, and birds kept in a Lot to two (2). This limitation on the number of all dogs, cats and birds shall not apply to any Owner keeping dogs, cats and/or birds in excess of two (2) on the date this Declaration is recorded, but shall apply to all Owners subsequent to the date this Declaration is recorded. 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. 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 in addition to the provisions of this Section 3.14. 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.

3.15 Trash Disposal. Trash, garbage, accumulated waste plant material, or other waste and refuse shall be deposited only in containers. Such containers shall be

located in an appropriate area upon each Lot so that they are not visible from adjoining Lots or Common Areas. 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.

3.16 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.

3.17 Machinery and Equipment. Except as approved by the Board, no machinery or equipment of any kind shall be maintained or operated upon a Lot except as is customary and necessary in connection with approved construction and maintenance, including but not limited to power tools and leaf blowers.

3.18 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 which cannot be prohibited by law;
- (b) Signs required by legal proceedings;
- (c) A single sign of customary and reasonable dimension and design, complying with the Association or architectural rules reasonably located on a Lot advertising a Lot for sale or rent;
- (d) A single identification sign which has been approved by the Architectural Control Committee located on a Lot identifying the number or address of the Lot and/or the names of the occupants;
- (e) Signs approved by the Architectural Control Committee 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 Architectural Control Committee for a purpose reasonably related to the affairs of the Association.

3.19 Vehicles and Parking. No trailer, camper, mobile home, recreational vehicle, boat, golf cart or similar equipment or any commercial vehicle or truck other than a

standard size pickup truck, and no dilapidated, inoperable, or abandoned vehicle shall be parked, kept, stored, or permitted to remain upon any area within the Development, unless placed or maintained within an enclosed garage.

The term "commercial vehicles" shall not include sedans, SUVs, family vans 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.

No unreasonably noisy and no vehicles emitting foul smelling, offensive exhaust fumes or leaking fluids shall be operated within the Development. All vehicles not housed wholly in the garage of a residence must be currently registered, and be in working order.

3.20 Parking Enforcement. In addition to the provisions of Section 3.19, above, the Board shall have the power and authority to adopt, promulgate, and enforce parking rules and shall have the power to impose fines and other sanctions for violations of provisions of the Governing Documents relating to vehicles and parking. The Board of Directors shall have the authority to have vehicles towed which are parked in violation of this Section or Rules.

3.21 Garages. Each Owner and Resident shall keep his or her garage in a neat, orderly, sanitary, and safe condition leaving room for the parking of passenger vehicles. Each garage door shall remain closed except during ingress or egress or when necessary to provide ventilation for individuals working in the garage area. Garages must remain available for the parking of vehicles, and not configured for any other use.

3.22 Window Coverings. Drapes, window shades, and other window coverings installed in the window of any Residence shall comply with any rules adopted by the Board or ACC. In no event shall aluminum foil, newspaper, sheets, or similar materials be placed over windows, except as required for temporary construction work.

3.23 Outbuildings. No outbuilding, tent, shack, trailer, shed, or temporary building of any kind shall be located within the Development except for auxiliary structures complying with rules or guidelines issued by the Architectural Control Committee or the Board of Directors.

3.24 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 Architectural Control Committee, and only if permitted by local ordinance.

ARTICLE 4

HOMEOWNERS ASSOCIATION

4.1 Management and Operation. The Association shall manage and operate the Development in accordance with 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 an incorporated, 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.

4.2 Membership. Every Owner of a Lot within the Development 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.

4.3 Voting. Any Member shall be entitled to vote, and only one vote shall be cast for each Lot. Voting may also be by proxy according to the provisions of the California nonprofit mutual benefit corporation law (*California Corporations Code sections 7110, et seq.*).

4.4 Member Meeting. There shall be one Annual Meeting of the Members at a date, time and location to be specified by the Board of Directors. Notice of said meeting shall be provided according to law.

4.5 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.

4.6 Association Rules. Subject to the provisions of *Civil Code sections 1357.100-.150*, 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; architectural control/guidelines; 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 within the Development;

and any other subject matter within the jurisdiction of the Association as provided in the Governing Documents or by law.

4.7 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. The Manager shall receive direction only from the Board of Directors or its designee.

4.8 Assessments. The Board shall have the power and duty to levy and collect Assessments, as more particularly set forth in Article 5 of this Declaration.

