

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
2.10
(ID # 6422)

MEETING DATE:

Tuesday, March 13, 2018

FROM : TLMA-TRANSPORTATION:

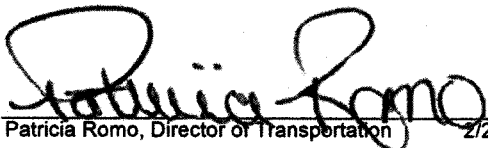
SUBJECT: TRANSPORTATION AND LAND MANAGEMENT AGENCY/TRANSPORTATION:

Approval of Final Tract Map 31100, a Schedule "A" Subdivision in the Area. 3rd District; [Applicant Fees 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Improvement Agreements and security for Final Tract Map 31100; and
2. Approve the Final Map; and
3. Authorize the Chairman of the Board to sign the Improvement Agreements, the Lien Agreement and Final Tract Map 31100.

ACTION: Consent

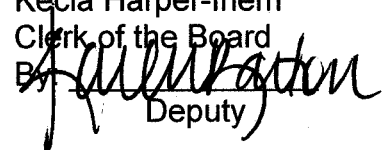

Patricia Romo, Director of Transportation 2/26/2018

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: March 13, 2018
xc: Transp.

Kecia Harper-Ihem
Clerk of the Board


Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Applicant fees 100%. No general funds will be used.			Budget Adjustment:	N/A
			For Fiscal Year:	17/18

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Tract 31100 was approved by the Board of Supervisors on August 29, 2006 as Agenda Item 1.5. Final Tract Map 31100 is an 80.91 acre subdivision that is creating 221 residential lots and 9 open space lots, 1 school lot and 1 park lot in the Winchester area. This Final Tract Map complies in all respects with the provisions of Division 3 of Title 15 of the Government Code and applicable local ordinances. All necessary conditions of approval have been satisfied and departmental clearances have been obtained to allow for the recordation of the final map.

Government Code Section 66458 directs the Board of Supervisors to approve a final map, without any discretion, if the map conforms to all the requirements of the Subdivision Map Act and local ordinances applicable at the time of approval or conditional approval of the tentative map.

La Ventana 242, LLC desires to enter into Improvement Agreements to guarantee the construction of the required improvements and has submitted Lien and Improvement Agreements which have been approved by County Counsel. All costs for improvements will be the responsibility of the developer.

Impact on Residents and Businesses:

This action has no impact on residents or businesses.

Additional Fiscal Information:

All fees paid by the applicant. There is no general fund obligation.

Contract History and Price Reasonableness:

N/A

ATTACHMENTS:

Final Map 31100 Vicinity Map
Road/Drainage Improvement Agreement

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

Water System Improvement Agreement
Sewer System Improvement Agreement
Monumentation Agreement
Lien Agreement
Final Map 31100 Mylars



Gregory P. Priaplos, Director County Counsel 2/27/2018

**AGREEMENT
FOR THE CONSTRUCTION OF ROAD/DRAINAGE IMPROVEMENTS**

This agreement, made and entered into by and between the County of Riverside, State of California, hereinafter called County, and La Ventana 242, LLC, hereinafter called Contractor.

WITNESSETH:

FIRST: Contractor, for and in consideration of the approval by County of the final map of that certain land division known as **Tract 31100**, hereby agrees, at Contractor's own cost and expense, to commence construction within **36** months and to furnish all labor, equipment and materials necessary to perform and complete construction within **48** months from the date this agreement is executed, in a good and workmanlike manner, all road and drainage improvements in accordance with those Road Plans for said land division which have been approved by the County Director of Transportation, and are on file in the office of the Riverside County Transportation Department, and do all work incidental thereto in accordance with the standards set forth in Riverside County Ordinance No. 461, as amended, which are hereby expressly made a part of this agreement. All the above required work shall be done under the inspection of and to the satisfaction of the County Director of Transportation, and shall not be deemed complete until approved and accepted as complete by the County. Contractor further agrees to maintain the above required improvements for a period of one year following acceptance by the County, and during this one year period to repair or replace, to the satisfaction of the Director of Transportation, any defective work or labor done or defective materials furnished. Contractor further agrees that all underground improvements shall be completed prior to the paving of any roadway. The estimated cost of said work and improvements is the sum of **Nine million two hundred thirty-four thousand and no/100 Dollars (\$9,234,000.00)**.

SECOND: Contractor agrees to pay to County the actual cost of such inspections of the work and improvements as may be required by the Director of Transportation. Contractor further agrees that, if suit is brought upon this agreement or any bond or other security guaranteeing the completion of the road and drainage improvements, all costs and reasonable expenses and fees incurred by County in successfully enforcing such obligations shall be paid by Contractor, including reasonable attorney's fees, and that, upon entry of judgment, all such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

THIRD: County shall not, nor shall any officer or employee of County, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this agreement prior to the completion and acceptance thereof, nor shall County or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Contractor, his agents or employees, in the performance of the work, and all or said liabilities are assumed by Contractor. Contractor agrees to protect, defend, and hold harmless County and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Contractor, his agents and employees, in the performance of this agreement or arising out of the use of any patent or patented article in the performance of this agreement.

FOURTH: The Contractor hereby grants to County, or any agent or employee of County, the irrevocable permission to enter upon the lands of the subject land division for the purpose of completing the improvements. This permission shall terminate in the event that Contractor has completed work within the time specified or any extension thereof granted by the County.

FIFTH: The Contractor shall provide adequate notice and warning to the traveling public of each and every hazardous or dangerous condition caused or created by the construction of the works of improvement at all times up to the completion and formal acceptance of the works of improvement. The Contractor shall protect all persons from such hazardous or dangerous conditions by use of traffic regulatory control methods, including, but not limited to, stop signs, regulatory signs or signals, barriers, or detours.

SIXTH: Contractor, his agents and employees, shall give notice to the Director of Transportation at least 48 hours before beginning any work and shall furnish said Director of Transportation all reasonable facilities for obtaining full information with respect to the progress and manner of work.

SEVENTH: If Contractor, his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time which have been granted by County, or if Contractor violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this agreement and notice of such default shall be served upon him. County shall have the power, on recommendation of the Director of Transportation, to terminate all rights of Contractor because of such default. The determination by the Director of Transportation of the question as to whether any of the terms of the agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Contractor, and any and all parties who may have any interest in the agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to County under law. The failure of the Contractor to commence construction shall not relieve the Contractor or surety from completion of the improvements required by this agreement.

EIGHTH: Contractor agrees to file with County, prior to the date this agreement is executed, a good and sufficient improvement bond or other security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this agreement, and, in all cases other than where a lien agreement is used, a good and sufficient security for payment of labor and materials in the amount prescribed by Article XVII of Riverside County Ordinance 460 to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California. Contractor agrees to renew each and every said bond or other security with good and sufficient sureties or increase the amount of said bond(s) or other security, or both, within ten (10) days after being notified by the Director of Transportation that the sureties or amounts are insufficient. Notwithstanding any other provisions herein, if Contractor fails to take such action as is necessary to comply with said notice, he shall be in default of this agreement unless all required improvements are completed within ninety (90) days of the date on which the Director of Transportation notified Contractor of the insufficiency of the security or the amount of the bonds or both.

NINTH: Whenever a lien agreement is used as security under the provisions of Government Code Section 66499 (a) (4) and Riverside County Ordinance 460 § 17.3, Contractor agrees, prior to commencing the work, to substitute the lien agreement with a good and sufficient improvement bond or other security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this agreement, and good and sufficient security for payment of labor and materials in the amount prescribed by Article XVII of Riverside County Ordinance 460 to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

TENTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds or other security securing this agreement, that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this agreement, extensions of time may be granted, from time to time, by County, either at its own option, or upon request of Contractor, and such extensions shall in no way affect the

validity of this agreement or release the surety or sureties on such bonds or other security. Contractor further agrees to maintain the aforesaid bonds or other security in full force and effect during the terms of this agreement, including any extensions of time as may be granted therein.

ELEVENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain that particular part, term or provision held to be invalid.

TWELFTH: Any notice or notices required or permitted to be given pursuant to this agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

County

Construction Engineer
Riverside County Transportation Dept.
2950 Washington Street
Riverside, CA 92504


Contractor

La Ventana 242, LLC
41391 Kalmia Street, Ste 200
Murrieta, CA 92562

IN WITNESS WHEREOF, Contractor has affixed his name, address and seal.

By Please see attached signature block

COUNTY OF RIVERSIDE)

By 
CHUCK WASHINGTON

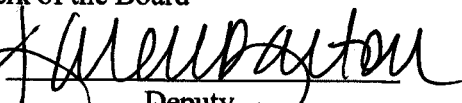
Title _____

By _____

Title _____

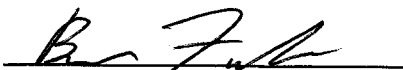
ATTEST: CHAIRMAN, BOARD OF SUPERVISORS

KECIA HARPER-IHEM,
Clerk of the Board

By 
Deputy

APPROVED AS TO FORM

County Counsel


By 

SIGNATURES OF CONTRACTOR MUST BE ACKNOWLEDGED BY NOTARY
AND EXECUTED IN TRIPLICATE

Revised 02/02/10

SIGNATURE PAGE FOR AGREEMENT FOR THE CONSTRUCTION OF
ROAD/DRAINAGE IMPROVEMENTS – TRACT 31100

LA VENTANA 242, LLC

By: 
Kyung Moo Kim
Manager

0A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On Nov. 16, 2017, before me, Judy A. Layland, a Notary Public, personally

appeared Kyung Mo Kim

Who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument the person, or the entity upon behalf of which person acted, executed the instrument.

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

WITNESS my hand and official seal.

Judy A. Layland



**AGREEMENT
FOR THE CONSTRUCTION OF WATER SYSTEM IMPROVEMENTS**

This agreement, made and entered into by and between the County of Riverside, State of California, hereinafter called County, and La Ventana 242, LLC, hereinafter called Contractor.

WITNESSETH:

FIRST: Contractor, for and in consideration of the approval by County of the final map of that certain land division known as **Tract 31100**, hereby agrees, at Contractor's own cost and expense, to commence construction within **36** months and cause to have constructed within **48** months from the date this agreement is executed, in a good and workmanlike manner, a water distribution system, complete with all necessary pipes, valves, fire hydrants, connections and appurtenances necessary to the satisfactory operation of said distribution system, and, further, to extend main or mains from the existing supply system maintained and operated by **Eastern Municipal Water District** to connect with the distribution system described above with all pipe laid at such a depth as to provide a full thirty-six inch (36") minimum cover from the top of the pipe to street grade, unless otherwise specified by the Director of Transportation, all in accordance with those plans and specifications which have been approved by both the County Health Director and Director of Transportation, and are on file in the office of the Riverside County Transportation Department. Said approved plans and specifications are hereby made a part of this agreement as fully as though set forth herein. All of the above required work shall be done under the inspection of, and to the satisfaction of, the County Director of Transportation and the County Health Officer, and shall not be deemed complete until approved and accepted as complete by the County. Contractor further agrees to maintain the above required improvements for a period of one year following acceptance by the County, and during this one year period to repair or replace, to the satisfaction of the Director of Transportation, any defective work or labor done or defective materials furnished. Contractor further agrees that all underground improvements shall be completed prior to the paving of any roadway. The estimated cost of said work and improvements is the sum of **Two million nine hundred five thousand and no/100 Dollars (\$2,905,000.00)**.

SECOND: Contractor agrees to pay to County the actual cost of such inspections of the work and improvements as may be required by the Director of Transportation. Contractor further agrees that, if suit is brought upon this agreement or any bond or other security guaranteeing the completion of the water system improvements, all costs and reasonable expenses and fees incurred by County in successfully enforcing such obligations shall be paid by Contractor, including reasonable attorney's fees, and that, upon entry of judgment, all such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

THIRD: County shall not, nor shall any officer or employee of County, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this agreement prior to the completion and acceptance thereof, nor shall County or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Contractor, his agents or employees, in the performance of the work, and all or said liabilities are assumed by Contractor. Contractor agrees to protect, defend, and hold harmless County and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Contractor, his agents and employees, in the performance of this agreement or arising out of the use of any patent or patented article in the performance of this agreement.

FOURTH: The Contractor hereby grants to County, or any agent or employee of County, the irrevocable permission to enter upon the lands of the subject land division for the purpose of completing the improvements. This permission shall terminate in the event that Contractor has completed work within the time specified or any

extension thereof granted by the County.

FIFTH: The Contractor shall provide adequate notice and warning to the traveling public of each and every hazardous or dangerous condition caused or created by the construction of the works of improvement at all times up to the completion and formal acceptance of the works of improvement. The Contractor shall protect all persons from such hazardous or dangerous conditions by use of traffic regulatory control methods, including, but not limited to, stop signs, regulatory signs or signals, barriers, or detours.

SIXTH: Contractor, his agents and employees, shall give notice to the Director of Transportation at least 48 hours before beginning any work and shall furnish said Director of Transportation all reasonable facilities for obtaining full information with respect to the progress and manner of work.

SEVENTH: If Contractor, his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time which have been granted by County, or if Contractor violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this agreement and notice of such default shall be served upon him. County shall have the power, on recommendation of the Director of Transportation, to terminate all rights of Contractor because of such default. The determination by the Director of Transportation of the question as to whether any of the terms of the agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Contractor, and any and all parties who may have any interest in the agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to County under law. The failure of the Contractor to commence construction shall not relieve the Contractor or surety from completion of the improvements required by this agreement.

EIGHTH: Contractor agrees to file with County, prior to the date this agreement is executed, a good and sufficient improvement bond or other security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this agreement, and, in all cases other than where a lien agreement is used, a good and sufficient security for payment of labor and materials in the amount prescribed by Article XVII of Riverside County Ordinance 460 to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California. Contractor agrees to renew each and every said bond or other security with good and sufficient sureties or increase the amount of said bond(s) or other security, or both, within ten (10) days after being notified by the Director of Transportation that the sureties or amounts are insufficient. Notwithstanding any other provisions herein, if Contractor fails to take such action as is necessary to comply with said notice, he shall be in default of this agreement unless all required improvements are completed within ninety (90) days of the date on which the Director of Transportation notified Contractor of the insufficiency of the security or the amount of the bonds or both.

NINTH: Whenever a lien agreement is used as security under the provisions of Government Code Section 66499 (a) (4) and Riverside County Ordinance 460 § 17.3, Contractor agrees, prior to commencing the work, to substitute the lien agreement with a good and sufficient improvement bond or other security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this agreement, and a good and sufficient security for payment of labor and materials in the amount prescribed by Article XVII of Riverside County Ordinance 460 to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

TENTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds or other security securing this agreement, that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this agreement, extensions of time may be granted, from time to time,

by County, either at its own option, or upon request of Contractor, and such extensions shall in no way affect the validity of this agreement or release the surety or sureties on such bonds or other security. Contractor further agrees to maintain the aforesaid bonds or other security in full force and effect during the terms of this agreement, including any extensions of time as may be granted therein.

ELEVENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain that particular part, term or provision held to be invalid.

TWELFTH: Any notice or notices required or permitted to be given pursuant to this agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

County

Construction Engineer
Riverside County Transportation Dept.
2950 Washington Street
Riverside, CA 92504

Contractor

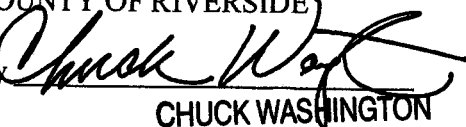
La Ventana 242, LLC
41391 Kalmia Street, Ste 200
Murrieta, CA 92562

IN WITNESS WHEREOF, Contractor has affixed his name, address and seal.

By Please see attached signature block

COUNTY OF RIVERSIDE

By


CHUCK WASHINGTON

CHAIRMAN, BOARD OF SUPERVISORS

ATTEST:

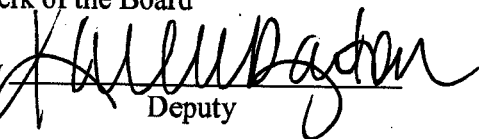
Title _____

By _____

Title _____

KECIA HARPER-IHEM,
Clerk of the Board

By


Deputy

APPROVED AS TO FORM

County Counsel

By




SIGNATURES OF CONTRACTOR MUST BE ACKNOWLEDGED BY NOTARY
AND EXECUTED IN TRIPLICATE

Revised 02/02/10

SIGNATURE PAGE FOR AGREEMENT FOR THE CONSTRUCTION OF
WATER SYSTEM IMPROVEMENTS – TRACT 31100

LA VENTANA 242, LLC

By: 
Kyung Moo Kim
Manager

0A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On Nov. 16, 2017, before me, Judy A. Layland, a Notary Public, personally

appeared Kyung Moo Kim

Who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument the person, or the entity upon behalf of which person acted, executed the instrument.

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

WITNESS my hand and official seal.

Judy A. Layland



**AGREEMENT
FOR THE CONSTRUCTION OF SEWER SYSTEM IMPROVEMENTS**

This agreement, made and entered into by and between the County of Riverside, State of California, hereinafter called County, and La Ventana 242, LLC, hereinafter called Contractor.

WITNESSETH:

FIRST: Contractor, for and in consideration of the approval by County of the final map of that certain land division known as **Tract 31100**, hereby agrees, at Contractor's own cost and expense, to commence construction within **36** months and cause to have constructed within **48** months from the date this agreement is executed, in a good and workmanlike manner, a sanitary sewer system, complete with all necessary pipes, valves, fire hydrants, connections and appurtenances necessary to the satisfactory operation of said sanitary sewer system. Contractor further agrees to extend the main or mains from the existing sewer system maintained and operated by **Eastern Municipal Water District** to connect with the sanitary sewer system required to be constructed by this agreement. All the above required work shall be in accordance with those plans and specifications which have been approved by the Director of Transportation, and are on file in the office of the Riverside County Transportation Department. Said approved plans and specifications are hereby made a part of this agreement as fully as though set forth herein. All of the above required work shall be done under the inspection of, and to the satisfaction of, the County Director of Transportation and the County Health Officer, and shall not be deemed complete until approved and accepted as complete by the County and accepted by the above-named agency into its sewer system. Contractor further agrees to maintain the above required improvements for a period of one year following acceptance by the County, and during this one year period to repair or replace, to the satisfaction of the Director of Transportation, any defective work or labor done or defective materials furnished. The estimated cost of said work and improvements is the sum of **One million one hundred eighty-seven thousand and no/100 Dollars (\$1,187,000.00)**.

SECOND: Contractor agrees to pay to County the actual cost of such inspections of the work and improvements as may be required by the Director of Transportation. Contractor further agrees that, if suit is brought upon this agreement or any bond or other security guaranteeing the completion of the water system improvements, all costs and reasonable expenses and fees incurred by County in successfully enforcing such obligations shall be paid by Contractor, including reasonable attorney's fees, and that, upon entry of judgment, all such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

THIRD: County shall not, nor shall any officer or employee of County, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this agreement prior to the completion and acceptance thereof, nor shall County or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Contractor, his agents or employees, in the performance of the work, and all or said liabilities are assumed by Contractor. Contractor agrees to protect, defend, and hold harmless County and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Contractor, his agents and employees, in the performance of this agreement or arising out of the use of any patent or patented article in the performance of this agreement.

FOURTH: The Contractor hereby grants to County, or any agent or employee of County, the irrevocable permission to enter upon the lands of the subject land division for the purpose of completing the improvements. This permission shall terminate in the event that Contractor has completed work within the time specified or any extension thereof granted by the County.

FIFTH: The Contractor shall provide adequate notice and warning to the traveling public of each and every hazardous or dangerous condition caused or created by the construction of the works of improvement at all times up to the completion and formal acceptance of the works of improvement. The Contractor shall protect all persons from such hazardous or dangerous conditions by use of traffic regulatory control methods, including, but not limited to, stop signs, regulatory signs or signals, barriers, or detours.

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SEVENTH: If Contractor, his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time which have been granted by County, or if Contractor violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this agreement and notice of such default shall be served upon him. County shall have the power, on recommendation of the Director of Transportation, to terminate all rights of Contractor because of such default. The determination by the Director of Transportation of the question as to whether any of the terms of the agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Contractor, and any and all parties who may have any interest in the agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to County under law. The failure of the Contractor to commence construction shall not relieve the Contractor or surety from completion of the improvements required by this agreement.

EIGHTH: Contractor agrees to file with County, prior to the date this agreement is executed, a good and sufficient improvement bond or other security prescribed by in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this agreement, and, in all cases other than where a lien agreement is used, a good and sufficient security for payment of labor and materials in the amount prescribed by Article XVII of Riverside County Ordinance 460 to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California. Contractor agrees to renew each and every said bond or other security with good and sufficient sureties or increase the amount of said bond(s) or other security, or both, within ten (10) days after being notified by the Director of Transportation that the sureties or amounts are insufficient. Notwithstanding any other provisions herein, if Contractor fails to take such action as is necessary to comply with said notice, he shall be in default of this agreement unless all required improvements are completed within ninety (90) days of the date on which the Director of Transportation notified Contractor of the insufficiency of the security or the amount of the bonds or both.

NINTH: Whenever a lien agreement is used as security under the provisions of Government Code Section 66499 (a) (4) and Riverside County Ordinance 460 § 17.3, Contractor agrees, prior to commencing the work, to substitute the lien agreement with a good and sufficient improvement bond or other security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this agreement, and good and sufficient security for payment of labor and materials in the amount prescribed by Article XVII of Riverside County Ordinance 460 to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

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ELEVENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain that particular part, term or provision held to be invalid.

TWELFTH: Any notice or notices required or permitted to be given pursuant to this agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

County

Contractor

Construction Engineer
Riverside County Transportation Dept.
2950 Washington Street
Riverside, CA 92504

La Ventana 242, LLC
41391 Kalmia Street, Ste 200
Murrieta, CA 92562

IN WITNESS WHEREOF, Contractor has affixed his name, address and seal.

By Please see signature block attached

COUNTY OF RIVERSIDE)

By Chuck Washington

CHUCK WASHINGTON

CHAIRMAN, BOARD OF SUPERVISORS

Title _____

By _____

Title _____

ATTEST:

KECIA HARPER-IHEM,
Clerk of the Board

By Kecia Harper-Ihem
Deputy

APPROVED AS TO FORM

County Counsel

By B. Felt

SIGNATURES OF CONTRACTOR MUST BE ACKNOWLEDGED BY NOTARY
AND EXECUTED IN TRIPPLICATE

Revised 02/02/10

SIGNATURE PAGE FOR AGREEMENT FOR THE CONSTRUCTION OF
SEWER SYSTEM IMPROVEMENTS – TRACT 31100

LA VENTANA 242, LLC

By:

A handwritten signature in black ink, appearing to read 'Kyung Moo Kim', written over a horizontal line.

Kyung Moo Kim
Manager

0A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On Nov. 16, 2017, before me, Judy A. Layland, a Notary Public, personally

appeared Kyung Mo Kim

Who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument the person, or the entity upon behalf of which person acted, executed the instrument.

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

WITNESS my hand and official seal.

Judy A. Layland



**AGREEMENT
FOR THE PLACEMENT OF SURVEY MONUMENTS**

This agreement, made and entered into by and between the County of Riverside, State of California, hereinafter called County, and La Ventana 242, LLC, hereinafter called Contractor.

WITNESSETH:

FIRST: Contractor, for and in consideration of the approval by County of the final map of that certain land division known as **Tract 31100**, hereby agrees, at Contractor's own cost and expense, to furnish all labor, equipment and materials necessary to set, within **48** months from the date this agreement is executed, in a good and workmanlike manner, all survey monuments and tie points and to furnish to the County Surveyor tie notes for said tract in accordance with the standards set forth in Riverside County Ordinance No. 461 and Section 8771 et seq. of the Business and Professions Code of the State of California. Contractor further agrees to pay, within 30 days of presentation to contractor of the final billing of any surveyor or engineer for work performed by him as provides for in Article 9 of Chapter 4, Division 2 of Title 7 of the Government Code of the State of California (commencing with Section 66495). Contractor further agrees that if payment to the surveyor or engineer is not made within 30 days, the surveyor or engineer notifies County that he has not been paid for setting the final monuments, and the Board of Supervisors, pursuant to Section 66497 of the Government Code, after providing Contractor with an opportunity to present evidence as to whether or not the surveyor or engineer has been paid, orders that payment be made by County to the engineer or surveyor, Contractor will, upon demand, and without proof of loss by County, reimburse County for any funds so expended. Notwithstanding any other provisions herein, the determination of County as to whether the surveyor or engineer has been paid shall be conclusive on Contractor, his surety, and all parties who may have an interest in the agreement or any portion thereof.

All of the above required work shall be done under the inspection of, and to the satisfaction of, the County Surveyor, and shall not be deemed complete until approved and accepted as complete by the County. The estimated cost of said work and improvements is the sum of **Two hundred seventy-two thousand and no/100 Dollars (\$272,000.00)**.

SECOND: Contractor agrees to pay to County the actual cost of such inspections of the work and improvements as may be required by the County Surveyor. Contractor further agrees that, if suit is brought upon this agreement or any bond or other security guaranteeing the completion of the monuments, all costs and reasonable expenses and fees incurred by County in successfully enforcing such obligations shall be paid by Contractor, including reasonable attorney's fees, and that, upon entry of judgment, all such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

THIRD: County shall not, nor shall any officer or employee of County, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this agreement prior to the completion and acceptance thereof, nor shall County or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Contractor, his agents or employees, in the performance of the work, and all or said liabilities are assumed by Contractor. Contractor agrees to protect, defend, and hold harmless County and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Contractor, his agents and employees, in the performance of this agreement or arising out of the use of any patent or patented article in the performance of this agreement.

FOURTH: The Contractor hereby grants to County, the Surety upon any bond or other security, and to the agents, employees and contractors of either of them, the irrevocable permission to enter upon the lands of the subject land division for the purpose of completing the monumentation. This permission shall terminate in the event that Contractor or the Surety has completed work within the time specified or any extension thereof granted by the County. It is further agreed that Contractor shall have control of the ground reserved for the installation of said work, and the streets in which they are to be placed, as is necessary to allow him to carry out this agreement.

FIFTH: Contractor agrees to file with County prior to the date this contract is executed, an acceptable and sufficient improvement security in an amount not less than the estimated cost of the work, as above specified, for the faithful performance of the terms and conditions of this agreement, and for the payment of the amount of the improvement security to the County for the benefit of any surveyor or engineer who has not been paid by the Contractor, as provided for by Section 66495 et seq. of the Government Code of the State of California. Contractor agrees to renew each and every said bond or other security with good and sufficient sureties or increase the amount of said bonds or other security, or both, within ten (10) days after being notified by the Director of Transportation that the sureties or amounts are insufficient. Notwithstanding any other provisions herein, if Contractor fails to take such action as is necessary to comply with said notice, he shall be in default of this agreement unless all required improvements are completed within ninety (90) days of the date on which the Director of Transportation notified Contractor of the insufficiency of the security or the amount of the bonds or both.

SIXTH: Whenever a lien agreement is used as security under the provisions of Government Code Section 66499 (a) (4) and Riverside County Ordinance 460 § 17.3, Contractor agrees, prior to commencing the work, to substitute the lien agreement with a good and sufficient improvement bond or other security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this agreement, and a good and sufficient security for the payment of the amount of the improvement security to the County for the benefit of any surveyor or engineer who has not been paid by the Contractor, as provided for by Section 66495 et seq. of the Government Code of the State of California.

SEVENTH: If contractor neglects, refuses, or fails to prosecute the work as to insure its completion within the time specifies, or within such extensions of time which have been granted by County, or if Contractor violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this agreement. County shall have the power, on recommendation of the Director of Transportation, to terminate all rights of Contractor in such agreement, but said termination shall not affect or terminate any of the rights of County as against Contractor or his Surety then existing or which thereafter accrue because of such default. The determination of the County Surveyor of the question as to whether any of the terms of the agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Contractor, his Surety, and any and all parties who may have any interest in the agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to County under law. The failure of the Contractor to commence construction shall not relieve the Contractor or surety from completion of the improvements required by this agreement.

EIGHTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds or other security securing this agreement, that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this agreement, extensions of time may be granted, from time to time, by County, either at its own option, or upon request of Contractor, and such extensions shall in no way affect the validity of this agreement or release the surety or sureties on such bonds or other security. Contractor further agrees to maintain the aforesaid bonds or other security in full force and effect during the terms of this agreement, including any extensions of time as may be granted therein.

NINTH: It is understood and agreed by the parties hereto that if any part, term or provision of this agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain that particular part, term or provision held to be invalid.

TENTH: Any notice or notices required or permitted to be given pursuant to this agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

County

Contractor

Construction Engineer
Riverside County Transportation Dept.
2950 Washington Street
Riverside, CA 92504

La Ventana 242, LLC
41391 Kalmia Street, Ste 200
Murrieta, CA 92562

IN WITNESS WHEREOF, Contractor has affixed his name, address and seal.

By Please see signature block attached

COUNTY OF RIVERSIDE

Title _____

By


CHUCK WASHINGTON

By _____

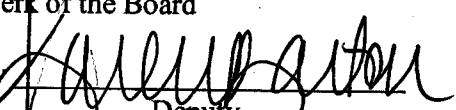
CHAIRMAN, BOARD OF SUPERVISORS

Title _____

ATTEST:

KECIA HARPER-IHEM,
Clerk of the Board

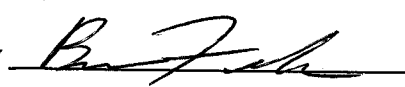
By


Deputy

APPROVED AS TO FORM

County Counsel

By




SIGNATURES OF CONTRACTOR MUST BE ACKNOWLEDGED BY NOTARY
AND EXECUTED IN TRIPLICATE

Revised 02/02/10

SIGNATURE PAGE FOR AGREEMENT FOR THE PLACEMENT OF
SURVEY MONUMENTS – TRACT 31100

LA VENTANA 242, LLC

By: 
Kyung Moo Kim
Manager

0A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On November 16, 2017, before me, Judy A. Layland, a Notary Public, personally

appeared Kyung Moo Kim

Who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument the person, or the entity upon behalf of which person acted, executed the instrument.

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

WITNESS my hand and official seal.

Judy A. Layland



WHEN RECORDED PLEASE RETURN TO:	
RECORDING REQUESTED BY: Construction Engineer Riverside County Transportation Dept. 2950 Washington Street Riverside, CA 92504	
<i>FOR THE BENEFIT OF THE COUNTY</i>	

LIEN AGREEMENT

As Subdivision Improvement Security for Tract 31100

**THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR
RECORDING INFORMATION**

MAR 13 2018 2.10

RECORDED AS A BENEFIT
COUNTY OF RIVERSIDE

WHEN RECORDED RETURN TO:

Construction Engineer
Riverside County Transportation Dept.
2950 Washington Street
Riverside, CA 92504

LIEN AGREEMENT

THIS LIEN AGREEMENT ("Lien Agreement") is entered into this _____ day of _____, by and among the County of Riverside, a political subdivision of the State of California ("County") and _____ La Ventana 242, LLC ("Owner").

RECITALS

- A. Owner has applied to County for approval of a Final Map for as **Tract 31100** referred to herein as "Map," pursuant to Ordinance No. 460 ("the Subdivision Ordinance").
- B. Owner is required to enter into secured agreements with County entitled "Subdivision Improvement Agreements" to perform certain acts and construct certain improvements as a condition of County's approval of said Map.
- C. Owner is required by the Subdivision Improvement Agreement, the Subdivision Ordinance, and the Subdivision Map Act (Gov. Code, §§ 66462 and 66499) to provide security satisfactory to the County to secure its obligations under the Subdivision Improvement Agreement.
- D. Owner warrants that Owner has not sold any of the individual lots in the real property to be divided, as identified on the Map.
- E. With the exception of grading commenced pursuant to a valid grading permit, Owner has not commenced to install or construct any of the improvements required by the Subdivision Improvement Agreement and has not been issued any construction permits, excluding a grading permit, on any of the real property to be divided as identified on the Map.
- F. Owner has provided a title insurance policy and current title report from a title company approved by the County and issued within the 60 days prior to the execution of this Lien Agreement that documents that the Owner is the record owner of the real property to be divided as identified on the Map and the real property to be divided is not subject to any mortgages, deeds of trust, or judgment liens.
- G. Pursuant to the Subdivision Ordinance, § 17.3, County is authorized to defer the posting of securities for the provision of improvements to the land division if the Owner enters into a secured agreement to defer making land division improvements required by Article X of the Subdivision Ordinance.
- H. County is authorized to accept the security proposed by Owner, known as a lien agreement, for the Subdivision Improvement Agreement under the provisions of Government Code Section 66499 (a) (4) and Subdivision Ordinance § 17.3.

I. County has found and determined that it would not be in the public interest to require the installation of the required improvements sooner than two years after the recordation of the Map.

J. Owner represents and County has confirmed that Owner has paid all plan check fees and has a deposit based fee account in good standing with the County.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

I. Owner's Performance and Obligations

A. Owner hereby grants to County, in accordance with the terms and conditions of this Lien Agreement, a lien upon the property ("Property") described in Exhibit "A" ("Grant Deed"), attached hereto, as security for the following obligations of Owner:

(1) Construction of the improvements ("Improvements") specified in the Subdivision Improvement Agreement, in the estimated amounts and for the purposes specified in Exhibit "B" attached hereto; provided, however, that Owner's obligation hereunder shall extend to the actual cost of construction of the Improvements, notwithstanding that such costs may exceed the estimate set forth in Exhibit "B"; and

(2) Payment of the balance of the fees or provision of the improvements or services described in Article X of the Subdivision Ordinance (collectively, "Fees"), in the amount required in accordance with Ordinance 671, as determined appropriate by the Director of Transportation.

This lien secures said obligation and the remedies provided herein for breach of said obligation.

B. For so long as title to the Property remains subject to this Lien Agreement, Owner shall not: (1) request issuance by the Department of Real Estate of the Final Subdivision Public Report for the Property; (2) sell or permit the sale of any lot shown on the Map; or (3) commence work on any portion of the Improvements except as necessary to correct or prevent threats to the public health, safety or general welfare with the consent of the County. Notwithstanding the above, fee title to the entire property encumbered by this Lien Agreement or to all lots designated on the Map may be sold in the aggregate to a single purchaser, provided that the proposed purchaser, prior to assuming title to the property, executes a new lien agreement or provides acceptable alternative security acceptable to the County.

C. At the time Owner executes this Lien Agreement, Owner shall file with County a cash deposit in the amount of Twelve Thousand Dollars (\$12,000), to be used by County to reimburse County for any costs which County may incur in processing a reversion to acreage initiated pursuant to this Lien Agreement. Any unused portion of such deposit shall be refunded to Owner following completion of such reversion. If the costs of reverting the Property to acreage exceed \$12,000, Owner shall pay such additional costs to County prior to recordation of the reversion to acreage map. The unused portion of this deposit may be applied to the deposit of fees for inspection, tests and other related purposes for the required Improvements upon termination of this Lien Agreement. If fee title to the entire property encumbered by this Lien Agreement or all lots designated on the Map are sold in the aggregate to a single purchaser and the purchaser executes a new lien agreement, the purchaser shall file with County a cash deposit in the amount of Twelve Thousand Dollars (\$12,000) for the purpose of reverting the property to acreage if the purchaser breaches the terms of the lien agreement. Upon receipt of the substitute deposit from the purchaser and execution of the new lien agreement, the original cash deposit will be refunded to Owner, minus Fees still owed to County by Owner.

D. Prior to obtaining a grading permit or commencing the installation and construction of any portion of the Improvements required by the Subdivision Improvement Agreement, Owner shall deposit fees for inspections, tests and other related purposes, and shall substitute other forms of security satisfactory to County in place of this Lien Agreement; provided, however, that Owner shall not be permitted to obtain said permits, substitute such security or commence the installation and construction of any portion of the Improvements if less than two (2) years have elapsed since the date of recordation of this Lien Agreement.

E. Owner shall make the deposits specified in attached Exhibit "B" in the amounts prescribed for such purposes upon termination of this Lien Agreement. Owner also agrees to provide the substitute forms of security in the amounts and for the purposes set forth in the Subdivision Improvement Agreement, except that the amounts shall be calculated using the estimated cost of the Improvements at the time of substitution, as ascertained by County.

F. Owner shall substitute acceptable security for this Lien Agreement and commence to construct the Improvements required by the Subdivision Improvement Agreement within three (3) years following the date of recordation of the Map. At its sole discretion, the County may grant extensions of time in accordance with Section 17.3 of the Subdivision Ordinance. For each extension of time, Owner shall provide a title insurance policy and current title report from a title company approved by the County, and issued within the 60 days prior to the request for an extension of time, that documents that the Owner is the record owner of the real property to be divided as identified on the Map and the real property to be divided is not subject to any mortgages, deeds of trust, or judgment liens.

G. Owner shall pay the balance of the Fees prior to commencement of the work for which the Fees are required or prior to issuance of any building permit, whichever occurs first.

H. Owner agrees that if suit is brought upon this Lien Agreement, all costs and reasonable expenses and fees incurred by the County in successfully enforcing Owners obligations shall be paid by Owner, including attorneys' fees, and that, upon entry of judgment, all such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

I. Owner agrees to indemnify, and hold harmless, the County, its officers, employees and agents from any liability whatsoever based or asserted upon any act or omission of Owner, its employees and agents relating to or in any way connected with the accomplishment of work, obligations, or performance of service under this Lien Agreement. As part of the foregoing indemnity, Owner agrees to protect and defend at its own expense, including attorneys' fees, the County, its officers, employees and agents in any legal action based upon such alleged acts or omissions.

II. County's Performance and Obligations

A. Following (1) County's approval of the substitute forms of security submitted by Owner pursuant to Paragraph I(D) hereof, (2) deposit by Owner of fees for inspections, tests and other specific purposes, and (3) Owner's payment or other performance of the obligations encompassed by the Fees required by Article X of the Subdivision Ordinance, performance of which are secured by this Lien Agreement, County shall release the Property, from the provisions of this Lien Agreement, and shall execute any necessary release to enable Owner or its transferee to clear the record of title of the Property so released of the lien herein imposed.

B. In no instances shall this Lien Agreement compel the County to construct the required Improvements.

III. Effect of Lien Agreement

A. From the date of recordation of this Lien Agreement, a lien shall attach to the Property which shall have the priority of a judgment lien in an amount necessary to discharge all obligations contained in the Subdivision Improvement Agreement and any Fees. Under no circumstances shall the County agree to subordinate the lien.

B. Owner shall have the right to convey or sell fee title to the entire property encumbered by this Lien Agreement, so long as the purchaser agrees in writing to accept and be bound by the terms and provisions of this Lien Agreement, the applicable Subdivision Improvement Agreement, and the Fees, or has provided alternative security acceptable to the County per Subdivision Ordinance § 17.1.A. Any new lien agreement entered into by a purchaser of the Property must provide for completion of the Improvements by the same date as is specified herein.

C. This Lien Agreement shall expire upon release of the Property by the County, except that Owner's obligation to perform and complete the Improvements within four (4) years from the date of recordation of this Lien Agreement (or such date as may have been extended in accordance with the Subdivision Ordinance), as described in Section I(F) above, shall not expire but shall remain in full force and effect until satisfactory completion of the Improvements in full compliance with the Subdivision Improvement Agreement.

D. Notwithstanding any provisions of the Subdivision Ordinance to the contrary, so long as this Lien Agreement is utilized for security as described herein, the County is not obligated to accept offers of dedication for street or drainage purposes on the Property.

IV. Events of Default

Upon the occurrence of any one of the following events, Owner shall be deemed in default hereunder:

A. Failure by Owner to deposit fees for inspections, tests and other specified purposes or to substitute other forms of security satisfactory to County within the time allotted and as prescribed by this Lien Agreement.

B. Commencement of any work on the Improvements by Owner, its agents or employees, prior to substitution of acceptable security with the County in place of this Lien Agreement except as specifically authorized by County to correct or prevent threats to the public health, safety or general welfare.

C. Failure by Owner to substitute acceptable security for this Lien Agreement and complete construction of the Improvements described in the Subdivision Improvement Agreement within the time allotted and as prescribed by this Lien Agreement.