4.9 Insurance. The Board, acting in conjunction with the Boards of the Subassociations shall obtain and maintain the insurance policies as provided below unless the Board determines that the cost is so unreasonable as to make maintenance of the insurance not in the best interest of the Association. If the Board is unable to purchase a policy or if the Board believes that the cost of the policy is unreasonable, the Board may call a special meeting of Members to determine what action to take.

4.9.1 General Provisions and Limitations: All insurance policies shall be subject to and, where applicable, shall contain the following provisions and limitations:

(a) Named Insured: Unless otherwise provided in this Section, the named insured shall be the Association or its authorized representative, as a trustee for the Owners. However, all policies shall be for the benefit of Owners and their Mortgagees, as their interests may appear.

(b) Authority to Negotiate: Exclusive authority to make claims and adjust losses under the policies obtained by the Association shall be vested in the Board; provided, however, that no Mortgagee having an interest in such losses may be prohibited from participating in any settlement negotiations related thereto.

(c) Contribution: In no event shall the insurance coverage obtained and maintained by the Association be brought into contribution with insurance purchased by Owners or their Mortgagees.

(d) General Provisions: To the extent possible, the Board shall make every reasonable effort to secure insurance policies providing for the following:

(i) A waiver of subrogation by the insurer as to any claims against the Board, the manager, the Owners and their respective servants, agents and guests;

(ii) That the policy will be primary, even if an Owner has other insurance which covers the same loss;

(iii) That no policy may be canceled or substantially modified without at least ten (10) days' prior written notice to the Association and to each First Mortgagee listed as a scheduled holder;

(iv) An agreed amount endorsement, if the policy contains a coinsurance clause;

(v) A guaranteed replacement cost or replacement cost endorsement; and

(vi) An inflation guard endorsement.

(e) Term: The period of each policy shall not exceed three (3) years. Any policy for a term greater than one (1) year must permit short rate cancellation by the insureds.

(f) Deductible: The policy may contain a deductible in an amount determined by the Board and the amount of the deductible shall be added to the face amount of the policy in determining whether the insurance equals replacement cost. The Owner(s) of any Lot or Residence for which a claim against the Association's insurance has been made or from which Lot damage emanates to other Lots or Common Area, shall be liable for payment of the deductible applicable to such claim. If more than one Owner is liable for payment of the deductible, their liability shall be joint and several. The amount of any deductible due from an Owner may be collected a Reimbursement Assessment.

4.9.2 Types of Coverage: Unless the Board determines otherwise, particularly in reference to differing insurance requirements and separate insurance that may be purchased by the Subassociations, the following policies in the amounts specified shall be obtained:

(a) Property Insurance: A Special Form policy of property insurance for all insurable Common Area Improvements, including

fixtures and building service equipment, against loss or damage by fire or other casualty, in an amount equal to the full replacement cost thereof to original construction/builder's grade (without respect to depreciation) exclusive of land, foundations, excavation and other items normally excluded from coverage. A replacement cost endorsement shall be part of the policy.

(b) Liability Insurance: A combined single limit policy of liability insurance in an amount not less than Two Million Dollars (\$2,000,000.00) covering the Common Area and all damage or injury caused by the negligence of the Association, the Board or any of its agents or the Owners against any liability to the public or to any Owner incident to the use of or resulting from any accident or intentional or unintentional act of an Owner or a third party occurring in or about any Common Area. If available, each policy shall contain a cross liability endorsement in which the rights of the named insured shall not be prejudiced with respect to any action by one named insured against another named insured.

(c) Worker's Compensation: Worker's compensation insurance to the extent necessary to comply with all applicable laws of the State of California or the regulations of any governmental body or authority having jurisdiction over the Project.

(d) Fidelity Bond: A fidelity bond naming the Board, the Owners, the Association and such others persons as the Board may designate as obligees, in an amount equal to at least one-fourth (1/4) of the total sum budgeted for the Current Operation Account and Reserve Account for the current fiscal year. The fidelity bond shall contain a waiver of any defense based on the exclusion of persons serving without compensation.

(e) Directors and Officers: Errors and omissions insurance covering individual liability of Directors and Officers for their negligent acts or omissions while acting in their capacities as Directors and Officers in an amount equal to at least the minimum amount specified in *Civil Code section 1365.7(a)(4)*.

(f) Other Insurance: Other types of insurance as the Board determines to be necessary to fully protect the interests of the Owners.