D. Failure by Owner to pay the Fees described in Section I (A) (2), above, at the time required herein.

E. Filing of any proceedings or action by or against Owner to declare Owner bankrupt or to appoint a receiver or trustee for Owner or to reorganize Owner or to make an assignment for the benefit of creditors or to do anything else of a similar nature or purpose under any state or federal bankruptcy or insolvency laws, if such proceedings or actions are not discharged within sixty (60) days.

F. Levy of any attachment or writ of execution against Owner and the Property whereby the Property is taken or occupied or attempted to be taken or occupied by someone other than Owner and such attachment or

execution is not released within (60) days.

G. Sale of any lot shown on the Map prior to release of the lien created by this Lien Agreement, except as provided in subparagraph III (B).

H. Request by Owner of issuance by the Department of Real Estate of the Final Subdivision Public Report for the Property.

I. Breach by Owner of any other term or condition of this Lien Agreement or of the Subdivision Improvement Agreement or Owner's failure to fully and faithfully discharge its obligations hereunder within the time specified herein.

All references to Owner in this section shall be deemed to include Owner's successors, assignees and transferees.

V. County's Remedies

Upon the occurrence of any of the events described in Section IV, above, County may declare a breach of this Lien Agreement by giving thirty (30) days written notice to Owner, and may, at County's option, exercise any one or more of the following remedies:

A. Pursue any or all of the remedies provided in the Subdivision Improvement Agreement;

B. Enforce this lien by appropriate action in court or as provided by law and in the event the enforcement is by action in court, the Owner agrees that the amount of said lien shall include reasonable attorneys' fees which shall be taxed as a cost in any suit for such enforcement;

C. Estimate the cost of the work required to complete the Improvements, and all Fees, and foreclose said lien in said amount;

D. Initiate proceedings for reversion of the real property within the land division to acreage, at the expense of Owner, in accordance with the provisions of the Subdivision Map Act;

E. Pursue any other remedy, legal or equitable, for the foreclosure of a lien. Owner, its heirs and assigns, shall pay reasonable attorneys' fees to be taxed as a cost in said proceedings.

VI. General Provisions

A. Recordation. This Lien Agreement shall be recorded by County with the County Recorder immediately following execution of this Lien Agreement indexed by (1) all parties hereto, and (2) all parties having any record title interest in the subject real property, pursuant to Government Code Section 66436, acknowledging subordination of their interests to this Lien Agreement.

B. Contingency. This Lien Agreement shall not take effect until it has been approved by the County Board of Supervisors.

C. Entire Agreement. This Lien Agreement together with all exhibits and other agreements expressly referred to herein, constitutes the entire agreement between the parties with respect to the subject matter contained herein. All prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, are superseded.

D. Further Assurances. The parties agree to perform such further acts and to execute and deliver such

additional documents and instruments as may be reasonably required in order to carry out the provisions of this Lien Agreement and the intentions of the parties.

E. **Governing Law.** This Lien Agreement shall be governed, interpreted, construed and enforced in accordance with the laws of the State of California.

F. **Headings.** The captions and Section headings used in this Lien Agreement are inserted for convenience of reference only and are not intended to define, limit or affect the construction or interpretation of any term or provision hereof.

G. **Modification, Waiver.** No modification, waiver, amendment or discharge of this Lien Agreement shall be valid unless the same is in writing and signed by all parties.

H. **No Other Inducement.** The making, execution and delivery of this Lien Agreement by the parties hereto has been induced by no representations, statements, warranties or agreements other than those expressed herein.

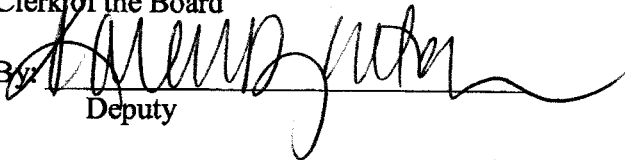
I. **Severability.** If any term, provision, covenant or condition of this Lien Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Lien Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Lien Agreement shall be valid and enforceable to the fullest extent permitted by law.

COUNTY OF RIVERSIDE ("COUNTY")

By: 
Chairman, Board of Supervisors
CHUCK WASHINGTON

ATTEST:

KECIA HARPER IHM,
Clerk of the Board

By: 
Deputy

____ ("OWNER")

By: Please see attached signature block

By: _____


APPROVED AS TO FORM

County Counsel

By: 

SIGNATURE PAGE FOR LIEN AGREEMENT – TRACT 31100

LA VENTANA 242, LLC

By: 
Kyung Moo Kim
Manager

0A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On Nov. 16, 2017, before me, Judy A. Layland, a Notary Public, personally

appeared Kyung Moo Kim
Who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument the person, or the entity upon behalf of which person acted, executed the instrument.

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

WITNESS my hand and official seal.

Judy A. Layland



**ASSESSOR-COUNTY CLERK-RECORDER, RIVERSIDE COUNTY
RECORDS MANAGEMENT PROGRAM
RECORDS TRANSFER LIST, part 1**

1. Work Order#

1. Page ____ of ____

INSTRUCTIONS: Fax completed form to (909) 3586961 and submit original form to the Records Center with the records being transferred.

DEPARTMENTAL INFORMATION					
3. DEPARTMENT Clerk of the Board of Supervisors			8. ORG.#	10. DATE 03/13/2018	
4. ORGANIZATION County of Riverside-CA.			9. ACCOUNT #	11. MEDIA CODE	
5. ADDRESS 4080 Lemon St., Room 127			12. NO. OF BOXES TRANSFERRED		
CITY Riverside, CA. 92501			13. RECORDS TRANSFERRED BY:		
6. MAIL STOP 1010		7. Name PHONE # FAX# Lorraine Williams 951-955-8092 951-955-1071		14. RECORDS COORDINATOR (must be Authorized):	
15. BOX # (Temp)	16. DESCRIPTION OF RECORDS Must be the same as records series title on schedule	17. RANGE OF YEARS	18. DESTRUCTION DATE	19. RECORD SERIES TITLE CODE	20. PERMANENT BOX # (Barcode label)
	Item No 2.10 Final Tract Map 31100 Board Date: 03/13/2018				
	Schedule "A" in the Winchester area 3 rd District				
21. RECORDS RECEIVED BY: Rene Sifonte			30. REMARKS		
22. TITLE DPS	23. RECEIVED VIA: Courier				
24. DATE RECEIVED: 3-14-18	25. TIME RECEIVED: 10:27 AM				
26. BOXES VERIFIED BY:	27. DATE BOXES VERIFIED:				
28. NAME DATE SCANNED TO HOLDING AREA:			29. NAME DATE SCANNED TO LOCATION:		

RECEIVED RIVERSIDE COUNTY
 CLERK AND OF SUPERVISORS
 2018 MAR 14 AM 10:27

2018-3-138960

EASEMENT

E. THAT WE ARE THE OWNERS OF THE LAND INCLUDED WITHIN THE SUBDIVISION THAT WE ARE THE ONLY PERSONS WHOSE CONSENT IS NECESSARY TO PASS A SAID LAND; THAT WE CONSENT TO THE MAKING AND RECORDING OF THIS SUBDIVISION WITHIN THE DISTINCTIVE BORDER LINE. THE REAL PROPERTY DESCRIBED BELOW IS AN EASEMENT FOR PUBLIC PURPOSES: LOTS "A" THROUGH "X", INCLUSIVE. THE OR STREET AND PUBLIC UTILITY PURPOSES.

OF DEDICATION OF LOT 'A' (SIMPSON ROAD), LOT 'B' (LA VENTANA ROAD) AND LOT 'C', THE OWNERS OF LOTS 1 THROUGH 3 INCLUSIVE, LOTS 44 THROUGH 56 INCLUSIVE, LOTS 147 INCLUSIVE, LOT 211, AND LOTS 222, 223 AND 231, ABUTTING THESE LOTS, ANY CHANGE OF ALIGNMENT OR WIDTH THAT RESULTS IN THE VACATION OR TERMINATION OF THIS CONDITION OF ACCESS RIGHTS AS TO THE PART VACATED.

IN LOTS 224, 225, 228, 229 THROUGH 232, INCLUSIVE, INDICATED AS "OPEN SPACE" FOR THE SOLE BENEFIT OF OURSELVES, OUR SUCCESSORS, ASSIGNEES AND LOT OWNERS WITHIN THIS TRACT MAP.

THE DEDICATION BELOW IS DEDICATED IN FEE FOR PUBLIC PURPOSES TO THE CREATION AND PARK DISTRICT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA: LOTS 224, 225, 228, 229 THROUGH 232, INCLUSIVE, INDICATED AS "OPEN SPACE" FOR THE SOLE BENEFIT OF OURSELVES, OUR SUCCESSORS, ASSIGNEES AND LOT OWNERS WITHIN THIS TRACT MAP.

AN LOT 227 INDICATED AS "SCHOOL SITE" FOR PRIVATE USE FOR THE SOLE BENEFIT OF OURSELVES, OUR SUCCESSORS, ASSIGNEES AND LOT OWNERS WITHIN THIS TRACT MAP.

AN LOTS 222 AND 223 INDICATED AS "WATER QUALITY BASIN", AS SHOWN ON THE INSTRUMENT, FOR THE SOLE BENEFIT OF OURSELVES, OUR SUCCESSORS, ASSIGNEES AND LOT OWNERS WITHIN THIS TRACT MAP.

THE DEDICATION BELOW IS DEDICATED IN FEE FOR PUBLIC PURPOSES TO THE VALLEY-WIDE PARK DISTRICT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA: LOTS 224, 225, AND 228 THROUGH 232, INCLUSIVE, INDICATED AS "WATER QUALITY BASIN", AS SHOWN ON THE INSTRUMENT, FOR THE SOLE BENEFIT OF OURSELVES, OUR SUCCESSORS, ASSIGNEES AND LOT OWNERS WITHIN THIS TRACT MAP.


THE DEDICATION BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES: LOTS 222, 223, AND 225, AS SHOWN HEREON. THE DEDICATION IS FOR THE MAINTENANCE OF FLOOD CONTROL FACILITIES.

THE DEDICATION BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES: LOTS 222, 223, AND 225, AS SHOWN HEREON. THE DEDICATION IS FOR THE MAINTENANCE OF DRAINAGE FACILITIES.

THE DEDICATION BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES: LOTS 222, 223, AND 225, AS SHOWN HEREON. THE DEDICATION IS FOR WATER QUALITY AND INSPECTION PURPOSES.

THE DEDICATION BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES: LOTS 222, 223, AND 225, AS SHOWN HEREON. THE DEDICATION IS FOR OPEN SPACE AND LANDSCAPE MAINTENANCE PURPOSES.

42, LLC,
LIMITED LIABILITY COMPANY

 19 Moo Kim TITLE: Manager

KNOWLEDGEMENT

IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

TRACT NO. 31100

BEING A SUBDIVISION OF A PARCEL 1 OF PARCEL MAP NO. 19086, ON FILE IN BOOK 115, PAGES 84 AND 85 TOGETHER WITH PARCELS 1, 2 AND 3 OF PARCEL MAP NO. 7156, ON FILE IN BOOK 21, PAGE 52, OF PARCEL MAPS, BOTH RECORDS OF RIVERSIDE COUNTY, LYING WITHIN SECTION 30, TOWNSHIP 5 SOUTH, RANGE 2 WEST, S.B.M.

ACS CONSULTING, INC.

NOVEMBER 2017

NOTARY ACKNOWLEDGEMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

ON February 20, 2018, Jon Christensen, A NOTARY PUBLIC PERSONALLY APPEARED Jon Christensen, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE Jon Christensen, SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/HEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL.

SIGNATURE

TAX COLLECTOR'S CERTIFICATE

I HEREBY CERTIFY THAT ACCORDING TO THE RECORDS OF THIS OFFICE, AS OF THIS DATE, THERE ARE NO LIENS AGAINST THE PROPERTY SHOWN ON THE WITHIN MAP FOR UNPAID STATE, COUNTY, MUNICIPAL, OR LOCAL TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES, EXCEPT TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES NOW A LIEN BUT NOT YET PAYABLE, WHICH ARE ESTIMATED TO BE \$66,200.00.

DATED: February 20, 2018. Jon Christensen, COUNTY TAX COLLECTOR

BY: Jon Christensen, DEPUTY

TAX BOND CERTIFICATE

I HEREBY CERTIFY THAT A BOND IN THE SUM OF \$66,200.00 HAS BEEN EXECUTED AND FILED WITH THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, CALIFORNIA, CONDITIONED UPON THE PAYMENT OF ALL TAXES, STATE, COUNTY, MUNICIPAL, OR LOCAL, AND ALL SPECIAL ASSESSMENTS COLLECTED AS TAXES, WHICH AT THE TIME OF FILING OF THIS MAP WITH THE COUNTY RECORDER ARE A LIEN AGAINST SAID PROPERTY BUT NOT YET PAYABLE AND SAID BOND HAS BEEN DULY APPROVED BY SAID BOARD OF SUPERVISORS.

DATED: February 20, 2018.

CASH OR SURETY BOND
JON CHRISTENSEN
COUNTY TAX COLLECTOR

SURVEYOR
THIS MAP WAS
CONFORMANT
REQUEST OF
OF THE CHAIR
ACCORDANCE
MONUMENTS
FINAL MAP
SURVEY IS 1

DATED:
February 20,
2018.
L.S. NO. 87,
EXP. 06/30,

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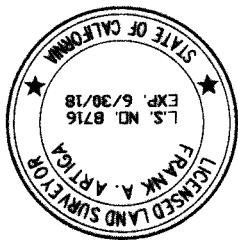
DATED:
February 20,
2018.
L.S. NO. 87,
EXP. 06/30,

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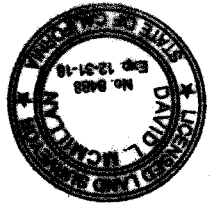
DATE: February 14 2018
Frank A. Artiga
FRANK A. ARTIGA
L.S. NO. 8716
EXP. 06/30/18



COUNTY SURVEYOR'S STATEMENT

THIS MAP CONFORMS TO THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCES. I HEREBY STATE THAT THIS MAP HAS BEEN EXAMINED BY ME OR UNDER MY SUPERVISION AND FOUND TO BE SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP OF TRACT MAP 31100 AS FILED, AMENDED, AND APPROVED BY THE BOARD OF SUPERVISORS ON JULY 26, 2006. THE EXPIRATION DATE BEING JULY 26, 2018, AND THAT I AM SATISFIED THIS MAP IS TECHNICALLY CORRECT.

DATE: 2-28 2018
David L. McMillan
DAVID L. McMILLAN
COUNTY SURVEYOR
L.S. #4488, EXP. 12/31/18



BOARD OF SUPERVISORS STATEMENT

THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BY ITS BOARD OF SUPERVISORS, HEREBY APPROVES THE TRACT MAP AND ACCEPTS THE OFFERS OF DEDICATION MADE HEREON FOR PUBLIC ROAD AND PUBLIC UTILITY PURPOSES AND AS PART OF THE COUNTY MAINTAINED ROAD SYSTEM SUBJECT TO IMPROVEMENTS IN ACCORDANCE WITH COUNTY STANDARDS. THE DEDICATION OF THE "WATER QUALITY EASEMENT" AS SHOWN HEREON, IS HEREBY ACCEPTED. THE OFFERS OF DEDICATION MADE HEREON OF THE DRAINAGE EASEMENTS ARE HEREBY ACCEPTED FOR MAINTENANCE OF DRAINAGE FACILITIES, SUBJECT TO IMPROVEMENTS IN ACCORDANCE WITH COUNTY STANDARDS.

ATTEST:
KECIA HARPER-JHEM
CLERK OF THE BOARD OF SUPERVISORS
BY: [Signature]
DEPUTY

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
BY: [Signature]
CHAIRMAN OF THE BOARD OF SUPERVISORS

VALLEY-WIDE RECREATION AND PARK DISTRICT
THE VALLEY-WIDE RECREATION AND PARK DISTRICT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, HEREBY APPROVES THE TRACT MAP BUT DOES NOT NOW ACCEPT THE IRREVOCABLE OFFERS OF DEDICATION MADE HEREON.

THE VALLEY-WIDE RECREATION AND PARK DISTRICT, STATE OF CALIFORNIA
BY: [Signature]
DEAN WETTER
GENERAL MANAGER

6
RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

La Ventana 242, LLC
41391 Kalmia Street
Suite 200
Murrieta, CA 92562
Attn.: Ms. Jennell Lawrence

(Space Above For Recorder's Use)

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

AND RESERVATION OF EASEMENTS

FOR

TRACT NO. 31100

SECTION 15.14 OF THIS DECLARATION CONTAINS ALTERNATIVE DISPUTE RESOLUTION PROCEDURES WHICH REQUIRE, AMONG OTHER THINGS, THAT CERTAIN DISPUTES (INCLUDING DISPUTES CONCERNING THE DESIGN OR CONSTRUCTION OF THE PROPERTIES) BE SUBMITTED TO BINDING ARBITRATION. IF YOU HAVE ANY QUESTIONS CONCERNING THESE ALTERNATIVE DISPUTE RESOLUTION PROCEDURES OR ANY OF THE OTHER PROVISIONS OF THIS DECLARATION, YOU SHOULD SEEK LEGAL ADVICE.

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

AND RESERVATION OF EASEMENTS

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EXHIBIT "A" ARTICLES OF INCORPORATION OF THE ASSOCIATION

EXHIBIT "B" BYLAWS OF THE ASSOCIATION

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS
FOR
TRACT NO. 31100**

THIS DECLARATION is made by LA VENTANA 242, LLC, a California limited liability company.

P R E A M B L E:

A. Declarant is the Owner of certain real property ("**Properties**") in the County of Riverside, State of California, described as follows:

Lots 1 through 221, inclusive, of Tract No. 31100,
as per Map Recorded in Book ____, Pages ____
through ____, inclusive, of Maps, in the Office of the
Riverside County Recorder.

B. Declarant intends to develop and convey all of the Properties pursuant to a general plan for all of the Properties and subject to certain protective covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges, all running with the Properties as hereinafter set forth.

C. Declarant hereby declares that all of the Properties shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the easements, restrictions, reservations, rights, covenants, conditions and equitable servitudes contained in this Declaration, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Properties, in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Properties or any portion thereof. The covenants, conditions, restrictions, rights, reservations, easements, and equitable servitudes set forth herein shall run with and burden the Properties and shall be binding upon all persons having or acquiring any right, title or interest in the Properties, or any part thereof, their heirs, successors and assigns; shall inure to the benefit of every portion of the Properties and any interest therein; and shall inure to the benefit of and be binding upon, and may be enforced by Declarant, each Owner and their respective heirs, executors and administrators, and successive Owners and assigns.

D. It is presently contemplated that the County (through the Valley-Wide Recreation & Park District ["**Valley-Wide**"], a Community Facilities District formed in conjunction with the Riverside County Transportation Department ["**RCTD**"] or otherwise) will own and maintain certain public areas within or near the Properties which are described below as the "Common Area." However, the County has advised Declarant that the County may be unwilling

to maintain the Common Area in the future. At the County's discretion, the obligation to maintain the Common Area and, where appropriate, title to the Common Area shall be transferred to the Association, which shall be formed as provided in Article III hereof to manage and maintain the Common Area.

E. Prior to its incorporation as provided in Article III hereof, the Association shall not exist in any form, either incorporated or unincorporated. Subsequent to the incorporation of the Association and upon the Transfer Date, it shall be desirable for the efficient management of the Common Area and the protection of the value, attractiveness and desirability of the Properties for the Association to be a corporation to which shall be delegated and assigned the powers of maintaining and administering the Common Area, administering and enforcing the covenants, conditions, restrictions and equitable servitudes herein, and collecting and disbursing funds pursuant to the assessments and charges hereinafter created and referred to.

ARTICLE I

1. Definitions.

Unless otherwise expressly provided, the following words and phrases when used herein shall have the following specified meanings.

1.1. Annual Assessment.

Annual Assessment shall mean a charge against each Owner and his Lot to be used to satisfy a portion of the Common Expenses, which is to be levied among all Owners and their Lots in the Properties in the manner and proportions provided herein. The Annual Assessment is a "regular assessment" as described in Section 5600 of the California Civil Code.

1.2. Articles

Articles shall mean the Articles of Incorporation of the Association as amended from time to time. The initial form of the Articles shall be substantially as set forth on Exhibit "A" hereto, subject to such changes as may be necessary to comply with applicable law on the date the Articles are filed with the California Secretary of State.

1.3. Association.

Association shall mean the corporation which may be formed pursuant to Article III hereof and its successors and assigns. If formed, the Association will be an "association" as defined in Section 4080 of the California Civil Code.

1.4. Association Maintenance Areas.

Association Maintenance Areas shall mean any areas designated as Association Maintenance Areas in any document executed by Declarant. As of the date of Recordation of this Declaration, no Association Maintenance Areas are intended to be included in the Properties.

1.5. Association Maintenance Funds.

Association Maintenance Funds shall mean the accounts for receipts and disbursements of the Association created pursuant to Article VI hereof.

1.6. Beneficiary.

Beneficiary shall mean a Mortgagee under a Mortgage or a Beneficiary under a Deed of Trust, as the case may be, and the assignees of such Mortgagee or Beneficiary.

1.7. Board or Board of Directors.

Board or Board of Directors shall mean the Board of Directors of the Association.

1.8. Budget.

Budget shall mean a written, itemized estimate of the income and Common Expenses of the Association in performing its functions under this Declaration, prepared pursuant to the Bylaws.

1.9. Bylaws.

Bylaws shall mean the Bylaws of the Association as amended from time to time. The initial form of the Bylaws shall be substantially as set forth on Exhibit "B" hereto, subject to such changes as may be necessary to comply with applicable law on the date the Bylaws are adopted.

1.10. Cal BRE.

Cal BRE shall mean the Bureau of Real Estate of the California Department of Consumer Affairs and any successors thereto.

1.11. Capital Improvement Assessment.

Capital Improvement Assessment shall mean a charge which the Board may from time to time levy against each Owner and his Lot, representing a portion of the cost to the Association for installation or construction of any capital Improvements on any of the Common Area or Association Maintenance Areas. Such charge shall be levied among all of the Owners and their Lots in the same proportion as Annual Assessments. Capital Improvement Assessments are "special assessments" as described in Section 5600 of the California Civil Code.

1.12. Close of Escrow.

Close of Escrow shall mean the date on which a deed is Recorded conveying a Lot in the Properties pursuant to a transaction requiring the issuance of a Final Subdivision Public Report issued by the Cal BRE.

1.13. Common Area.

Common Area shall mean all the real property and Improvements consisting of water quality basins, landscaped areas, paseos, a park, walls and fences identified on Exhibit "C" hereto as "RCTD Maintained Area," Valley-Wide Maintained Area" and items to be maintained by "Others." The streets in the Properties will be public and maintained by the County and are not part of the Common Area.

1.14. Common Expenses.

Common Expenses shall mean those expenses for which the Association is responsible under this Declaration, including the actual and estimated costs of: maintenance, management, operation, repair and replacement of the Common Area and the Association Maintenance Areas; unpaid Compliance Assessments, Reconstruction Assessments and Capital Improvement Assessments; costs of management and administration of the Association including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and other employees; the costs of all utilities, gardening, trash pickup and other services benefiting the Common Area and the Association Maintenance Areas; the costs of fire, casualty and liability insurance, worker's compensation insurance, and other insurance covering the Common Area and the Association Maintenance Areas and the directors, officers and agents of the Association; the costs of bonding the members of the Board; taxes paid by the Association; amounts paid by the Association for discharge of any lien or encumbrance levied against the Properties, or portions thereof; and the costs of any other items incurred by the Association pursuant to this Declaration.

1.15. Compliance Assessment.

Compliance Assessment shall mean a charge against a particular Owner, directly attributable to, or reimbursable by, that Owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of the Governing Documents, or a reasonable fine or penalty assessed by the Board, plus interest and other charges on such Compliance Assessment as provided for herein. Compliance Assessments shall not include any late payment penalties, interest charges or costs (including attorneys' fees) incurred by the Association in the collection of Annual, Capital Improvement or Reconstruction Assessments.

1.16. County.

County shall mean the County of Riverside in the State of California, and its various departments, divisions, employees and representatives. If any portion of the Properties becomes a portion of an incorporated city, then the term "County" shall be deemed to include the city in which the Properties are located.

1.17. Declarant.

Declarant shall mean LA VENTANA 242, LLC, a California limited liability company, its successors and any Person to which it shall have assigned any rights hereunder by an express written assignment. As used in this Section, "**successor**" means a Person who acquires Declarant or substantially all of Declarant's assets, or who merges with Declarant by sale, merger, reverse merger, consolidation, sale of stock or assets, operation of law or otherwise. Except as expressly provided to the contrary in this Declaration, Declarant shall determine in its sole discretion the time, place and manner in which it discharges its obligations and exercises its rights under this Declaration.

1.18. Declaration.

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

1.19. Deed of Trust.

Deed of Trust shall mean a Mortgage as further defined herein.

1.20. Dwelling Unit.

Dwelling Unit shall mean a building located on a Lot designed and intended for use and occupancy as a residence by a single family.

1.21. Family.

Family shall mean one or more natural persons related to each other by blood or legally related to each other by marriage or adoption, or a group not all so related who maintain a common household in a Dwelling Unit on a Lot.

1.22. FHA.

FHA shall mean the Federal Housing Administration of the United States Department of Housing and Urban Development and any department or agency of the United States government which succeeds to the FHA's function of insuring notes secured by Mortgages on residential real estate.

1.23. FHLMC.

FHLMC shall mean the Federal Home Loan Mortgage Corporation created by Title II of the Emergency Home Finance Act of 1970, and any successors to such corporation.

1.24. Fiscal Year.

Fiscal Year shall mean the fiscal accounting and reporting period of the Association selected by the Board from time to time.

1.25. FNMA.

FNMA shall mean the Federal National Mortgage Association, a government-sponsored private corporation established pursuant to Title VIII of the Housing and Urban Development Act of 1968, and any successors to such corporation.

1.26. GNMA.

GNMA shall mean the Government National Mortgage Association administered by the United States Department of Housing and Urban Development, and any successor to such association.

1.27. Governing Documents.

Governing Documents shall mean this Declaration and, if applicable, the Articles, Bylaws and Rules and Regulations.

1.28. Improvement.

Improvement shall mean any structure or appurtenance thereto of every type and kind, including but not limited to Dwelling Units and other buildings, walkways, sprinkler pipes, recreational facilities, roads, driveways, parking areas, fences, walls, stairs, decks, trees, shrubs and other landscaping, satellite dishes, antennae, the paint on all exterior surfaces, hedges, windbreaks,

patio covers, railings, poles, signs, storage areas, exterior air conditioning and water-softening fixtures or equipment.

1.29. Lot.

Lot shall mean any residential lot or parcel of land shown upon any Recorded subdivision map, parcel map or lot line adjustment covering any portion of the Properties, with the exception of the Common Area.

1.30. Manager.

Manager shall mean the Person employed by the Association pursuant to and limited by the provisions of this Declaration and delegated the duties, powers or functions of the Association as limited by this Declaration, the Bylaws and the terms of the agreement between the Association and said Person.

1.31. Member, Membership.

Member shall mean any Person holding a membership in the Association, as provided in this Declaration. Membership shall mean the property, voting and other rights and privileges of Members as provided herein, together with the correlative duties and obligations contained in the Governing Documents.

1.32. Mortgage.

Mortgage shall mean any Recorded mortgage or deed of trust or other conveyance of one or more Lots or other portion of the Properties to secure the performance of an obligation, which will be reconveyed upon the completion of such performance.

1.33. Mortgagee, Mortgagor.

Mortgagee shall mean a Person to whom a Mortgage is made and shall include the Beneficiary of a Deed of Trust. Mortgagor shall mean a Person who mortgages his or its Lot to another (i.e., the maker of a Mortgage), and shall include the Trustor of a Deed of Trust. The term "Trustor" shall be synonymous with the term "Mortgagor" and the term "Beneficiary" shall be synonymous with the term "Mortgagee."

1.34. Notice and Hearing.

Notice and Hearing shall mean written notice and a hearing before the Board, at which the Owner concerned shall have an opportunity to be heard in person, or by counsel at the Owner's expense, in the manner further provided in the Bylaws.

1.35. Owner.

Owner shall mean the Person or Persons, including Declarant, holding fee simple interest of record to any Lot. The term "Owner" shall include a seller under an executory contract of sale but shall exclude Mortgagees.

1.36. Person.

Person shall mean a natural individual or any entity with the legal right to hold title to real property.

1.37. Properties.

Properties shall mean all of the real property described in Paragraph A of the Preamble to this Declaration. At such time, if ever, that the Common Area is conveyed to the Association, the Properties will be a "common interest development" and a "planned development" as defined in Sections 4100 and 4175, respectively, of the California Civil Code.

1.38. Reconstruction Assessment.

Reconstruction Assessment shall mean a charge which the Board may from time to time levy against a particular Owner and his Lot, representing a portion of the cost to the Association for reconstruction of any Improvements on the Common Area or Association Maintenance Areas. Such charge shall be levied among all Owners and their Lots in the same proportion as Annual Assessments. Reconstruction Assessments are "special assessments" as described in Section 5600 of the California Civil Code.

1.39. Record, File, Recordation.

Record, File, or Recordation shall mean, with respect to any document, the recordation or filing of such document in the office of the Riverside County Recorder.

1.40. Rules and Regulations.

Rules and Regulations shall mean the rules and regulations adopted by the Board pursuant to this Declaration or the Bylaws, as such Rules and Regulations may be amended from time to time.

1.41. Transfer Date.

Transfer Date shall mean the date (if any) upon which responsibility to maintain the Common Area is transferred from the County to the Association.

1.42. VA.

VA shall mean the Department of Veterans Affairs of the United States of America and any department or agency of the United States government which succeeds to VA's function of issuing guarantees of notes secured by mortgages on residential real estate.

ARTICLE II

2. Owners' Property Rights.

2.1. Owners' Easements of Enjoyment.

After the Transfer Date, every Owner shall have a right and easement of ingress and egress and of enjoyment in, to and over the portions of the Common Area intended for use by the Owners, and such easement shall be appurtenant to and shall pass with title to every Lot, subject to the following:

(a) Subject to the provisions of Section 4510 of the California Civil Code, the right of the Association to reasonably limit the number of guests and tenants of the Owners using the Common Area;

(b) The right of the Association to establish uniform Rules and Regulations for the use of the Common Area;

(c) The right of the Association in accordance with the Articles, Bylaws and this Declaration, with the vote or written assent of two-thirds (2/3) of the voting power of the Association, to borrow money for the purpose of improving, repairing, or adding to the Common Area or the Association Maintenance Areas, and in aid thereof, subject to the provisions of Article XIII of this Declaration, to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights of any such Mortgagee shall be subordinated to the rights of the Owners;

(d) Subject to the provisions of Articles V and XIII of this Declaration, the right of the Association to dedicate, release, alienate or transfer the Common Area to any public agency, authority or utility;

(e) The rights and reservations of Declarant as set forth in this Declaration;

(f) The right of the Association to reconstruct, replace or refinish any Improvement or portion thereof upon the Common Area or Association Maintenance Areas in accordance with the original design, finish or standard of construction of such Improvement, or of the general Improvements within the Properties, as the case may be; and if not in accordance with such original design, finish or standard of construction only with the vote or written consent of the Owners holding sixty-seven percent (67%) of the voting power of the Association and the approval of the Beneficiaries of fifty-one percent (51%) of the first Mortgages on Lots in the Properties who have requested the Association in writing to notify them of proposed action requiring the consent of a specified percentage of first Mortgagees (subject to the procedures specified in Section 15.5(d) and (g) below);

(g) The right of the Association to maintain and repair the Common Area, including without limitation the right to replace destroyed trees or other vegetation and plant trees, shrubs and ground cover upon any portion of the Common Area;

(h) Subject to the provisions of Section 4510 of the California Civil Code, the right of the Association, acting through the Board, to reasonably restrict access to areas of the Common Area; and

(i) The easements, rights and interests reserved in this Article II and elsewhere in this Declaration.

2.2. Easements for Public Service Use.

In addition to the foregoing easements over the Common Area, there shall be and Declarant hereby reserves and covenants for itself and all future Owners within the Properties, easements for public services of the County, including but not limited to, the right of the police and fire departments to enter upon any part of the Common Area for the purpose of carrying out their official duties.

2.3. Waiver of Use.

No Owner may exempt himself from personal liability for assessments duly levied by the Association, nor release the Lot or other property owned by him from the liens and charges hereof, by waiving the use and enjoyment of the Common Area or any facilities thereon or by abandonment of his Lot or any other property in the Properties.

2.4. Easements for Water and Utility Purposes.

In addition to the foregoing easements over the Common Area, there shall be and Declarant hereby reserves and covenants for itself and all future Owners within the Properties, easements for public and private utility purposes, including but not limited to, the right of any public utility or water district of ingress or egress over the Common Area for purposes of reading and maintaining meters, and using and maintaining fire hydrants located on the Common Area.

2.5. Taxes.

Each Owner shall execute such instruments and take such action as may reasonably be specified by the Association to obtain separate real estate tax assessment of each Lot. If any taxes or assessments may, in the opinion of the Association, become a lien on the Common Area, or any part thereof, they may be paid by the Association as a Common Expense.

2.6. Easement-Association Maintenance Areas.

Declarant hereby reserves for the benefit of the Association, an easement over the Association Maintenance Areas for maintenance thereof and over the Lots for access, ingress and egress necessary to perform such maintenance. No Owner shall interfere with the exercise by the Association of its rights under the easement reserved in this Section.

2.7. Easements for Mailboxes.

Declarant hereby reserves for the benefit of the United States Postal Service easements over the Common Area and the Lots for the delivery and deposit of mail. To the extent the mailboxes located on any Lot are "clustered" or otherwise serve Lots other than the Lot on which such mailboxes are located, Declarant hereby reserves for the benefit of such other Lots easements over the Lot containing such mailboxes for the retrieval of mail and the maintenance of such mailboxes (each Owner shall maintain the mailbox serving his Lot and all applicable Owners together shall be responsible for maintaining, repairing and replacing the structure which supports their mailboxes).

2.8. Easements for Telecommunications.

Declarant hereby reserves easements ("**Telecommunications Easements**") over the Properties for access and for purposes of constructing, installing, locating, altering, operating, maintaining, inspecting, upgrading, removing and enhancing Telecommunications Facilities (as defined below) for the benefit of Declarant and the Properties. Such easements are freely transferable by Declarant to any other party. All Telecommunications Facilities shall be owned, leased or licensed by Declarant as determined by Declarant in its sole and absolute discretion. Transfer of the Properties or any portion thereof does not imply transfer of any Telecommunications Easements or Telecommunications Facilities. Any exercise of the Telecommunications Easements shall not unreasonably interfere with the reasonable use and enjoyment of the Properties by the Owners. If the exercise of any Telecommunications Easement results in damage to the Properties, the holder of the Telecommunications Easement shall repair such damage within a reasonable period of time.

As used herein, "**Telecommunications Facilities**" means (1) improvements, equipment and facilities for (i) telecommunications, (ii) transfer of audio, video and data signals, (iii) transfer of any other signals used for transmission of information by electrical, light wave, wireless frequencies or radio frequencies, and (iv) any other methods of communication and information transfer; (2) all associated improvements, equipment and facilities, including but not limited to antennas, towers, broadcasting and receiving devices, conduits, junction boxes, wires, cables, fiber optics, and any other necessary or appropriate enclosures and connections; and (3) power generation serving the improvements, equipment and facilities described in subparts (1) and (2) of this sentence. The term "**Telecommunications Facilities**" shall be interpreted as broadly as possible and to include relocated facilities, expansion of facilities, and/or facilities used for any and all new technology that replaces the Telecommunications Facilities that are used when this Declaration is Recorded. If there is a doubt as to whether an item fits within the definition of Telecommunications Facilities, the term is to be interpreted to include that item.

2.9. Shared Utilities.

Whenever sanitary sewer, storm drain, water, gas, electricity, telephone, cable television or other utility lines, cables or facilities in the Properties serve more than one (1) Lot, the Owner of each Lot served thereby shall be entitled to the full use and enjoyment thereof to the extent necessary for the same to serve his Lot. Declarant hereby reserves for the benefit of each such Owner and his Lot, an easement to enter upon such other Lots or to have the utility companies enter upon such other Lots to maintain, repair and replace said utility lines, cables and facilities, provided that such Owner shall promptly repair any damage to such other Lots caused by such entry.

2.10. Easements for Encroachment.

Declarant hereby reserves for the benefit of each Lot and the Common Area an easement over any adjoining Lot or Common Area for the encroachment by any Improvement as originally constructed by Declarant and for the encroachment by any Improvement resulting from subsequent settling, shifting or other movement of such Improvement.

2.11. Conveyance of Easements.

All easements in favor of or reserved for the benefit of the Association in this Declaration are hereby granted to the Association effective upon the Transfer Date.

ARTICLE III

3. Association.

3.1. Incorporation of Association.

For so long as Declarant owns a Lot in the Properties, Declarant agrees to incorporate the Association within sixty (60) days of Declarant's receipt of the County Notice described below by filing the Articles with the California Secretary of State. If Declarant no longer owns any Lot in the Properties, any Owner shall have the obligation to incorporate the Association within sixty (60) days of receipt of the County Notice described below. In addition to the foregoing, the County shall have the right to incorporate the Association. If the County decides to require the activation of the Association to accept the Common Area or any portion thereof, the County shall provide a notice thereof ("**County Notice**") to Declarant (if Declarant still owns any portion of the Properties) and to each Owner of a Lot in accordance with Section 15.9 below. The County may also Record the County Notice as a document affecting the Properties and, if necessary for Recording, may do so in the form of an amendment to this Declaration. The party incorporating the Association shall appoint the initial members of the Board of Directors and such Board of Directors shall establish a Budget within sixty (60) days after the incorporation of the Association and perform all other acts necessary to properly establish the Association. Each Owner acknowledges that for reasons which may include the passage of time, the amount of the Annual Assessment reflected in such Budget may be significantly higher than the amount of the Annual Assessment reflected in any Budget reviewed by the Cal BRE. Any reasonable expenses in connection with the incorporation of the Association incurred by Declarant, the Owner who incorporates the Association or the County (if the County incorporates the Association) shall be reimbursed by the Association within six (6) months of the date of incorporation of the Association. Until the incorporation of the Association, each provision in this Declaration which pertains to the rights, powers, duties and obligations of the Association or the Board shall be of no effect.

3.2. Dormant Homeowners Association.

Since the County will initially maintain the Common Area, the Association will not initially be formed and is therefore a "dormant" homeowners association which will be formed (if at all) only if and when required by the County. The Conditions of Approval for Tract No. 31100 require that certain provisions be included in this Declaration. Some of these provisions assume an active homeowners association. Nevertheless, the Association shall only become active as described in Section 3.1 above. The following provisions are included in accordance with such Conditions of Approval:

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

The property owners' association established herein shall, if dormant, be activated, by incorporation or otherwise, at the request of the County of Riverside, and the property owners' association shall unconditionally accept from the County of Riverside, upon the County's demand, title to all or any part of the 'common area' more particularly described on Exhibit 'C' attached hereto. Such acceptance shall be through the president of the property owners' association, who shall be authorized to execute any documents required to facilitate transfer of the 'common area.' The decision to require activation of the property owners' association and the decision to require that the association unconditionally accept title to the "common area" shall be at the sole discretion of the County of Riverside.

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

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

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

3.3. Name of Association.

The Association is or shall be incorporated under the name of TRACT 31100 HOMEOWNERS ASSOCIATION or such other name as may be determined by the party incorporating the Association pursuant to Section 3.1 above, as a corporation not for profit under the Nonprofit Mutual Benefit Corporation Law of the State of California.

3.4. Duties and Powers.

The duties and powers of the Association after its incorporation are those set forth in this Declaration, the Articles and Bylaws, together with its general and implied powers of a nonprofit mutual benefit corporation, generally to do any and all things that a corporation organized under

the laws of the State of California may lawfully do which are necessary or proper, in operating for the peace, health, comfort, safety and general welfare of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws and in this Declaration.