(g) Insurance by Owner: Each Owner shall obtain and pay for such insurance coverage that covers (1) liability for accidents on the

separate interest Lot, (2) building coverage, unless such coverage is provided by Subassociations for buildings within those associations, (3) loss assessment coverage to pay for any qualifying Special Assessments, and (4) personal property damage coverage for all property kept on the separate interest Lot. To the extent an Owner fails to so insure for his or her protection, he or she is at risk, which cannot be passed on to the Association.

(h) Restriction on Owners Claims Relating to Association Insurance: No Owner may make a claim to or put either the agent or any insurance company providing insurance to the Association on notice of any damages or claim relating to Association maintained insurance. Owner shall indemnify the Association for any loss or damage it sustains by owners breach of this section.

4.9.3 Annual Review: The Board shall review the adequacy of all insurance, including the amount of liability coverage and the amount of property damage coverage, at least once every year. At least once every three years, the review shall include a replacement cost appraisal of all insurable Common Area Improvements without respect to depreciation. The Board shall adjust the policies to provide the amounts and types of coverage and protection that are customarily carried by prudent owners of similar property in the area in which the Project is situated.

4.9.4 Annual Notice to Members: The Association shall provide a summary of the Association's insurance policies as required by *Civil Code section 1365*.

4.10 Acquisition of Property. The Board acting on behalf of the Association shall have the power to acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, and maintain real or personal property in connection with the affairs of the Association, provided, however, that in any fiscal year acquisitions shall not exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year or five thousand dollars (\$5,000), whichever is more, except upon the approval of a majority of the Total Voting Power of the Association.

4.11 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 or five thousand dollars (\$5,000), whichever is more, except upon the approval of a majority of the Total Voting Power of the Association.

4.12 Sale or Transfer of Association Property. Except as otherwise provided herein, 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 a majority of the Total Voting Power of the Association.

4.13 Easements to Owners. Notwithstanding any other provisions of the Governing Documents, upon approval of a majority of the Total Voting Power of the Association, the Board shall have the power to grant and convey easements, licenses for use and rights of way in, over, or under the Common Area or any portion thereof to Lot Owners, for such purposes as the Board deems to be appropriate and not inconsistent with the purposes and interests of the Association.

4.14 Mortgage of Association Real Property. Upon approval of a majority of the Total Voting Power of the Association, 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 by the Association.

4.15 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.

4.16 Annual Disclosures. The Board of Directors shall make or cause to be made all annual disclosures and Notices as required by the Davis-Stirling Act (*Civil Code sections 1350-1378*) including disclosures/Notices relating to (1) the proforma operating budget; (2) the Association policies and practices in enforcing lien rights; (3) Association insurance; (4) a summary of the Association's Reserves; (5) dispute resolution policies and procedures; (6) architectural requirements.

ARTICLE 5

ASSESSMENTS AND LIENS

5.1 Covenant of Owner. Each Owner covenants and agrees to pay to the Association: (i) Annual Assessments, (ii) Special Assessments, and (iii) Reimbursement Assessments, together with all Additional Charges. Each Assessment levied by the Association under this Article 5, 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 within the Development 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 fee title of record to any Lot, the owner 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 in the Office of the County Recorder of Solano County.

5.2 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 the 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.

5.3 Use of Annual 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.

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

5.5 Annual Assessments.

(a) Calculation of Estimated Requirement. Not less than thirty (30) days nor more than ninety (90) 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 charge assessments against all Lots equally except for Lots in the Subassociations, the assessments for which shall be calculated in coordination with assessments levied by each Subassociation. Unless the Board shall designate otherwise, Annual Assessments shall be levied on an annual basis and shall be paid in twelve (12) equal monthly assessments during the fiscal year, and each assessment shall be due and payable on the first day of each month, respectively, or as otherwise prescribed by the Board.

(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. Except as otherwise provided by law, the Board shall not increase the Annual Assessment for any fiscal year without 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 fifty percent (50%) plus one of the Members, notwithstanding any lower quorum requirement which may be set forth in the Bylaws for other purposes.

5.6 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 equally among the Lots in the Association including Subassociation Lots.

(c) Approval of Special Assessments. Except in the case of an emergency situation as defined in *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, without 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%) plus one of the Members of the Association, notwithstanding any lower quorum requirement which may be set forth in the bylaws for other purposes.

5.7 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. A Reimbursement Assessment shall include any costs, including attorneys' fees, incurred by the Association, and 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.

5.8 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.

5.9 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.