3.5. Membership.

After the incorporation of the Association, every Owner shall automatically become a Member of the Association and shall remain a Member thereof until such time as his ownership ceases, at which time his membership in the Association shall automatically cease. Ownership of a Lot shall be the sole qualification for membership in the Association. Memberships in the Association shall not be assignable, except to the Person to which title to the Lot has been transferred, and every membership in the Association shall be appurtenant to and may not be separated from the fee ownership of such Lot.

3.6. Transfer.

The Membership held by any Owner shall not be transferred, pledged or alienated in any way, except upon the sale or encumbrance of such Owner's Lot, and then only to the purchaser or Mortgagee of such Lot. A prohibited transfer is void and will not be reflected upon the books and records of the Association. A Class A Member who has sold his Lot to a contract purchaser under an agreement to purchase shall be entitled to delegate to the contract purchaser his Membership rights in the Association. The delegation shall be in writing and shall be delivered to the Board before the contract purchaser may vote. However, the contract seller shall remain liable for all charges and assessments attributable to his Lot until fee title to the Lot sold is transferred. If the Owner of any Lot fails or refuses to transfer his Membership to the purchaser of the Lot upon transfer of fee title thereto, the Board of Directors shall have the right to record the transfer upon the books of the Association. Until satisfactory evidence of such transfer has been presented to the Board, the purchaser shall not be entitled to vote at meetings of the Association. The Association may levy a reasonable transfer fee against a new Owner and his Lot (which fee shall be added to the Annual Assessment chargeable to such new Owner) to reimburse the Association for the administrative cost of transferring the membership to the new Owner on the records of the Association, provided such fee does not exceed the Association's actual cost involved in changing its records of ownership.

ARTICLE IV

4. Voting Rights.

4.1. Classes of Voting Membership.

At such time, if ever, that the Association is incorporated, the Association shall have two (2) classes of voting Membership as follow:

Class A. Class A Members shall originally be all Owners except Declarant for so long as there exists a Class B Membership. Class A Members shall be entitled to one (1) vote for each Lot owned by such Class A Members and subject to assessment. Declarant shall become a

Class A Member with regard to Lots owned by Declarant upon conversion of Declarant's Class B Membership as provided below. When more than one (1) Person owns any Lot, all such Persons shall be Members. The vote for such Lot shall be exercised in accordance with Section 4.2 but and in no event shall more than one (1) Class A vote be cast for any Lot.

Class B. The Class B Member shall be Declarant. The Class B Member shall be entitled to three (3) votes for each Lot owned by Declarant and subject to assessment. The Class B Membership shall cease and be converted to Class A Membership immediately upon the first to occur of the following events:

- (a) When the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership; or
- (b) The second anniversary of the Transfer Date.

In addition to the foregoing, Declarant shall be entitled to appoint a majority of the Board at the first annual meeting of the Members ("**Declarant's Board Appointment Right**").

4.2. Voting Rights.

(a) All voting rights shall be subject to the Governing Documents. Except as provided in Section 15.11 of this Declaration and Section 4.8 of the Bylaws, as long as there exists a Class B Membership, any provision of this Declaration, the Articles or Bylaws which expressly requires a vote or written consent of a specified percentage (i.e., other than actions requiring merely the vote or written consent of a majority of a quorum) of the voting power of the Association before action may be undertaken shall require the approval of such specified percentage of the voting power of each class of Membership. Except as provided in Section 15.11 of this Declaration and Section 4.8 of the Bylaws, upon termination of the Class B Membership, any provision of this Declaration, the Articles or Bylaws which expressly requires a vote or written consent of Owners representing a specified percentage (i.e., other than actions requiring merely the vote or written consent of a majority of a quorum) of the voting power of the Association before action may be undertaken shall then require the vote or written consent of Owners representing such specified percentage of both the total voting power of the Association and the voting power of the Association residing in Owners other than Declarant.

(b) Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for Membership. When more than one (1) Person holds such interest or interests in any Lot ("**co-owner**"), all such co-owners shall be Members and may attend any meetings of the Association, but only one (1) such co-owner shall be entitled to exercise the vote to which the Lot is entitled. Co-owners owning the majority interests in a Lot shall from time to time designate in writing one (1) of their number to vote. Fractional votes shall not be allowed, and the vote for each Lot shall be exercised, if at all, as a unit. Where no voting co-owner is designated or if the designation has been revoked, the vote for the Lot shall

be exercised as the co-owners owning the majority interests in the Lot mutually agree. Unless the Board receives a written objection in advance from a co-owner, it shall be conclusively presumed that the corresponding voting co-owner is acting with the consent of his co-owners. No vote shall be cast for any Lot if the co-owners present in person or by proxy owning the majority interests in such Lot cannot agree to said vote or other action. The nonvoting co-owner or co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly owned Lot and shall be entitled to all other benefits of ownership. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established herein, or in the Bylaws, shall be deemed to be binding on all Owners, their successors and assigns.

ARTICLE V

5. Jurisdiction of Association.

The Association's obligation to maintain the Common Area and the Association Maintenance Areas shall commence on the Transfer Date. Commencing on the Transfer Date, the Association, acting through the Board, shall have:

(a) The power and duty to accept, maintain, repair and otherwise manage the Common Area and Association Maintenance Areas and all facilities, Improvements and landscaping thereon in accordance with the provisions of this Declaration.

(b) The power and duty to grant easements and rights of way over or fee interests in portions of the Common Area to the extent any such grant is reasonably required for utilities or for purposes of conformity with the as-built location of Improvements constructed or installed by Declarant.

(c) The power but not the duty to grant or quitclaim easements, licenses or rights of way in, on or over the Common Area for purposes not inconsistent with the intended use of the Properties as a residential development.

(d) The power and duty to maintain such policy or policies of liability and fire insurance with respect to the Common Area, the Association Maintenance Areas and personal property, if any, owned by the Association as provided herein in furthering the purposes of and protecting the interests of the Association and Members and as directed by this Declaration and the Bylaws of the Association.

(e) The power but not the duty to employ or contract with a professional Manager to perform all or any part of the duties and responsibilities of the Association, and the power to delegate its powers to committees, officers and employees. The maximum term of any such contract with a Manager ("**Management Contract**") shall be one (1) year, unless a longer term is approved either by vote or written assent of a majority of the voting power of the Association, in which case the maximum term of the Management Contract shall be three (3) years. The maximum term of any contract providing for Declarant's services to the Association

or the Properties shall also be three (3) years. Each such contract for Declarant's services and each Management Contract shall provide for its termination by either party thereto with cause upon no more than thirty (30) days' notice to the other party, and without cause and without payment of a termination fee upon no more than ninety (90) days' written notice to the other party.

(f) The power, but not the duty, to adopt, amend, restate, delete, and create exceptions to, reasonable Rules and Regulations with respect to the Common Area and the Association Maintenance Areas in accordance with Sections 4340 et seq. of the California Civil Code.

(g) The power and duty to adopt, amend, restate, delete, and create exceptions to, reasonable Rules and Regulations as required by Section 5105(a) of the California Civil Code.

ARTICLE VI

6. Covenant for Maintenance Assessments.

The provisions of this Article VI apply only from and after the date (if ever) that the Association is incorporated.

6.1. Creation of Assessment Obligation.

Declarant, for each Lot owned by it, hereby covenants and agrees to pay, and each Owner, by acceptance of a deed to a Lot, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association (1) Annual Assessments for Common Expenses, (2) Capital Improvement Assessments, (3) Compliance Assessments, and (4) Reconstruction Assessments; such assessments to be established and collected as provided herein. The Association shall not levy or collect any Annual Assessment, Capital Improvement Assessment, Compliance Assessment or Reconstruction Assessment that exceeds the amount necessary for the purpose or purposes for which it is levied. Except as provided in this Section 6.1, all such assessments (other than Compliance Assessments), together with interest, costs and reasonable attorneys' fees for the collection thereof, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such assessment is made. Each such assessment (including Compliance Assessments), together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Person who was the Owner of the Lot at the time when the assessment fell due. This personal obligation cannot be avoided by abandonment of a Lot or by an offer to waive use of the Common Area. The personal obligation for delinquent assessments shall not pass to any new Owner ("**Purchaser**") unless expressly assumed by the Purchaser.

6.2. Maintenance Funds of Association.

The Board of Directors shall establish no fewer than two (2) separate Association Maintenance Fund accounts, into which shall be deposited all monies paid to the Association, and from which disbursements shall be made, as provided herein, in the performance of functions by the Association under this Declaration. The Association Maintenance Funds may be established as

trust accounts at a banking or saving institution and shall include: (1) an Operating Fund for current Common Expenses of the Association, (2) an adequate Reserve Fund for capital Improvements, replacements, painting and repairs of the Common Area and Association Maintenance Area Improvements (which would not reasonably be expected to recur on an annual or more frequent basis), and for payment of deductible amounts for policies of insurance which the Association obtains as provided in Section 12.4 hereof, and (3) any other Funds which the Board of Directors may establish to the extent necessary under the provisions of this Declaration. Nothing contained herein shall limit, preclude or impair the establishment of additional Maintenance Funds by the Association, so long as the amounts assessed to, deposited into, and disbursed from any such Fund are earmarked for specified purposes authorized by this Declaration.

6.3. Purpose of Annual Assessments.

The Assessments levied by the Association shall be used exclusively to promote the health, safety, recreation and welfare of the Owners and for the improvement and maintenance of the Common Area and Association Maintenance Areas, and to discharge any other obligations of the Association under this Declaration. All amounts deposited into the Maintenance Funds must be used solely for the common benefit of all of the Owners for purposes authorized by this Declaration. Disbursements from the Reserve Fund shall be made by the Board of Directors only for the specific purposes specified in this Article VI. The Board shall not expend funds designated as Reserve Funds for any purpose other than the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replacement or maintenance of, major components that the Association is obligated to repair, restore, replace or maintain and for which the Reserve Fund was established. However, the Board may authorize the temporary transfer of moneys from the Reserve Fund to the Operating Fund to meet short-term cash-flow requirements or other expenses to the extent permitted by Section 5515 of the California Civil Code. The Board shall exercise prudent fiscal management in maintaining the integrity of the Reserve Fund, and shall, if necessary, levy a supplemental Annual Assessment to recover the full amount of the expended funds within the time limits required by Section 5515(d) of the California Civil Code. This supplemental Annual Assessment is subject to the limitations imposed by Section 6.4 of this Declaration. The Board may, at its discretion, extend the date the payment on the supplemental Annual Assessment is due. Any extension shall not prevent the Board from pursuing any legal remedy to enforce the collection of an unpaid supplemental Annual Assessment. When the decision is made to use reserve funds or to temporarily transfer money from the Reserve Fund to pay for litigation, the Association shall provide the Members with general notice pursuant to Section 4045 of the California Civil Code of that decision, and of the availability of an accounting of those expenses. Unless the Governing Documents impose more stringent standards, the Association shall make an accounting of expenses related to the litigation on at least a quarterly basis. The accounting shall be made available for inspection by Members at the Association's office. Disbursements from the Operating Fund shall be made by the Board of Directors only for such purposes as are necessary for the discharge of its responsibilities herein for the common benefit of all of the Owners, other than those purposes for which disbursements from the Reserve Fund are to be used. Nothing in this Declaration shall be construed in such a way as to preclude the use of Association assessments or funds to abate any

nuisance or annoyance emanating from outside the boundaries of the Properties. Annual Assessments shall be used to satisfy Common Expenses of the Association, as provided herein and in the Bylaws.

6.4. Limitations on Annual Assessment Increases.

The Board shall levy Annual Assessments in accordance with the following provisions:

(a) Maximum Authorized Annual Assessment for Initial Year of Operations.

Until the first day of the Fiscal Year immediately following the Fiscal Year in which Annual Assessments commence, the Board may levy an Annual Assessment per Lot in an amount which exceeds one hundred twenty percent (120%) of the amount of Annual Assessments reflected in the initial Budget adopted by the Board pursuant to Section 3.1 of this Declaration only if the Board first obtains the approval of a majority of a quorum of Members pursuant to California Civil Code Section 4070 at a Member meeting or election ("**Increase Election**"). The quorum for an Increase Election shall be more than fifty percent (50%) of the Members ("**Increase Election Quorum**"). Notwithstanding the foregoing, this Section does not limit Annual Assessment increases necessary for addressing an "Emergency Situation" as defined in Section 6.4(d).

(b) Maximum Authorized Annual Assessment for Subsequent Fiscal Years.

Starting with the first Fiscal Year immediately following the Fiscal Year in which Annual Assessments commence, the Board may levy Annual Assessments which exceed the Annual Assessments for the immediately preceding Fiscal Year only as follows:

(1) If the increase in Annual Assessments is less than or equal to twenty percent (20%) of the Annual Assessments for the immediately preceding Fiscal Year, then the Board must either (a) have complied with paragraphs (1), (2), (4), (5), (6), (7) and (8) of subdivision (b) of California Civil Code Section 5300 with respect to the current Fiscal Year, or (b) obtain the approval of a majority of an Increase Election Quorum at an Increase Election;

(2) If the increase in Annual Assessments is greater than twenty percent (20%) of the Annual Assessments for the immediately preceding Fiscal Year, then the Board must obtain the approval of a majority of an Increase Election Quorum at an Increase Election.

Notwithstanding the foregoing, this Section does not limit Annual Assessment increases necessary for addressing an "Emergency Situation" as defined in Section 6.4(d).

(c) Supplemental Annual Assessments. If the Board determines that the important and essential functions of the Association may be properly funded by an Annual Assessment in an amount less than the maximum authorized Annual Assessment described above, it may levy such lesser Annual Assessment. If the Board determines that the estimate of total charges for the current year is or will become inadequate to meet all Common Expenses for the Properties for any reason, it shall immediately determine the approximate amount of the

inadequacy. Subject to the limitations described in Sections 6.4(a) and (b) above and (d) below, the Board shall have the authority to levy a supplemental Annual Assessment reflecting a revision of the total charges to be assessed against each Lot.

(d) Emergency Situations. For purposes of Sections 6.4(a), 6.4(b) and 6.5, an "Emergency Situation" is any one of the following:

- (1) An extraordinary expense required by an order of a court;
- (2) An extraordinary expense necessary to repair or maintain the Properties or any part thereof for which the Association is responsible where a threat to personal safety on the Properties is discovered; and
- (3) An extraordinary expense necessary to repair or maintain the Properties or any part thereof for which the Association is responsible that could not have been reasonably foreseen by the Board in preparing and distributing the annual Budget report under California Civil Code Section 5300. Prior to the imposition or collection of an assessment pursuant to this subparagraph (3), the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. The resolution shall be distributed to the Members with the notice of assessment.

6.5. Capital Improvements.

The Board of Directors of the Association may levy, in any Fiscal Year, a Capital Improvement Assessment applicable to that Fiscal Year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital Improvement or other such addition upon the Common Area or Association Maintenance Areas including fixtures and personal property related thereto; provided that any proposed Capital Improvement Assessments in any Fiscal Year which, if added to the Capital Improvement Assessments already levied during such Fiscal Year, exceeds five percent (5%) of the budgeted gross expenses of the Association for such Fiscal Year, shall require the approval of a majority of an Increase Election Quorum at an Increase Election. Notwithstanding the foregoing, the Board may levy in any Fiscal Year, a Capital Improvement Assessment applicable to that Fiscal Year which exceeds five percent (5%) of the Budgeted gross expenses of the Association for such Fiscal Year if such increase is necessary for addressing an Emergency Situation as defined in Section 6.4(d).

6.6. Uniform Rate of Assessment.

Annual Assessments, Capital Improvement Assessments and Reconstruction Assessments provided for in this Article VI shall be assessed equally and uniformly against all Owners and their Lots. The Association may, subject to the provisions of Section 9.5 and Article XI(d) hereof, levy Compliance Assessments against selected Owners who have caused the Association to incur special expenses due to willful or negligent acts of said Owners, their tenants, families, guests, invitees or agents. All installments of Annual Assessments shall be collected in advance

on a regular basis by the Board of Directors, at such frequency as the Board shall determine from time to time.

6.7. Date of Commencement of Annual Assessments.

The Board of Directors shall authorize and levy the amount of the Annual Assessment upon each Lot, as provided herein, by a majority vote of the Board. The Annual Assessments provided for herein shall commence as to all Lots in the Properties on the first day of the first calendar month following the Transfer Date. The first Annual Assessment shall be adjusted according to the number of months remaining in the Fiscal Year as set forth in the Bylaws. The Board of Directors shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of any change in the amount of any Annual Assessment, Capital Improvement Assessment or Reconstruction Assessment shall be sent via first-class mail to every Owner subject thereto, not less than thirty (30) nor more than sixty (60) days prior to the increased assessment becoming due. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer or agent of the Association, setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments against a Lot is binding upon the Association as of the date of its issuance.

Each installment of Annual Assessments may be paid by the Owner to the Association in one check or payment or in separate checks as payments attributable to deposits into specified Association Maintenance Funds. If any installment of an Annual Assessment payment is less than the amount assessed and the payment does not specify the Association Maintenance Fund or Funds into which it should be deposited, the receipt by the Association from that Owner shall be credited in order of priority first to the Operating Fund, until that portion of the Annual Assessment has been satisfied, and second to the Reserve Fund.

From time to time, the Board may determine that all excess funds remaining in the Operating Fund be retained by the Association and used to reduce the following year's Annual Assessments. Upon dissolution of the Association incident to the transfer of title to the Common Area (and provided such transfer is approved by the County), any amounts remaining in any of the Maintenance Funds shall be distributed to or for the benefit of the Owners in the same proportions as such monies were collected from the Owners.

6.8. Exempt Property.

The following property subject to this Declaration shall be exempt from the assessments herein:

- (a) All portions of the Properties dedicated to and accepted by a public authority; and
- (b) The Common Area owned by the Association in fee.

6.9. Assignment of Rents.

In addition to the foreclosure and other remedies granted the Association herein, each Owner, by acceptance of a deed to such Owner's Lot, hereby conveys to the Association all of such Owner's right, title and interest in all rents, issues and profits derived from and appurtenant to such Lot, together with the right, power and authority of the Association to collect and apply such rents, issues and profits to any delinquent Assessments owed by such Owner, reserving to the Owner the right, prior to any default by the Owner in the payment of Assessments, to collect and retain such rents, issues and profits as they may become due and payable. Upon any such default the Association may, upon the expiration of thirty (30) days following the mailing to the Owner of the "Notice of Delinquent Assessment" described in Section 7.2 hereof, either in person, by agent or by receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness secured by the lien described herein, (a) enter in or upon and take possession of the Lot or any part thereof, (b) in the Association's name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and (c) apply the same, less allowable expenses of operation, to any delinquencies of the Owner hereunder. The entering upon and taking possession of the Lot, the collection of rents, issues and profits and the application thereof, shall not cure or waive any default, notice of default or Notice of Delinquent Assessment hereunder or invalidate any act done pursuant to any such notice. The assignment of rents, issues and profits to the Association pursuant to this Section shall be subordinate to any assignment of rents, issues or profits in favor of a first Mortgagee.

ARTICLE VII

7. Nonpayment of Assessments; Remedies.

7.1. Nonpayment of Assessments; Remedies.

Any installment of an assessment provided for in the Declaration shall be delinquent if not paid within fifteen (15) days of the due date as established by the Board of Directors of the Association. The Board shall be authorized to adopt a system pursuant to which any installment of Annual Assessments, Capital Improvement Assessments, Compliance Assessments, or Reconstruction Assessments not paid within thirty (30) days after the due date, plus all reasonable fees and costs of collection (including attorneys' fees) and late charges as provided herein, shall bear interest commencing thirty (30) days from the date the assessment becomes due until paid at the rate of up to twelve percent (12%) per annum but in no event more than the maximum rate permitted by law. The Board may also require the delinquent Owner to pay a late charge in accordance with California Civil Code Section 5650(b). The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

7.2. Notice of Delinquent Assessment.

No action shall be brought to enforce any assessment lien herein, unless at least thirty (30) days has expired following the date a notice of delinquent assessment ("**Notice of Delinquent Assessment**") is Recorded by the Association. Said Notice of Delinquent Assessment shall state

a legal description of the Lot, the record Owner thereof, the amount of the assessment and other sums imposed and any other items required by California Civil Code Section 5675, and in order for the lien to be enforced by nonjudicial foreclosure, the name and address of the trustee authorized by the Association to enforce the lien by sale, and shall be mailed by certified mail to every Person whose name is shown as an Owner of the Lot in the Association's records no later than ten (10) days after Recordation. Recordation of the Notice of Delinquent Assessment shall create a lien on the Lot as provided in California Civil Code Section 5675(a). The Notice of Delinquent Assessment shall be signed by any authorized officer or agent of the Association. The lien shall continue until fully paid or otherwise satisfied. At least thirty (30) days prior to Recording the Notice of Delinquent Assessment, the Association shall provide the delinquent Owner in writing by certified mail with all of the items required by Section 5660 of the California Civil Code. The Association shall also comply with all of the applicable provisions of Sections 5655, 5658, 5665, 5670, 5673 and 5705 of the California Civil Code.