5.10 Delinquent Assessments. Any installment or other portion of an Assessment not paid within thirty (30) 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 in accordance with *Civil Code section 1367.1* or successor statute. No procedures shall be initiated to foreclose the lien securing any Assessment levied under this Article 5 except as in accordance with *Civil Code section 1367.1* or successor 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 said sums, including all Additional Charges. Notwithstanding any other provision of this Declaration, the Association must comply with the requirements of *Civil Code section 1367.1* or successor statute when collecting delinquent assessments.

5.11 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, 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 said lien. The Association, as trustee for the remaining Owners, or any other Owner, may purchase the Lot at said sale. The Board may commence any procedure for the collection of delinquent Assessments upon its own decision.

5.12 Remedies Cumulative. The remedies provided in this Declaration for collection of delinquent Assessments shall be cumulative and not exclusive.

5.13 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 cause to be recorded, in the same manner as the Notice of Delinquent Assessment, a further certificate stating the satisfaction thereof and the release of the lien.

5.14 Priority. Except as otherwise expressly provided by law, the lien securing each of the Assessments provided for under this Article 5 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 or first deed of trust 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 mortgage or deed of trust, or pursuant to a power of sale contained in any such 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.

5.15 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 OPERATING ACCOUNT and RESERVE ACCOUNT. The Assessments collected by the Association shall be properly deposited into such accounts. The Assessments collected by the Association shall be held in trust by the Association for and on behalf of each Owner and shall be used for the purposes set forth in Section 5.3. The Board shall allocate a portion of said funds as collected for the annual maintenance and operation of the Development and another portion of said funds as collected as reserves for contingencies, replacement, and deferred maintenance of the capital improvements of the Development, as specified in the annual budget. Upon sale or transfer of any Lot by any Owner, the Owner's interest in the funds held in trust by the Association shall terminate and shall be deemed automatically transferred to the successor-transferee of such Owner.

5.16 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 5, 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 5.

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

- (a) All property dedicated to and accepted by the City of Fairfield or County of Solano or other local public authority and devoted to public use; and
- (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 6

DAMAGE, DESTRUCTION AND CONDEMNATION

6.1 Replacement or Repair of Association Property. In the event of damage to or destruction of the Common Area or other property of the Association or any part thereof, the Association shall repair or replace the same from the insurance proceeds payable to it by reason of such damage or destruction. If any such damage or destruction was insured against and the insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may levy a Special Assessment against the Members of the Association as provided in this Declaration to cover the additional cost of the repair or replacement not covered by the insurance proceeds. The Members may elect not to cause such replacement or repair by the vote or written consent of two-thirds of the total voting power of the Association. If there is an election not to rebuild or repair, the applicable insurance proceeds shall be used in the manner determined by the Board, provided that such use shall not be inconsistent with the purposes of the Association.

6.2 Rebuilding or Repair of Improvements on Lots. If any Lot and/or Residence is damaged or destroyed by fire or other casualty, the Owner(s) of any such Lot shall repair or rebuild the structures upon such Lot and restore such Lot to its condition prior to the damage or destruction, or to such other condition as shall have been approved in advance by the Architectural Control Committee. 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. The Association shall make available to the owner(s) of the damaged Lot the proceeds from insurance applicable to the loss, however the amount of such proceeds shall not limit the obligation of the owner(s) to repair or replace the damage.

6.3 Condemnation.

(a) Condemnation of Common Area. If at any time all or any portion of any Common Area, or any interest therein, shall be taken for any public or quasi-public use, under any statute, by right of eminent domain, or by private purchase in lieu of eminent domain, the entire compensation or award in condemnation, to the extent such award is not apportioned among the Owners by court judgment or by agreement between the condemning authority and each of the affected Owners in the Development, shall be paid to the Association and shall be used in the manner determined by the Board, provided that such use shall not be inconsistent with the purposes of the Association. The Association shall represent the interests of all Owners in any proceedings relating

to such condemnation to the extent such Owners have any interest in the Common Area.

(b) Condemnation of Lots. If an entire Residence or Lot, or so much thereof as to render the remainder unfit for use as a residence, is condemned or taken for a public or quasi-public use, pursuant to any statute, by right of eminent domain, or by private purchase in lieu of eminent domain, the Owner's membership in the Association shall terminate as of the last day of the month in which the condemner obtains the right to possession, or upon Owner's vacating the premises, whichever occurs last. If only a portion of such Residence or Lot is taken and the remainder is fit for use as a residence, the Owner shall continue to be a Member of the Association. In any condemnation action involving an Owner's Residence or Lot, the Association shall have the right to seek compensation for any damages incurred by the Association.

6.4 Appraisals. Where the provisions of this Article 6 require an independent appraisal of property, said appraisal shall be made by a qualified real estate appraiser with an M.A.I. certificate or the equivalent, which appraiser shall be selected by the Board.

ARTICLE 7

MAINTENANCE OF PROPERTY

7.1 Association Responsibility. With the exception of Common Area owned by Subassociations, the Association shall provide maintenance, repair, and replacement of the Common Area and all facilities, improvements and landscaping thereon, including swimming pool(s), wading pool, spa, tennis courts, park and tot lots, the Lake and bulkhead on each lot fronting the Lake, common streets, curbs, street gutters, public sidewalks, public pathways, Development entry area, Common Area landscape water systems and electrical systems, and Common Area landscaping (up to but not including any fence or wall located on a Lot) including development perimeter fences, open space, and all other real and/or personal property that may be acquired by the Association, keeping such property in good repair. Utility facilities which are maintained by public or private utility companies or agencies are specifically excluded from Association responsibility.

7.2 Owner Responsibility.

(a) Maintenance of Lots. Except to the extent that maintenance of any improvement on a Lot is expressly and clearly made the

responsibility of the Association or a Subassociation, each Owner shall be responsible for the maintenance, repair and replacement of his or her Lot and all improvements thereon, including but not limited to the driveway, private walkways providing ingress and egress to each Lot and Residence, wood and stone walls and fences within or around each Lot, and external lighting fixtures controlled by electricity from each Residence and not by Association Common Area wiring.

(b) Compliance With Architectural Review Guidelines. An Owner's right and responsibility for maintaining, repairing or replacing any portions of his or her Lot, including but not limited to roofs, landscaping and exterior painting, shall be subject to any applicable provisions of the Governing Documents, including guidelines/rules, relating to landscaping and architectural control, including Article 8.

(c) Board Discretion. The Board shall have the absolute discretion to determine whether any maintenance, repair, or replacement which is the responsibility of an Owner is necessary to (i) correct a safety hazard for the neighbor(s) adjacent to an Owner's Lot or (ii) preserve the appearance and value of the property within 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 sixty (60) days after notification by the Board to the Owner (the "Preliminary Notice of Intent to Initiate Work"), the Board may, after written notice to the Owner (the "Final Notice of Intent to Initiate Work"), and the opportunity of a hearing before the Board, cause such work to be done and charge the cost thereof to the Owner as a Reimbursement Assessment; provided, however, that any such work to an Owner's Lot or Residence initiated by the Board pursuant to this subsection (c) may not be started until a date which is ninety (90) days after the date of the Final Notice of Intent to Initiate Work, except in the case of a safety hazard which is causing or is likely to cause an imminent safety hazard to another Owner's Residence or Lot, in which case the Board may initiate such work to correct the safety hazard as early as five (5) calendar days after the date of the Final Notice of Intent to Initiate Work.

(d) Owner Liability. In the event the need for any maintenance, repair, or replacement of a component which is otherwise Association responsibility 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 8

ARCHITECTURAL CONTROL COMMITTEE

8.1 Submission of Plans and Specifications. Except for improvements made or constructed by or on behalf of the Association, notwithstanding contrary provisions in governing documents of a Subassociation, no building, fence, wall, obstruction, balcony, screen, patio cover, tent, awning, carport cover, 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. The Board of Directors may grant to Subassociations the right to control all architectural issues within their boundaries pursuant to the terms of the governing documents of the Subassociation on term and condition established by the Board of Directors.

8.2 Establishment.

(a) The ACC shall be composed of three (3) Members appointed by the Board of Directors. The Board shall also appoint one alternate member who may be designated by the ACC to act as a member of the ACC in the absence or incapacity of any ACC member. ACC members shall serve two-year terms subject to the Board's power to remove any ACC member and to appoint his or her successor. No Member may serve more than two consecutive two-year terms as a member of the Architectural Control Committee. Service as an alternate ACC member shall not count as one of two consecutive terms. Neither the members of the ACC nor its designated representatives shall be entitled to any compensation for service performed pursuant hereto.

(b) In the event of death or resignation of any member of the ACC, 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 ACC in accordance with the terms of this Article 8.