7.3. Enforcement of Lien.

An Association lien may be enforced as described in Sections 5700 et seq. of the California Civil Code or in any other manner permitted by law. The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Upon completion of the foreclosure sale, an action may be brought by the Association or the purchaser at the sale in order to secure occupancy of the defaulting Owner's Lot, and the defaulting Owner shall be required to pay the reasonable rental value of such Lot during any period of continued occupancy by the defaulting Owner or any persons claiming under the defaulting Owner.

7.4. Curing of Default.

Within twenty-one (21) days of the payment of the sums specified in the Notice of Delinquent Assessment, the Association shall Record an appropriate lien release or notice of rescission and provide the defaulting Owner with a copy of the same or notice that the delinquent assessment has been satisfied.

7.5. Cumulative Remedies.

The assessment liens and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments.

7.6. Mortgage Protection.

Notwithstanding all other provisions hereof, no lien created under this Article VII, nor any breach of this Declaration, nor the enforcement of any provision hereof shall defeat or render invalid the rights of the Mortgagee under any Recorded "first Mortgage" (as defined in Article XIII below) upon a Lot made in good faith and for value; provided that after such Mortgagee or other Person obtains title to such Lot by judicial foreclosure or by means of the powers set forth in such Mortgage, such Lot shall remain subject to the Declaration and the payment of all

installments of Assessments accruing subsequent to the date such Mortgagee or other Person obtains title.

7.7. Priority of Assessment Lien.

The lien of the assessments provided for herein, including interest and costs (including attorneys' fees), shall be subordinate to the lien of any previously Recorded "first Mortgage" (as defined in Article XIII below) upon one or more Lots. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. When the Beneficiary of a first Mortgage of record or other purchaser of a Lot obtains title pursuant to a judicial or nonjudicial foreclosure of the first Mortgage, such Person, his successors and assigns, shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such Person. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from all of the Owners of the Lots including such Person, his successors and assigns.

ARTICLE VIII

8. Architectural Approval.

8.1. Review of Plans and Specifications.

Until the date which is one (1) year after the Close of Escrow for the last Lot in the Properties, no construction, alteration, removal, relocation, repainting, demolition, addition, installation, modification, decoration, redecoration or reconstruction of an outdoor Improvement in the Properties shall be commenced or maintained, until the plans and specifications therefor showing the nature, kind, shape, height, width, color, materials and location of the same shall have been submitted to Declarant and approved in writing by Declarant and, to the extent necessary, the County; provided, however, that any Improvement may be repainted without Declarant approval so long as the Improvement is repainted the identical color which it was last painted. Until changed by Declarant, the address for submission of such plans and specifications shall be the office of Declarant. Declarant may condition its approval of proposals or plans and specifications upon such changes therein as it deems appropriate or upon the agreement of the Owner submitting the plans and specifications ("**Applicant**") to complete the proposed work within a stated period of time, or both, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. Declarant may also issue rules or guidelines setting forth procedures for the submission of plans for approval, requiring a fee and/or a "security deposit" to accompany each application for approval, or stating additional factors which it will take into consideration in reviewing submissions. Declarant may provide that the amount of such fee or security deposit shall be uniform, or that it be determined in any other reasonable manner. Declarant may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, landscape plans, floor plans, site plans, drainage plans, elevation drawings and

description or samples of exterior material and colors. Until receipt by Declarant of any required plans and specifications, Declarant may postpone review of any plans submitted for approval. Decisions of Declarant shall be transmitted to the Applicant at the address set forth in the application for approval within forty-five (45) days after receipt by Declarant of all materials required by Declarant. Any application submitted pursuant to this Section 8.1 shall be deemed approved unless written disapproval or a request for additional information or materials by Declarant shall have been transmitted to the Applicant within forty-five (45) days after the date of receipt by Declarant of all required materials. The Applicant shall meet any review or permit requirements of the County prior to making any alterations or Improvements permitted hereunder. Declarant may, in its sole and absolute discretion and at any time, waive its approval rights under this Article VIII subject to such terms and conditions as Declarant may impose.

8.2. No Waiver of Future Approvals.

The approval by Declarant of any plans and specifications for any work done or proposed shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar plans and specifications or matters subsequently or additionally submitted for approval.

8.3. Scope of Review.

Declarant shall review and approve, conditionally approve or disapprove all plans and specifications submitted to it hereunder solely on the basis of aesthetic considerations, consistency with this Declaration, and the overall benefit or detriment which would result to the immediate vicinity and the Properties generally. Declarant's approval of any Improvement does not constitute a finding or warranty by Declarant that the Improvement (i) incorporates good engineering practices, (ii) complies with applicable laws, ordinances, codes or regulations, including without limitation zoning laws, building and safety codes and fire codes, (iii) complies with the requirements of any utility provider, or (iv) is permissible under the terms of any easement, license, permit, Mortgage or other recorded or unrecorded document (other than this Declaration). Neither Declarant nor its duly authorized representatives shall be liable for any loss, damage or injury arising out of or in any way connected with any plans and specifications approved by Declarant hereunder.

ARTICLE IX

9. Maintenance and Repair Obligations.

9.1. Maintenance Obligations of Owners.

Subject to the provisions of Section 9.3 of this Declaration, each Owner, at his sole expense, shall maintain, repair, replace and restore his Lot and all Improvements thereon in a neat, sanitary and attractive condition (including without limitation all sides and surfaces and the structural integrity of any perimeter fence or wall for the Properties which encloses his Lot), except for those portions of the Lot, if any, which are maintained by a governmental or quasi-governmental agency or entity or which constitute Common Area or Association Maintenance Areas. In performing his maintenance obligations hereunder, each Owner shall follow all maintenance and preventative maintenance recommendations and schedules promulgated by

Declarant and the manufacturers of any manufactured products or appliances, as well as commonly accepted maintenance practices.

9.2. Maintenance Obligations of Association.

Commencing on the Transfer Date, no improvement, excavation or work which in any way alters the Common Area or the Association Maintenance Areas shall be made or done by any person other than the Association or its authorized agents after the completion of the construction or installation of the Improvements thereto by Declarant. Subject to the provisions of Sections 6.3 and 9.4 hereof, commencing on the Transfer Date the Association shall maintain, repair, replace and restore the Common Area and Association Maintenance Areas and all Improvements thereon in a safe, sanitary and attractive condition, and in good order and repair. If the Common Area includes any structural BMPs, the Association shall inspect and if required, clean such structural BMPs (as defined in Section 10.19 below) no later than October 15 each year. In performing its maintenance obligations hereunder, the Association shall follow all maintenance and preventative maintenance recommendations and schedules promulgated by Declarant and any applicable product manufacturers, as well as commonly accepted maintenance practices. Notwithstanding the foregoing, the Association shall not be responsible for the maintenance of any portions of the Common Area or Association Maintenance Areas which have been dedicated to and accepted for maintenance by a governmental or quasi-governmental agency or entity.

9.3. Party Walls.

(a) General Rules of Law to Apply. Each wall and fence which is built as a part of the original construction of the Dwelling Units by Declarant and which is located on the Lot line or which serves as the effective boundary between two (2) or more Lots ("**Party Wall**") shall be deemed to be and shall be treated in the same manner as a party wall. To the extent not inconsistent with the provisions of this Section 9.3, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions (including without limitation California Civil Code Section 841) shall apply thereto.

(b) Sharing of Repair and Maintenance. The cost of reasonable structural repair and maintenance of a Party Wall shall be shared equally by the Owners of the Lots sharing such Party Wall. However, each Owner shall be solely responsible for maintaining and painting the side of any Party Wall which faces such Owner's Lot.

(c) Destruction by Fire or Other Casualty. If a Party Wall is destroyed or damaged by fire or other casualty, any Owner whose Lot is affected thereby may restore it, and the Owner(s) of any other Lot(s) which is/are affected thereby shall contribute equally to the cost of restoration thereof without prejudice, however, to the right of any such Owner to call for a larger contribution from the other(s) under any rule of law regarding liability for negligent or willful acts or omissions.

(d) Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner for work performed under this Section 9.3 shall be

appurtenant to and shall run with the land and shall be binding upon the Owners and their successors, assigns and grantees. Notwithstanding the foregoing, the obligation to pay contribution for work already performed shall not run with the land and be binding upon (i) any "first Mortgagee" (as defined in Article XIII below) who obtains title to a Lot pursuant to foreclosure of its Mortgage or by deed in lieu of foreclosure, and (ii) any purchaser at a foreclosure sale of a first Mortgage.

9.4. Damage to Common Area by Owners.

The cost of any maintenance, repairs or replacements by the Association within the Common Area and Association Maintenance Areas, arising out of or caused by the willful or negligent act of an Owner, his tenants, or their Families, guests or invitees shall, after Notice and Hearing, be levied by the Board as a Compliance Assessment against such Owner.

9.5. Damage to Dwelling Units-Reconstruction.

If all or any portion of any Lot or Dwelling Unit is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner of such Lot to rebuild, repair or reconstruct the Lot and the Dwelling Unit on such Lot in a manner which will restore them substantially to their appearance and condition immediately prior to the casualty. The Owner of any damaged Lot or Dwelling Unit shall be obligated to proceed with all due diligence hereunder, and such Owner shall cause reconstruction to commence within six (6) months after the damage occurs and to be completed within one (1) year after damage occurs, unless prevented by causes beyond his reasonable control. A transferee of title to the Lot which is damaged or upon which is located a damaged Dwelling Unit shall commence and complete reconstruction in the respective periods which would have remained for the performance of such obligations if the Owner of the Lot at the time of the damage still held title to the Lot. However, in no event shall such transferee be required to commence or complete such reconstruction in less than three (3) months from the date such transferee acquired title to the Lot. Notwithstanding any of the foregoing, the provisions of this Section 9.4 shall not require an Owner to repair or reconstruct any portion of his Lot which constitutes Common Area or Association Maintenance Areas which are required to be repaired or reconstructed by the Association pursuant to Article XI of this Declaration.

ARTICLE X

10. Use Restrictions.

All real property within the Properties shall be held, used and enjoyed subject to the following limitations and restrictions and the exemptions of Declarant set forth in this Declaration.

10.1. Single Family Residence.

Each Lot shall be used as a residence for a single Family and for no other purpose. An Owner may rent his Lot to a single Family provided that the Lot is rented pursuant to a lease or rental agreement which is (a) in writing, and (b) subject to all of the provisions of the Governing Documents. The Owner shall at all times be responsible for his tenant's or lessee's compliance with all of the provisions of the Governing Documents. A lessee or tenant shall have no obligation to the Association to pay assessments imposed by the Association, nor shall any lessee

or tenant have any voting rights in the Association. Copies of the Governing Documents shall be provided to each tenant or lessee by the Owner of the Lot. None of the foregoing shall prevent an Owner from renting his Lot to Declarant for use as a sales office, model home, parking area or for other residential or non-residential purposes.

10.2. Business or Commercial Activity.

No part of the Properties shall ever be used for any business, commercial (including auctions or similar events), manufacturing, mercantile, storage, vending or other nonresidential purposes, including without limitation any activity for which the provider is compensated in any way or receives any form of consideration, regardless of whether the activity is engaged in full or part-time, generates or does not generate a profit, or requires or does not require a license; except Declarant, its successors and assigns may use any portion of the Properties for a model home site and display and sales offices in accordance with Article XIV hereof. The provisions of this Section 10.2 shall not preclude any of the above-described activities without external evidence thereof, provided that all of the following conditions are fulfilled: (a) such activities are conducted in conformance with all applicable governmental ordinances; (b) the patrons or clientele of such activities do not visit the Lot or park automobiles or other vehicles within the Properties; (c) the existence or operation of such activities is not apparent or detectable by sight, sound or smell from outside of the boundaries of the Lot; (d) no such occupation increases the liability or casualty insurance obligation or premium of the Association; and (e) such activities are consistent with the residential character of the Properties and conform with the provisions of this Declaration.

10.3. Nuisances.

No noxious or offensive activities shall be carried on upon the Properties or on any public street abutting or visible from the Properties. No horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of a Dwelling Unit and its contents and reasonable speakers (including exterior speakers) for home entertainment sound systems, shall be placed or used on any Lot. Noisy or smoky vehicles, large power equipment and large power tools (excluding lawn mowers and other equipment utilized in connection with ordinary landscape maintenance), off-road motor vehicles or items which may unreasonably interfere with television or radio reception of any Owner in the Properties, and objects which create or emit loud noises or noxious odors shall not be located, used or placed on any portion of the Properties or on any public street abutting the Properties. No unreasonable noise levels from a barking dog or other animal are permitted (e.g., chronic daily barking by a dog over extended periods of time). The Board shall have the right to determine if any noise, odor, or activity producing such noise or odor constitutes a nuisance. No Owner shall permit or cause anything to be done or kept on the Properties or on any public street abutting the Properties which may increase the rate of insurance thereon, or result in the cancellation of such insurance in the Properties, or which will obstruct or interfere with the rights of other Owners, nor commit or permit any nuisance thereon or violate any law. Each Owner shall comply with all of the requirements of the local or state health authorities and with all other governmental authorities with respect to the occupancy and use of a Dwelling Unit. Each Owner shall be accountable to the Association and other Owners for the conduct and behavior of children and other Family members or persons residing in or

visiting his Lot. Any damage to the Common Area, personal property of the Association, Association Maintenance Areas or property of another Owner, caused by such children or other Family members shall be repaired at the sole expense of the Owner of the Lot where such children or other Family members or persons are residing or visiting.

10.4. Signs.

Subject to the provisions of Sections 712, 713 and 4710 of the California Civil Code, no sign, poster, display, billboard or other advertising device of any kind shall be displayed to the public view on any portion of the Properties or on any public street abutting or visible from the Properties except (a) one (1) sign for each Lot, not larger than eighteen (18) inches by thirty (30) inches, advertising the Lot for sale or rent, (b) traffic and other signs installed by Declarant as part of the original construction of the Properties, or (c) signs, regardless of size, used by Declarant to advertise the Properties during the construction and sales period. All signs or billboards shall conform to the requirements of all applicable laws.

10.5. Parking and Vehicular Restrictions.

(a) Prohibited Vehicles. The following vehicles are Prohibited Vehicles: recreational vehicles (e.g., motorhomes, travel trailers, camper vans, boats, etc.), commercial-type vehicles (e.g., stakebed trucks, tank trucks, dump trucks, step vans, concrete trucks, etc.), buses or vans designed to accommodate more than ten (10) people, vehicles having more than two (2) axles, trailers, inoperable vehicles or parts of vehicles, aircraft, other similar vehicles or any vehicle or vehicular equipment deemed a nuisance by the Board. Prohibited Vehicles shall not be parked, stored or kept within the Properties. The foregoing shall not preclude (i) the parking of commercial-type vehicles, buses or vans owned by third parties for purposes of loading or unloading or completing their intended tasks, and (ii) the parking of recreational vehicles for purposes of loading or unloading for periods not to exceed four (4) hours in any twenty four (24) hour period.

(b) General Restrictions. Subject to the restriction on Prohibited Vehicles, all vehicles owned or operated by or within the control of an Owner or a resident of an Owner's Lot and kept within the Properties shall be parked in the garage of that Owner to the extent of the space available; provided that each Owner shall ensure that any such garage accommodates the number of vehicles for which it was originally constructed by Declarant. No repair, maintenance or restoration of any vehicle shall be conducted on the Properties except within an enclosed garage when the garage door is closed (with proper ventilation to prevent the dangerous build-up of toxic fumes), provided such activity is not undertaken as a business.

10.6. Animal Restrictions.

No livestock, insects, reptiles, poultry or other animals of any kind shall be raised, bred or kept on the Properties except that usual and ordinary domestic dogs, cats, fish, birds and other household pets (excluding, without limitation, equine, bovine, sheep, goats and other such animals) may be kept on Lots, provided that they are not kept, bred or maintained for commercial purposes, in unreasonable quantities. As used in this Declaration, "**unreasonable**

quantities" shall mean more than two (2) dogs, cats or combination thereof per household. Small household pets such as fish and caged birds may also be kept in reasonable quantities so long as there is no external evidence of their presence in the Properties. Animals belonging to Owners, occupants or their licensees, tenants or invitees within the Properties must be either kept within an enclosure or on a leash being held by a person capable of controlling the animal. Furthermore, any Owner shall be liable to each and all remaining Owners, their Families, guests, tenants and invitees, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Properties by such Owner or by members of his Family, his tenants or his guests. It shall be the duty and responsibility of each such Owner to clean up after such animals which have used any portion of the Properties or public street abutting or visible from the Properties.

10.7. Trash and Unsightly Items.

No rubbish, trash or garbage or other waste material shall be kept or permitted upon any Lot or on any public street abutting the Properties, except in sanitary containers located in appropriate areas screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the Properties, or any portion thereof, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. Such containers shall be exposed to the view of neighboring Lots only when set out for a reasonable period of time (not to exceed twelve (12) hours before and after scheduled trash collection hours). There shall be no exterior fires whatsoever except barbecue fires contained within receptacles therefor and fire pits in enclosed areas and designed in such a manner that they do not create a fire hazard. No clothing, household fabrics or other unsightly articles shall be hung, dried or aired on or over any Lot in such a way as to be visible from any other Lot, and no lumber, grass, shrub or tree clippings or plant waste, metals, bulk material, scrap, refuse or trash shall be kept, stored or allowed to accumulate on any portion of the Properties except within an enclosed structure or if appropriately screened from view. No plants or seeds infected with noxious insects or plant diseases shall be brought upon, grown or maintained upon the Properties.

10.8. Temporary Buildings.

No outbuilding, basement, tent, shack, shed or other temporary building or Improvement of any kind shall be placed upon any portion of the Properties either temporarily or permanently (except for short term use of tents for recreational purposes in the back yards of the Lots). No garage, trailer, camper, motor home, recreation vehicle or other vehicle shall be used as a residence in the Properties, either temporarily or permanently.

10.9. Outside Installations.

No radio station or shortwave operators of any kind shall operate from any Lot or Dwelling Unit. No person may install on the exterior of any Dwelling Unit or other portion of a Lot any antenna, satellite dish or other over the air receiving device except for an Authorized Antenna which is installed as permitted below. An "**Authorized Antenna**" is (i) an antenna that is one (1) meter or less in diameter and is designed to receive direct broadcast satellite service, including direct-to-home satellite service, or to receive or transmit fixed wireless signals via satellite, or (ii) an antenna that is one (1) meter or less in diameter or diagonal measurement and is designed to

receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instructional television fixed services and local multipoint distribution services, or to receive or transmit fixed wireless signals other than via satellite, or (iii) an antenna that is used to receive television broadcast signals, and includes a mast supporting an antenna described in the foregoing clauses (i), (ii) or (iii). The foregoing definition is not intended to prohibit cordless or wireless telephones, PDAs, computers, wireless home data networking equipment or other portable wireless data or telephony devices that do not otherwise constitute a nuisance under this Declaration. An Authorized Antenna described in the foregoing clauses (i) and (ii) may be installed in the least visually obtrusive portion of a Lot where an acceptable quality signal can be received and where the cost of installation, maintenance or use of such Authorized Antenna is not unreasonably increased and must be either screened from view or painted to blend in with the surrounding area so long as such screening or painting is not unreasonably expensive. An Authorized Antenna described in the foregoing clause (iii) in the smallest size available at a reasonable cost that receives an acceptable quality signal may be installed outside of a Dwelling Unit in the least visually obtrusive portion of a Lot where an acceptable quality signal can be received so long as an acceptable quality signal cannot be received via an indoor antenna (e.g., an antenna mounted in the attic, "rabbit ears," etc.) or the installation, maintenance or use of such an indoor antenna can be accomplished only at an unreasonably increased cost. The foregoing provisions concerning Authorized Antenna are intended to be a restatement of applicable law. All amendments, modifications and interpretations of the law applicable to the installation, use or maintenance of antennae, satellite dishes or other over the air receiving devices shall be interpreted to amend, modify and interpret the foregoing provisions concerning Authorized Antenna.