8.3 Duties. It shall be the duty of the ACC to consider and act upon proposals or plans submitted to it pursuant to the terms of this Article 8 to perform other

duties delegated to it by the Board, and to carry out all other duties imposed upon it by this Declaration, all in accordance with *Civil Code section 1378*. In the event the ACC is not appointed by the Board or otherwise does not or ceases to function, its duties shall be assumed by the Board.

8.3.1 Subassociation Architectural Review. Review in connection with landscaping and improvements on any Lot within a Subassociation shall be conducted by a design review committee established pursuant to the Subassociation governing documents.

8.4 Meetings. The ACC 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 ACC. The ACC shall keep and maintain a record of all actions taken by it at such meetings or otherwise. The ACC and its members shall be entitled only to reimbursement for reasonable out-of-pocket expenses incurred by them in the performance of any ACC function.

8.5 Architectural Review Guidelines. The ACC, with approval of the Board, may adopt, amend and repeal rules and regulations to be known as "Architectural Review Guidelines." The Architectural Review Guidelines may interpret and implement the provisions hereof by providing for any or all of the following:

- (a) the standards and procedures for ACC review, including the required content of application and procedures for obtaining preliminary approval of plans;
- (b) guidelines for architectural design, placement of any work of Improvement or color schemes, exterior finishes and materials and similar features which are recommended or required for use in connection with particular Improvement projects within the Development;
- (c) the criteria and procedures for requesting variances from any property use restrictions or minimum construction standards that would otherwise apply to the proposed Improvement under the Governing Documents (see Section 8.8, below). All variances shall be reviewed on a case by case basis with no precedent being established if a variance is granted in a particular instance and must be approved by the affirmative votes of four (4) out of five (5) Board members;
- (d) lists of projects that are prohibited by the Declaration and for which variances will not be granted;

(e) lists of repair projects and minor improvement projects that can receive final review and approval by the Architectural Control Committee (no need for final review and approval by the Board), so long as the project is undertaken in accordance with plans and specifications that are consistent with the Architectural Review Guidelines or the project involves use of an identical color or external material to the existing color or material and the new materials/colors are submitted to and reviewed by the ACC; and

(f) Notwithstanding the foregoing, no Architectural Review Guidelines shall be in derogation of the minimum standards required by this Declaration. In the event of any conflict between the Architectural Review Guidelines and this Declaration, the provisions of the Declaration shall prevail.

8.6 Application. Any Owner proposing to perform work of any kind requires prior approval pursuant to this Article 8 shall apply for approval by notifying the ACC, in writing, of the nature of the proposed work and furnishing such information and documentation as the ACC or Board may require.

8.7 Fees. The ACC may charge a reasonable fee or fees for its review of architectural or landscaping applications, drawings, plans, and specifications ("Plans"). To assist with its review of Plans submitted with an application pursuant to this Article 8, the ACC, at its discretion, may retain the services of outside consultants, including but not limited architects, engineers, soils experts or contractors. The fees and expenses of any such consultants shall be borne by the Owner. The ACC shall make every effort to retain consultants whose fees are, in the opinion of the ACC, reasonable.

8.8 Grant of Approval. The ACC shall grant the requested approval only if:

(a) The Owner shall have complied with the provisions of Section 8.1 above;

(b) The ACC shall find that the plans and specifications conform to this Declaration and to the Architectural Review Guidelines in effect at the time such plans were submitted to the ACC; and

(c) The ACC 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.

8.9 Form of Approval. All approvals and rejections of requests for approval shall be in writing; provided, however, that any request for approval which has not been acted upon within sixty (60) days from the date of submission thereof to the ACC shall be deemed approved. Oral approvals will be of no force and effect.

8.10 Modification of Approved Plans. In the event that any Plans previously approved by the ACC are substantively modified, the Owner must obtain ACC approval of the modified Plans by re-submitting to the ACC an application and the Plans pursuant to Section 8.6 above.

8.11 Appeals. Appeals from decisions of the ACC may be made to the Board, which may elect, in its discretion, to hear the appeal, or, in the alternative, to affirm the decision of the ACC. Procedures to process appeals pursuant to this Section 8.11 may be adopted by either the ACC or the Board.

8.12 Commencement. Upon receipt of approval pursuant to Sections 8.8 and 8.9 above, the Owner shall, as soon as practicable, satisfy all conditions thereof and diligently proceed with the commencement and completion of all installation, construction, reconstruction, refinishing, alterations, and excavations pursuant to said approval, said commencement to occur, in all cases, within ninety (90) days from the date of such approval. In the case of original construction on a vacant Lot, "commencement of construction" shall mean at least the completion of grading and the pouring of all or substantially all foundations for any improvements. If the Owner shall fail to comply with this Section 8.12, 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.

8.13 Completion. The Owner shall, in any event, complete the installation, construction, reconstruction, refinishing, or alteration of any such 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 8.13, the ACC shall notify the Board of such failure, and the Board shall proceed in accordance with the provisions of Sections 8.14, below, as though the failure to complete the improvements was a non-compliance with approved plans.

8.14 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 8, the Owner shall give written notice thereof to the ACC.

(b) Within sixty (60) days thereafter and upon written notice of not less than three (3) calendar days, the ACC, 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 ACC 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 or resubmit for approval revised plans conforming to the actual installation.

(c) If the Owner shall have failed to remedy such non-compliance upon the expiration of sixty (60) days from the date of such notification, or upon the expiration of another period to which ACC has provided its written agreement, the ACC 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 ACC. Notice of the hearing date shall be given at least ten (10) days in advance thereof by the Board to the Owner, to the ACC and, in the discretion of the Board, to any other interested party.

(d) At the hearing the Owner, the ACC 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 ACC 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.

8.15 Non-Waiver. The approval by the ACC of any plans, drawings, or specifications for any work done or proposed, or for any other matter requiring the approval of the ACC 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.

8.16 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 cause to be recorded an estoppel certificate, certifying (with respect to any Lot of said Owner) that as of the date thereof, either: (i) all improvements made and other work completed by said 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 said 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.

8.17 Liability. Neither the Board, the ACC 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; or (iv) the execution and filing of an estoppel certificate pursuant to Section 8.16, whether or not the facts therein are correct; provided, however, that the ACC or such member 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 ACC, 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 ACC. Every purchaser, by

acquiring title to a Lot or portion thereof agrees not to bring any action or suit against the Board, the ACC, or their members seeking to recover any such damages.

8.18 Compliance With Governmental Requirements.

(a) 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 ACC, or their members as to the accuracy, efficacy, or sufficiency thereof.

(b) The obtaining of a permit or other approval of a government agency shall not be a substitute for nor constitute compliance with the requirements of this Article 8.

ARTICLE 9

ENFORCEMENT

9.1 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; 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 be in the best interests of the Association and its Members as a whole.

9.2 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.

9.3 Owners' Responsibility for Conduct of Others 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 (2) or more persons, the liability of each Owner in connection with the obligations imposed by the Governing Documents shall be joint and several.

9.4 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.

9.5 Rights and Remedies of the Association.

(a) 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) 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. A sanction may include, but shall not be limited to a monetary penalty 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. Any monetary penalty imposed pursuant to this Section 9.5 shall not exceed the amount for each violation, as set forth in schedule of monetary penalties adopted pursuant to *Civil Code section 1363(g)*. Each Owner shall be obligated to pay all 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.

(c) Inadequacy of Legal Remedy. Except for the non-payment of any Assessment levied pursuant to the provisions of Article 5 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.

(d) Limitation on Disciplinary Rights. The Association shall not have the power to cause a forfeiture or abridgment of a Member's right to the full use and occupancy of his or her Lot for breach of 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 5 of this Declaration. The provisions of this Section 9.5 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.

9.6 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.

9.7 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.

9.8 Dispute Resolution.

(a) Alternative Dispute Resolution. Any dispute which is subject to *Civil Code section 1354* shall be submitted to alternative dispute resolution procedures ("ADR") as described *Civil Code section 1369.510*. The power and duty of the Board of Directors to levy and collect assessments through lien foreclosure proceedings shall not be subject to ADR. In the case of any claim, dispute, or controversy which is not otherwise subject to California *Civil Code section 1369.510*, 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.

(b) Internal Dispute Resolution. In addition to the ADR provisions of *Civil Code section 1369.510*, the Association shall provide for Internal Dispute Resolution in any dispute regarding the rights, duties or liabilities under *Civil Code section 1350 et seq.*, the Nonprofit Mutual Benefit Corporation Law, or the Governing Documents. The procedure may be invoked by any party pursuant to *Civil Code section 1363.810 et seq.*

9.9 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.

9.10 Notices. Any notices required or given under this Article 9 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.

9.11 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. In awarding attorney's fees when a legal proceeding has been initiated, the court shall not be bound by any court fee schedule, but shall, if it is in the interest of justice to do so, award the full amount of costs, expenses and attorney's fees paid or incurred in good faith. 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 5 of this Declaration.