10.10. Drilling.

No oil drilling, oil, gas or mineral development operations, oil refining, geothermal exploration or development, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels or mineral excavations or shafts be permitted upon the surface of any Lot or within five hundred feet (500') below the surface thereof. No derrick or other structure designed for use in boring for water, oil, geothermal heat or natural gas shall be erected, maintained or permitted upon any Lot.

10.11. Further Subdivision.

Except as otherwise provided herein, no Owner shall further partition or subdivide his Lot, including without limitation any division of his Lot into time-share estates or time-share uses; provided, however, that this provision shall not be construed to limit the right of an Owner (1) to rent or lease his entire Lot by means of a written lease or rental agreement subject to the restrictions of this Declaration; (2) to sell his Lot; or (3) to transfer or sell any Lot to more than one (1) Person to be held by them as tenants-in-common, joint tenants, tenants by the entirety or as community property. Any failure by the lessee of such Lot to comply with the terms of the Governing Documents shall constitute a default under the lease or rental agreement.

10.12. Drainage.

There shall be no interference with or alteration of the established surface and subsurface drainage patterns over any Lot within the Properties unless an adequate alternative provision is made for proper drainage. For the purpose hereof, "**established**" drainage pattern is defined as the drainage which exists at the time that such Lot is conveyed to a purchaser from Declarant. The "**established drainage pattern**" may include roof mounted gutters and downspouts and "cross lot drainage" whereby water from a Lot drains across one (1) or more adjoining Lots by means which include surface sheet flow, subsurface drain lines, bench drains, "v" ditches or other drainage facilities. Each Owner of a Lot affected by such cross lot drainage shall permit free access by the other applicable Owners to all drainage facilities located on his Lot which affect such adjoining Lots when such access is essential for the maintenance or permanent stabilization of slopes or the maintenance of such drainage facilities. Each Owner shall keep all such drainage facilities on his Lot in proper working order and free from dirt, debris and other obstructions. Declarant expressly reserves for the benefit of each Owner and his Lot, reciprocal nonexclusive easements over the Lots for the drainage of water in accordance with the foregoing.

10.13. Water Supply Systems.

No individual water supply, sewage disposal system, or water softener system shall be permitted on any Lot in the Properties unless such system is designed, located, constructed and equipped in accordance with the requirements, standards and recommendations of any applicable water district, the County and all other applicable governmental authorities.

10.14. View Obstructions.

Each Owner, by accepting title to a Lot, hereby acknowledges that (a) there are no protected views within the Properties, and no Lot is assured the existence or unobstructed continuation of any particular view, and (b) any construction, landscaping or other installation of Improvements by Declarant, other Owners or others may impair the view from any Lot, and the Owners hereby consent to such view impairment.

10.15. Solar Energy Systems.

(a) System Described. Some or all of the Dwelling Units in the Properties may be improved with roof-mounted residential solar energy systems (each, including any modifications or replacements, a "**System**"). Each system may include some or all of the following components:

- (i) roof-mounted frames and brackets;
- (ii) roof-integrated photovoltaic roof tiles, roof-mounted or roof-inserted solar panels, or other roof-mounted devices or structures or part of a device or structure used to collect and transform solar energy into thermal, chemical or electrical energy for any or all of (i) water heating, (ii) space heating or cooling, or (iii) power generation (each a "**Solar Array**");

- (iii) electrical wiring;
- (iv) an inverter that converts DC electricity generated by the Solar Array to AC electricity for home use;
- (v) a bi-directional electric meter compatible with solar energy generation; and
- (vi) a web-based solar energy monitoring system.

(b) Other System Requirements. To be subject to the protections of this Declaration, a Solar Array must be located on the roof, comply with the building codes and other applicable regulations of the local governmental agencies having jurisdiction over the Properties, and must be no less than ten (10) feet above the Grade Plane of the Lot on which the Solar Array is located. As used herein, "**Grade Plane**" means a reference plane representing the average of the finished ground level adjoining the Dwelling Unit along the exterior walls nearest the Solar Array. Where the finished ground level slopes away from the exterior walls, the Grade Plane shall be established by the lowest points within the area between the Dwelling Unit and the Lot line or, where the Lot line is more than six (6) feet from the Dwelling Unit, between the Dwelling Unit and a point six (6) feet from the Dwelling Unit. The components of a System may change due to the cost or availability of new or different technology. A System that is installed on a Lot may be purchased and owned by the Owner of the Lot, or it may be operated under the terms of a written lease or power purchase agreement between the Owner and a third-party entity.

(c) Solar Array Shading Restriction. A System generates energy by exposure to the sun, and the generation of energy will be reduced or even eliminated if trees, landscaping, structures or other Improvements on any Lot are allowed to cause shading of the System's Solar Array. Solar Array shading restrictions are established to protect the reliable and beneficial production of solar energy from Systems.

As used in this Declaration, "**Prohibited Shading**" means any shadow cast over any portion of the surface of any Solar Array at any time by any trees, other landscaping, structures or other Improvements that do not comply with the requirements of Section 10.15(e) below. No Owner of a Lot may permit any trees, other landscaping, structures or other Improvements to be installed or maintained on such Lot that causes Prohibited Shading of a Solar Array, whether such Solar Array is located on such Owner's Lot or on a neighboring Lot. Further, no Owner of a Lot may permit the planting of any tree or other landscaping on the Lot that, at its generally accepted mature height, will likely cause Prohibited Shading.

Every Owner of a Lot must consider the height at maturity and the location of trees planted on such Owner's Lot, and the height and location of other Improvements installed on such Owner's Lot, in order to prevent Prohibited Shading of any Solar Array. This Prohibited Shading restriction will apply to any Solar Array installed in the future unless Prohibited Shading

of such Solar Array exists at the time the Solar Array is installed or will occur at any time during the three hundred sixty four (364) days after installation as a result of pre-existing shading conditions. Notwithstanding the foregoing, no Prohibited Shading is ever permitted if the future Solar Array that is being shaded is or will be installed by or on behalf of Declarant as part of the original construction of a Dwelling Unit by Declarant ("**Declarant Installed Array**"), and every Owner must obtain from Declarant information concerning Declarant Installed Arrays planned for the future as described in Section 10.15(h) below. This Prohibited Shading restriction also applies regardless of the fact that an applicable local governmental agency or Declarant (pursuant to Article VIII hereof) may have issued an approval or permit for the subject tree, other landscaping, structures or other Improvements causing the Prohibited Shading. This Prohibited Shading restriction does not apply to shading caused by Dwelling Units or other Improvements constructed by Declarant or to trees or other landscaping installed by Declarant.

(d) Design and Approval of Improvements. To prevent Prohibited Shading of Solar Arrays by Improvements installed by Owners of Lots or persons in control of such Lots (and except for Declarant installed trees), the distance of planted trees and other Improvements from the nearest point of a nearby Solar Array must be carefully planned. Mature trees are generally categorized by height as being small (up to twenty (20) feet), medium (up to thirty five (35) feet) or large (up to fifty (50) feet). As an example, a Solar Array on a one-story Dwelling Unit means that even a small tree, if planted too close to the Dwelling Unit, can cause shading of the Solar Array when the tree matures. Determining the height and distance of mature trees and other Improvements is very important when Improvements to a Lot are planned by the Owner of such Lot.

(e) Height and Distance Requirements. The following table ("**Horizontal Distance Table**") is based on the horizontal distance guidelines established by the California Energy Commission ("**CEC**") to minimize the shading of Solar Arrays in the CEC's New Solar Homes Partnership Guidebook, Ninth Edition, July 2015. The Horizontal Distance Table describes the closest horizontal distance that trees (as measured from the vertical prolongation of the tree trunk at grade) or other Improvements of various heights may be located from the nearest point of a nearby Solar Array on the roof of a one-story, two-story or three-story Dwelling Unit. The criterion used to determine these height and distance guidelines ("**Minimal Shading Criterion**") is that no obstruction can be closer than a distance of twice the height the obstruction extends above the lowest point of the Solar Array.

Solar Array Location	Small Tree Distance (up to 20 feet tall)	Medium Tree Distance (up to 35 feet tall)	Large Tree Distance (up to 50 feet tall)
1 story Dwelling Unit (lowest point of Solar Array is 12 feet above grade)	16 feet (minimum distance from nearest point on Solar Array)	46 feet (minimum distance from nearest point on Solar Array)	76 feet (minimum distance from nearest point on Solar Array)
2 story Dwelling Unit (lowest point of Solar Array is 22 feet above grade)	Any distance	26 feet (minimum distance from nearest point on Solar Array)	56 feet (minimum distance from nearest point on Solar Array)
3 story Dwelling Unit (lowest point of Solar Array is 32 feet above grade)	Any distance	6 feet (minimum distance from nearest point on Solar Array)	36 feet (minimum distance from nearest point on Solar Array)

(f) Application of Requirements. The Minimal Shading Criterion and the requirements established in the Horizontal Distance Table apply to the distance of trees, other landscaping, structures and other Improvements on a Lot from any Solar Array, whether the Solar Array is located on such Lot or on a neighboring Lot. When planning to plant a tree or install any Improvements, the Minimal Shading Criterion and Horizontal Distance Table must be used to determine the areas of maximum height at minimum distance from the nearest point or points on the Solar Array. For example, using the Minimal Shading Criterion, a tree having a mature height of forty (40) feet should be planted at a distance not less than fifty six (56) feet from the nearest point on a Solar Array on the roof of a one-story Dwelling Unit. The Horizontal Distance Table and the Minimal Shading Criterion do not apply to the location of trees and other landscaping planted on a Lot, the Common Area, a public right-of-way or otherwise by Declarant.

(g) Tree Selection. Once the planned height and distance of trees has been determined, a tree variety must be selected that has the appropriate mature height characteristics.

(h) Improvement Plan Approval. An Owner may not permit the planting of any tree or the installation of other Improvements on such Owner's Lot without the prior approval of Declarant to the extent required under Article VIII of this Declaration. The Improvement plan submitted to Declarant must include, in a scaled drawing, the height and distance from the applicable Solar Arrays of the proposed Improvements and the types of planned trees and their mature heights. The foregoing includes the height and distance from any Declarant Installed Arrays that may be constructed at a later date, and as part of its application to

Declarant the Owner shall obtain from Declarant information for Declarant Installed Arrays planned for the future that could be shaded by the Improvements planned by the Owner. If Declarant fails to provide such information within twenty (20) days of Declarant's receipt of a written request therefor, the Owner shall be entitled to proceed based on the assumption that all adjacent Lots owned by Declarant will ultimately contain a one (1) story Dwelling Unit located five (5) feet from the side property lines and ten (10) feet from the rear property line.

(i) Maintenance Requirements. Each Owner must maintain the height of trees and other landscaping on such Owner's Lot to prevent Prohibited Shading of any Solar Array. The height and distance standards in the Horizontal Distance Table and the Minimal Shading Criterion establish the maximum height of trees and other landscaping that may be maintained to minimize the shading of Solar Arrays. For example, for a Solar Array on the roof of a one-story Dwelling Unit, existing trees and landscaping must be maintained so that they do not exceeded twenty (20) feet in height at a distance of sixteen (16) feet from the nearest point on the Solar Array, thirty five (35) feet in height at a distance of forty six (46) feet from the nearest point on the Solar Array, and fifty (50) feet in height at a distance of seventy six (76) feet from the nearest point on the Solar Array.

(j) Impact of Shading Restriction. The restriction against Prohibited Shading of Solar Arrays by trees and other Improvements means that (i) the planting of trees or at least certain trees in the yard areas of a Lot, (ii) the installation of upper-floor additions, roof-mounted structures or other tall Improvements within a Lot, and (iii) the growth of trees to mature heights may be restricted or prohibited. In some cases, the Lots may be adjacent to other lots that are not encumbered by this Declaration. In such cases, these adjacent lots might not be restricted from causing Prohibited Shading of Solar Arrays installed on one or more of the Lots, which may result in the occurrence of Prohibited Shading which impairs the performance of one (1) or more Systems on the Lots.

(k) Effect of Applicable Laws. The provisions of this Declaration are in addition to other restrictions (for example, height, setback, landscaping and architectural design restrictions) that may also apply to the height, location and maintenance of trees and other Improvements installed on a Lot, whether such other restrictions are imposed by law (including without California Civil Code Sections 714 and, if applicable, 714.1 and California Public Resources Code Sections 25980 et seq.) or by easements or other matters of record (collectively, the "**Other Restrictions**"). If there is a conflict between the Other Restrictions and this Declaration, the one that provides for greater protection of the Solar Arrays shall control.

10.16. Installation of Landscaping.

The Owner of each Lot shall complete the installation of landscaping on the front yard of his Lot and any other portions of his Lot which are visible from any street within six (6) months after the Close of Escrow for the sale of such Lot from Declarant (except to the extent such landscaping has been installed by Declarant). Each Owner shall obtain all permits necessary and shall comply with all requirements of the County in connection with such landscaping.

10.17. Window Coverings.

No window in any Dwelling Unit shall be covered, in whole or in part, inside or outside, with sheets, aluminum foil, newspaper, paint or reflective tint; provided, however, that an Owner may use plain white sheets to cover windows for a period not to exceed three (3) months from the Close of Escrow or initial occupancy of the Dwelling Unit, whichever occurs first, pending the installation of drapes, curtains, shutters or other appropriate interior window coverings.

10.18. Hazardous Materials.

All Hazardous Materials shall be used and disposed of within the Properties in compliance with applicable law and any program established by the Association with respect thereto. Toxic chemicals or hydrocarbon compounds such as gasoline, motor oil, anti-freeze, solvents, paints, paint thinners, wood preservatives and other such fluids shall not be discharged into any street or any storm drain or storm water conveyance system within the Properties. Use and disposal of pesticides, fungicides, herbicides, insecticides, fertilizers and other such chemical treatments shall comply with all applicable laws. As used herein, "**Hazardous Materials**" means any waste, substance, chemical or material which is or becomes subject to any federal, state or local law (including any regulation or ordinance) concerning toxic or hazardous substances, health, industrial hygiene or the environment.

10.19. NPDES Requirements.

The Properties are subject to any applicable Federal, State and local requirements of the National Pollutant Discharge Elimination System adopted pursuant to the Federal Clean Water Act, including without limitation any Storm Water Pollution Prevention Plan, Water Quality Management Plan or similar plan for the Properties ("**Water Management Plan**") which identifies certain Best Management Practices ("**BMPs**") to reduce the discharge of pollutants to storm water facilities. Each Owner and, if applicable, the Association shall comply with all BMPs and perform all maintenance imposed by the Water Management Plan and all other governmental requirements.

10.20. Roofing Material.

All Dwelling Units shall be constructed with fire retardant roofing material to the extent required by the California Building Code. Any wood shingles or shakes shall have a Class B rating and shall be approved by the Fire Department prior to installation.

ARTICLE XI

11. Damage and Condemnation.

Commencing on the Transfer Date, damage to or destruction of all or any portion of the Common Area or the Association Maintenance Areas and condemnation of all or any portion of the Common Area shall be handled in the following manner:

(a) If the Common Area or the Association Maintenance Areas are damaged or destroyed, the Association shall cause the same to be repaired and reconstructed substantially as they previously existed.

(b) If the cost of effecting total restoration of such Common Area or Association Maintenance Areas exceeds the amount of insurance proceeds, the Association shall cause the same to be repaired and reconstructed substantially as they previously existed, and the difference between the insurance proceeds and the actual cost shall be levied as a Reconstruction Assessment against each Lot and its respective Owner.

(c) To the extent of funds available for restoration, any restoration or repair of such Common Area or Association Maintenance Areas shall be performed substantially in accordance with the original plans and specifications unless other action is approved by Beneficiaries of fifty-one percent (51%) of the first Mortgages on Lots in the Properties who have requested the Association in writing to notify them of proposed action requiring the consent of a specified percentage of first Mortgagees (subject to the procedures specified in subsection (d) of Section 15.5 hereof) and by sixty-seven percent (67%) of the voting power of the Association (subject to the procedures specified in Section 4.2 hereof).

(d) Each Member shall be liable to the Association for any damage to the Common Area or the Association Maintenance Areas not fully reimbursed to the Association by insurance proceeds which may be sustained by reason of the negligence or willful misconduct of said Member or the Persons deriving their right and easement of use and enjoyment of the Common Area from said Member, or of his respective Family and guests, both minor and adult. The Association reserves the right, acting through the Board, after Notice and Hearing, to (1) determine whether any claim shall be made upon the insurance maintained by the Association and (2) levy against such Member a Compliance Assessment equal to any deductible paid and the increase, if any, in the insurance premium directly attributable to the damage caused by such Member or the Persons for whom such Member may be liable as described herein. In the case of joint ownership of a Lot, the liability of the owners thereof shall be joint and several, except to the extent that the Association has previously contracted in writing with such joint owners to the contrary. After Notice and Hearing, the cost of correcting such damage, to the extent not reimbursed to the Association by insurance, shall be a Compliance Assessment against such Member.

(e) If at any time all or any portion of the Common Area owned in fee by the Association, or any interest therein, is 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 award in condemnation shall be paid to the Association. Any such award payable to the Association shall be deposited in the Operating Fund. No Member shall be entitled to participate as a party, or otherwise, in any proceedings relating to such condemnation. The Association shall have the exclusive right to participate in such proceedings and shall, in its name alone, represent the interests of all Members.

ARTICLE XII

12. Insurance.

12.1. Casualty Insurance.

Commencing on the Transfer Date, the Association shall cause to be obtained and maintained fire and casualty insurance with extended coverage for loss or damage to all insurable Improvements and fixtures on the Common Area and the Association Maintenance Areas for the full insurance replacement cost thereof without deduction for depreciation or coinsurance. The Association may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property, whether real or personal, owned by the Association against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Common Area and the Association Maintenance Areas shall be written in the name of, and the proceeds thereof shall be payable to the Association. Subject to Articles XI(d) and XIII(d) hereof, insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common Expenses included in the Annual Assessments levied by the Association.

12.2. Insurance Obligations of Owners.

Each Owner is responsible for insuring such Owner's personal property and all other property and Improvements within such Owner's Lot. Nothing herein shall preclude any Owner from carrying public liability insurance or other insurance such Owner considers desirable; provided, however, that such policies shall not adversely affect or diminish any coverage under any insurance obtained by or on behalf of the Association. Duplicate copies of any Owner's insurance policies shall be deposited with the Association upon request. If any loss intended to be covered by insurance carried by or on behalf of the Association shall occur and the proceeds payable thereunder shall be reduced by reason of insurance carried by any Owner, such Owner shall assign the proceeds of such insurance carried by him to the Association, to the extent of such reduction, for application by the Board to the same purposes as the reduced proceeds are to be applied.

12.3. Waiver of Subrogation.

All policies of physical damage insurance maintained by the Association shall provide, if reasonably possible, for waiver of: (1) any defense based on coinsurance; (2) any right of setoff, counterclaim, apportionment, proration or contribution by reason of other insurance not carried by the Association; (3) any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association, any Owner or any tenant of any Owner, or arising from any act, neglect, or omission of any named insured or the respective agents, contractors and employees of any insured; (4) any rights of the insurer to repair, rebuild or replace, and, in the event any Improvement is not repaired, rebuilt or replaced following loss, any right to pay under the insurance an amount less than the replacement value of the Improvements insured; or (5) notice of the assignment of any Owner of its interest in the

insurance by virtue of a conveyance of any Lot. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, the Manager, Declarant, and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by such persons, but only to the extent that insurance proceeds are received in compensation for such loss.