ARTICLE 10

AMENDMENT

This Declaration may be amended by the affirmative vote or written consent of a Simple Majority of the Association. Any amendment of the Declaration shall be signed and acknowledged by the duly authorized officer(s) of the Association and recorded in the Office of the Solano County Recorder.

ARTICLE 11

GENERAL PROVISIONS

11.1 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.

11.2 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.

11.3 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.

11.4 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.

11.5 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.

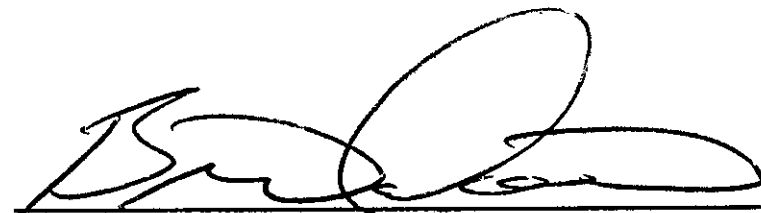
11.6 Power of Attorney. To the extent necessary to carry out and enforce the provisions of this Declaration, an irrevocable power of attorney coupled with an interest is granted to the Association by the Owners and each of them.

11.7 Term. This Declaration shall continue for a term of fifty (50) 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 (6) months prior to the expiration of the initial 50-year term or any 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 the Office of the County Recorder of Solano County, California.

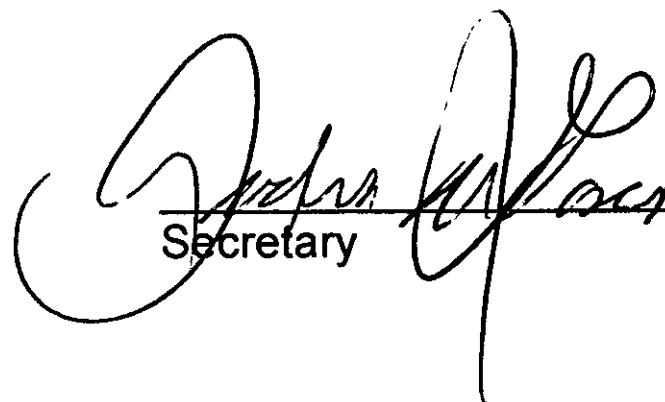
IN WITNESS WHEREOF, we, the Voting Members of Green Valley Lake Community Association, representing at least seventy-five percent (75%) of the Total Voting Power of said Association, hereby affirm, approve, and adopt the foregoing Amended and Restated Master Declaration of Covenants, Conditions and Restrictions in accordance with the 1991 Declaration by means of the signatures of the President and Secretary of the Association, duly authorized by the written consent of the Voting Members representing at least seventy-five percent (75%) of the Total Voting Power of the Association, which Amended and Restated Master Declaration of Covenants, Conditions and Restrictions shall be recorded with the County Recorder of Solano County, California.

DATED: 1-18-07

GREEN VALLEY LAKE COMMUNITY
ASSOCIATION, INC.



President



Secretary

STATE OF CALIFORNIA
COUNTY OF Solano

} S.S.

On January 18, 2007 before me,

D. Tingley
a Notary Public, personally appeared

Brian Davisson

Andrea M. Bosco

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

WITNESS my hand and official seal.

Signature 



(This area for official notorial seal)

EXHIBIT "A"

Lots 1 through 135 as shown on the Final Subdivision Map for "Green Valley Lake Unit No. I" as filed in Book 61 of Maps at Page 46, Solano County Records; and Lots 1 through 122 on Subdivision Map entitled "Green Valley Lake Unit No. II," recorded March 28, 1999 in Book 70 of Maps at Page 21, et seq., Solano County Records; and Lots 1 through 76, and 78 through 80 of Map for Green Valley Lake Unit No. III, filed April 28, 1998 in Book 68 of Maps, Page 30, Solano County Records;

AND

Lots 1 through 154 and Lots A, B, C, D, E, F, G, H, I, J, K, L, M, N and O as shown on the Map for "Green Valley Lake Unit No. 4" filed for record on August 22, 2000, in Book 70 of Maps at Page 95, et seq. in the Official Records of Solano County;

AND

Lots 1 through 104 and Common Area Parcel 3 as shown on the Map entitled "Final Map of Edgewater" filed for record in the Office of the County Recorder of Solano County on June 27, 2003 in Book 76 of Maps, Pages 55-60.