12.4. Liability and Other Insurance.

Commencing on the Transfer Date, the Association shall have the power and duty to and shall obtain comprehensive public liability insurance, including medical payments and malicious mischief, in such limits as it shall deem desirable (but in no event less than One Million Dollars (\$1,000,000.00)) covering all claims for personal injury and property damage arising out of a single occurrence), insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property maintained or required to be maintained by the Association including, if obtainable, a cross-liability endorsement insuring each insured against liability to each other insured. The Association may also obtain Worker's Compensation insurance and such other insurance as it may deem desirable, the premiums for which shall be a Common Expense included in the Annual Assessments levied against the Owners. All insurance policies shall be reviewed at least annually by the Board of Directors and the limits increased in its discretion. The Association may also obtain such errors and omissions insurance, indemnity bonds, fidelity bonds and other insurance as it deems advisable, insuring the Board, the officers of the Association and the Manager against any liability for any act or omission in carrying out their obligations hereunder, or resulting from their membership on the Board or on any committee thereof. However, fidelity bond coverage which names the Association as an obligee must be obtained by or on behalf of the Association for any person or entity handling funds of the Association, including, but not limited to, officers, directors, trustees, employees and agents of the Association and employees of the Manager of the Association, whether or not such Persons are compensated for their services, in an amount not less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the Manager, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than the sum equal to one-fourth (1/4) of the Annual Assessments on all Lots in the Properties, plus reserve funds. In addition, the Association shall continuously maintain in effect such casualty, flood and liability insurance and fidelity bond coverage meeting the requirements for planned unit developments established by FNMA, GNMA and FHLMC, so long as any of which is a Mortgagee or an Owner of a Lot in the Properties, except to the extent such coverage is not available or has been waived in writing by FNMA, GNMA and FHLMC, as applicable.

12.5. Notice of Expiration Requirements.

If available, each of the policies of insurance maintained by the Association shall contain a provision that said policy shall not be cancelled, terminated, materially modified or allowed to expire by its terms, without ten (10) days' prior written notice to the Board and Declarant and to each Owner and Beneficiary, insurer and guarantor of a first Mortgage who has filed a written

request with the carrier for such notice, and every other Person in interest who requests such notice of the insurer.

ARTICLE XIII

13. Rights of Mortgagees.

Notwithstanding any other provision of this Declaration, no amendment or violation of the Declaration shall operate to defeat or render invalid the rights of the Beneficiary under any Deed of Trust upon one (1) or more Lots made in good faith and for value, provided that after the foreclosure of any such Deed of Trust such Lot(s) shall remain subject to this Declaration. For purposes of this Declaration, "**first Mortgage**" shall mean a Mortgage with first priority over other Mortgages or Deeds of Trust on a Lot, and "**first Mortgagee**" shall mean the Beneficiary of a first Mortgage. For purposes of any provision of this Declaration or the other Governing Documents which require the vote or approval of a specified percentage of first Mortgages, such vote or approval shall be determined based upon one (1) vote for each Lot encumbered by each such first Mortgage. In order to induce VA, FHA, FHLMC, GNMA and FNMA to participate in the financing of the sale of Lots within the Properties, the following provisions are added hereto effective on the Transfer Date (and to the extent these added provisions conflict with any other provisions of the Governing Documents, these added provisions shall control):

(a) All Beneficiaries, insurers and guarantors of first Mortgages, upon written request to the Association, shall have the right to:

(1) examine current copies of the Association's books, records and financial statements and the Governing Documents during normal business hours; and

(2) receive written notice of all meetings of Owners; and

(3) designate in writing a representative who shall be authorized to attend all meetings of Owners.

(b) The Board may enter into such contracts or agreements on behalf of the Association as are required in order to satisfy the guidelines of VA, FHA, FHLMC, FNMA or GNMA or any similar entity, so as to allow for the purchase, guaranty or insurance, as the case may be, by such entities of first Mortgages encumbering Lots. Each Owner hereby agrees that it will benefit the Association and the membership of the Association, as a class of potential Mortgage borrowers and potential sellers of their residential Dwelling Units, if such agencies approve the Properties as a qualifying subdivision under their respective policies, rules and regulations, as adopted from time to time. Each Owner hereby authorizes his Mortgagees to furnish information to the Board concerning the status of any Mortgage encumbering a Lot.

ARTICLE XIV

14. Declarant Exemption.

Declarant or its successors or assigns intend, but shall not be obligated, to undertake the work of constructing Dwelling Units and developing all of the Lots included within the Properties. The completion of that work and sale, resale, rental and other disposal of Dwelling Units is essential to the establishment and welfare of the Properties as a quality residential community. As used in this Article and its subparagraphs, the words "its successors or assigns" specifically do not include purchasers of Lots pursuant to transactions requiring the issuance of a Final Subdivision Public Report. In order that such work may be completed and the Properties be established as a fully occupied residential community as rapidly as possible, no Owner (nor the Association from and after its incorporation) shall do anything to interfere with, and nothing in this Declaration, except conditions pursuant to Section 3.2 qualifying as "substantially" amending this Declaration, shall be understood or construed to:

(a) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from doing on any Lot or other portion of the Properties owned by them whatever they determine to be necessary or advisable in connection with the completion of such work, including without limitation the alteration of construction plans and designs as Declarant deems advisable in the course of development; or

(b) Prevent Declarant, its successors or assigns, or its or their representatives, from erecting, constructing and maintaining on any portion of the Properties owned or controlled by Declarant, or its successors or assigns or its or their contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its or their business of completing such work and establishing the Properties as a residential community and disposing of the same by sale, resale, lease or otherwise; or

(c) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from conducting on any Lot, or any portion thereof, owned or controlled by Declarant, or its successors or assigns, its or their business of developing, altering, subdividing, grading and constructing Dwelling Units and other Improvements to or on any portion of the Properties as a residential community and of disposing of Lots or Dwelling Units by sale, lease or otherwise; or

(d) Prevent Declarant, its successors or assigns or its or their contractors or subcontractors, from maintaining such sign or signs on any portion of the Properties owned or controlled by any of them as may be necessary in connection with the sale, lease or other marketing of Lots and Dwelling Units in the Properties; or

(e) Prevent Declarant, at any time prior to acquisition of title to a Lot by a purchaser from Declarant, to establish on that Lot additional licenses, reservations and rights-of-way to itself, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the Properties.

Without in any way limiting the foregoing, there is hereby reserved to Declarant, together with the right to grant and transfer same:

(f) Easements over the Properties for the installation and maintenance of electric, telephone, cable television, water, gas, irrigation, sanitary sewer and drainage lines and facilities; and

(g) The right to place on, under or across the Properties transmission lines and other facilities for a cable television or a community antenna television system and the right to enter upon the Properties to service, maintain, repair, reconstruct and replace said lines and facilities.

Commencing on the Transfer Date, until the date which is ten (10) years following the last Close of Escrow for the sale of a Lot in the Properties and in addition to Declarant's rights as an Owner or Board member, Declarant shall have the right (i) to inspect the books and records of the Association, including without limitation the financial and maintenance records, (ii) to inspect the Common Area and Association Maintenance Areas, (iii) to receive copies of all maintenance records and inspection reports concerning the Common Area and Association Maintenance Areas, (iv) to receive all notices and other documents to which a Beneficiary is entitled pursuant to this Declaration, provided that Declarant shall be provided such notices and other documents without making written request therefor, (v) to receive notice of, attend and speak at all regular and special meetings of the Members and the Board, and (vi) to receive copies of the minutes of all meetings of the Board and the Members.

ARTICLE XV

15. General Provisions.

All provisions of this Article XV concerning the Association or the Board shall be effective commencing on the Transfer Date.

15.1. Enforcement of Governing Documents.

Subject to the provisions of Section 15.14 of this Declaration, the Governing Documents may be enforced as set forth below.

(a) Violations Identified by the Association. If the Board determines that there is a violation of any provision of the Governing Documents, then the Board shall give written notice to the responsible Owner identifying (i) the condition or violation complained of, and (ii) the length of time the Owner has to remedy the violation.

If an Owner does not perform such corrective action as is required by the Board within the allotted time, the Board, after Notice and Hearing, may undertake to remedy such condition or violation complained of, and the cost thereof shall be charged to the Owner as a

Compliance Assessment. Such Compliance Assessment shall be subject to enforcement and collection by the Board in accordance with the procedures provided for in this Declaration.

If the violation involves nonpayment of any type of Assessment, then the Board shall be entitled to collect such delinquent Assessment pursuant to the procedures set forth in Article VII.

(b) Violations Identified by an Owner. In the event that an Owner alleges that another Owner, his Family, guests or tenants, is violating the Governing Documents (other than nonpayment of any type of Assessment), the complaining Owner must first submit the matter to the Board for Notice and Hearing before the complaining Owner may resort to alternative dispute resolution if required by Sections 5925 et seq. of the California Civil Code or to litigation for relief.

(c) Legal Proceedings. Failure to comply with any of the terms of the Governing Documents by an Owner, his Family, guests, employees, invitees or tenants, shall be grounds for relief which may include, without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of any lien, or any combination thereof; provided, however, that the procedures established in Sections 5900 et seq. and 5925 et seq. of the California Civil Code and in Sections 15.1(a) and (b) above must first be followed if they are applicable. The Rules and Regulations may, but shall not be required to, include the dispute resolution procedures contemplated by Sections 5905 and 5910 of the California Civil Code.

(d) Schedule of Fines. The Board may adopt a schedule of reasonable fines or penalties which, in its reasonable discretion, it may assess against an Owner for the failure of such Owner, or of a resident of or visitor to such Owner's Lot, to comply with any provisions of the Governing Documents. Such fines or penalties may only be assessed by the Board after Notice and Hearing.

(e) No Waiver. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce that provision, or any other provision hereof.

(f) Right to Enforce. The Association, any Owner or Declarant (so long as Declarant is an Owner) shall be entitled to enforce the Governing Documents as described in this Article, subject to Sections 5900 et seq. and 5925 et seq. of the California Civil Code. Each Owner shall have a right of action against the Association for the Association's failure to comply with the Governing Documents. Each remedy provided for in this Declaration shall be cumulative and not exclusive or exhaustive.

(g) Attorneys' Fees. Unless specifically provided herein to the contrary, any judgment rendered in any action or proceeding pursuant to this Declaration shall include a sum for attorneys' fees in such amount as the court or arbitrator, as applicable, may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and costs of court or alternative dispute resolution, as applicable.

15.2. Severability.

The provisions of this Declaration are independent and severable. If for any reason any provision of this Declaration becomes invalid, partially invalid, unenforceable, illegal, null and void, or against public policy, or if for any reason a court of competent jurisdiction or arbitrator determines that any provision of this Declaration is invalid, partially invalid, unenforceable, illegal, null and void, or against public policy, the validity and enforceability of the remaining provisions of this Declaration shall remain in effect to the fullest extent permitted by law.

15.3. Term.

This Declaration shall continue in full force for a term of sixty (60) years from the date of Recordation hereof, after which the term shall be automatically extended for successive periods of ten (10) years, unless a Declaration of Termination satisfying the requirements of an amendment to the Declaration as set forth in Section 15.5 is Recorded.

15.4. Interpretation.

The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of the Common Area and Association Maintenance Areas, and any violation of this Declaration shall be deemed to be a nuisance. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. As used herein, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the other, unless the context dictates otherwise.

15.5. Termination and Amendment.

(a) Prior to the Transfer Date, this Declaration may be amended by Recordation of an instrument executed by the Owners of not less than sixty-seven percent (67%) of the Lots in the Properties; provided, however, that prior to the Transfer Date this Declaration may not be amended without the prior written consent of Declarant for so long as Declarant owns any portion of the Properties. Commencing on the Transfer Date, notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of any meeting or election of the Association at which a proposed amendment is to be considered. To be effective, a proposed amendment must be adopted by the vote, in person or by proxy, or written consent of Members representing not less than (i) sixty-seven percent (67%) of the voting power of each class of Members of the Association, and (ii) sixty-seven percent (67%) of the voting power of the Association residing in Members other than Declarant; provided that the specified percentage of the voting power of the Association necessary to amend a specified Section or provision of this Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that Section or provision.

(b) Termination of this Declaration shall require the approvals described in subsection (a) of this Section 15.5.

(c) A copy of each amendment or termination after the Transfer Date shall be certified by at least two (2) officers of the Association, and the amendment or termination shall be effective when a Certificate of Amendment or Termination is Recorded. The Certificate, signed and sworn to by at least two (2) officers of the Association that the requisite number of Owners have either voted for or consented in writing to any termination or amendment adopted as provided above, when Recorded, shall be conclusive evidence of that fact. The Association shall maintain in its files the record of all such votes or written consents for a period of at least four (4) years.

(d) Notwithstanding any other provisions of this Section 15.5 other than Section 15.5(g) below, at any time prior to the first Close of Escrow for the sale of a Lot within the Properties, Declarant may unilaterally amend or terminate this Declaration by Recording a written instrument which effects the amendment or termination and is signed and acknowledged by Declarant.

(e) Notwithstanding any other provisions of this Section 15.5 other than Section 15.5(g) below, for so long as Declarant owns any portion of the Properties, Declarant may unilaterally amend this Declaration by Recording a written instrument signed by Declarant in order to (i) conform this Declaration to applicable law, (ii) conform this Declaration to the requirements of the County or other governmental agency or entity, Cal BRE, FNMA, GNMA, FHLMC, VA or FHA then in effect, or (iii) correct typographical or other errors, including without limitation errors to any exhibits to this Declaration.

(f) Notwithstanding any other provisions of this Declaration other than Section 15.5(g) below, commencing on the Transfer Date and after Declarant no longer owns any portion of the Properties, the Board, on behalf of the Association, may amend this Declaration by Recording a written instrument signed by at least two (2) officers of the Association certifying that the Board approved the amendment for one (1) or more of the purposes described in Section 15.5(e) above.

(g) Notwithstanding any other provisions of this Declaration and as described in Section 3.2 above, this Declaration shall not be terminated, "substantially" amended or property deannexed therefrom absent the prior written consent of the Planning Director of the County or the County's successor-in-interest. A proposed amendment shall be considered "substantial" if it affects the extent, usage or maintenance of the Common Area.

15.6. No Public Right or Dedication.

Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Properties to the public, or for any public use.

15.7. Constructive Notice and Acceptance.

Every person who owns, occupies or acquires any right, title, estate or interest in or to any Lot or other portion of the Properties does hereby consent and agree, and shall be conclusively deemed

to have consented and agreed, to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in the Properties or any portion thereof.

15.8. Exhibits.

All exhibits to this Declaration are incorporated herein by this reference. To the extent the location of any Common Area or other Improvements or areas depicted on any exhibit to this Declaration or other document Recorded pursuant to this Declaration conflicts with the actual location of such Improvements or areas, the actual location shall control.

15.9. Notices.

Except as otherwise provided in the Governing Documents or, after the Transfer Date, Sections 4040, 4045, 4050 or 4055 of the California Civil Code, notice to be given to an Owner shall be in writing and may be delivered personally to the Owner. Except as otherwise provided in the Governing Documents, personal delivery of such notice to one (1) or more co-owners of a Lot or to any general partner of a partnership owning a Lot shall be deemed delivery to all co-owners or to the partnership, as the case may be. Personal delivery of such notice to any officer or agent for the service of process of a corporation shall be deemed delivery to the corporation, and personal delivery of such notice to any manager, managing member or agent for the service of process of a limited liability company shall be deemed delivery to the limited liability company. In lieu of the foregoing, except as otherwise provided in the Governing Documents or, after the Transfer Date, Sections 4040, 4045, 4050 or 4055 of the California Civil Code, such notice may be delivered by regular United States mail, postage prepaid, addressed to the Owner at the most recent address furnished by such Owner to the Association or, if no such address shall have been furnished or the Association has not been formed, to the street address of such Owner's Lot, and such notice shall be deemed delivered three (3) business days after the time of such mailing. Except as otherwise provided in Section 4035 of the California Civil Code, any notice to be given to the Association may be delivered personally to any member of the Board, or sent by United States mail, postage prepaid, addressed to the Association at such address as shall be fixed from time to time and circulated to all Owners.

15.10. Mergers or Consolidations.

After the Transfer Date, upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer and enforce the covenants, conditions and restrictions established by this Declaration governing the Properties, together with the covenants and restrictions established upon any other property, as one (1) plan.

15.11. Nonliability and Indemnification.

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

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

(1) The Board member or officer is a tenant of a Lot or an Owner of no more than two (2) Lots;

(2) The act or omission was performed within the scope of the Board member's or officer's Association duties (the scope of the Board member's or officer's Association duties shall include but not be limited to (i) whether to conduct an investigation of the Properties for latent deficiencies prior to the expiration of the applicable statute of limitations, and (ii) whether to commence a civil action against the builder for defects in design or construction);

(3) The act or omission was performed in good faith;

(4) The act or omission was not willful, wanton or grossly negligent;
and

(5) The Association maintained and had in effect at the time the act or omission occurred and at the time a claim was made one (1) or more policies of insurance which shall include coverage for (A) general liability of the Association, and (B) individual liability of officers and Board members for negligent acts or omissions in that capacity; provided that both types of coverage are in the amount of at least one million dollars (\$1,000,000.00).

A Board member or Association officer who at the time of the act or omission was the Declarant or received direct or indirect compensation as an employee from Declarant or

from a financial institution that purchased a Lot at a judicial or nonjudicial foreclosure of a Mortgage is not a volunteer for purposes of this Section 15.11(b). The payment of actual expenses incurred by a Board member or Association officer does not affect the member's or officer's status as a volunteer for purposes of this Section 15.11(b).

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

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

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

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

Any determination of the Board required under this Section 15.11(c) must be approved by a majority vote of a quorum consisting of Directors who are not parties to the action or threatened action giving rise to the indemnification. If the Board fails or refuses to make any such determination, such determination may be made by the vote of a majority of a quorum of the Members of the Association voting at a meeting of the Association called for such purpose, provided that the person to be indemnified shall not be entitled to vote. Payments made hereunder shall include amounts paid and expenses incurred in settling any such action or threatened action. This Section 15.11(c) shall be construed to authorize payments and indemnification to the fullest extent now or hereafter permitted by applicable law. The entitlement to indemnification hereunder shall inure to the benefit of the estate, executor, administrator, heirs, legatees, or devisees of any person entitled to such indemnification.

15.12. No Representations or Warranties.

No representations or warranties of any kind, express or implied, have been given or made by Declarant, or its agents or employees in connection with the Properties, or any portion thereof, its physical condition, zoning, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulation thereof as a planned development, except as specifically and expressly set forth in this Declaration and except as may be filed by Declarant from time to time with the Cal BRE.

15.13. Compliance with Applicable Laws.

Notwithstanding the provisions contained in the Governing Documents, the Association (if formed) and the Owners should be aware that various laws (including without limitation the Davis-Stirling Common Interest Development Act codified at Sections 4000 et seq. of the California Civil Code, the federal Fair Housing Act codified at Title 42 United States Code,

Sections 3601 et seq. and the Regulations of the Real Estate Commissioner set forth in Title 10 of the California Code of Regulations, Sections 2790 et seq.) may affect the Properties. Additionally, various governmental bodies (including without limitation the California legislature, the United States Congress and various state and federal agencies) from time to time enact new laws and regulations and amend or repeal existing laws and regulations, and laws and regulations are interpreted by the courts. Accordingly, it is Declarant's intent that the Governing Documents be interpreted and construed to be consistent with applicable laws, which may supplement or override the Governing Documents. Declarant makes no representations or warranties regarding the enforceability of any portion of the Governing Documents.

15.14. Disputes with Declarant.

(a) Prelitigation Procedures. Before the Association commences any action for damages arising out of or related to deficiencies in the design or construction of the Properties or any portion thereof, the parties shall comply with the provisions of California Civil Code Section 6000 (and not with the "Statutory Procedures" described below to the extent such Statutory Procedures could be elected by Declarant). Chapter 4 of Title 7 of Part 2 of Division 2 of the California Civil Code (California Civil Code Sections 910 to 938, inclusive) establishes non-adversarial procedures (the "**Statutory Procedures**") for resolution of certain disputes between (i) homeowners and builders, and (ii) homeowners associations and builders, including claims for damages arising out of or related to deficiencies in the residential construction, design, specifications, surveying, planning, supervision, testing or observation of construction, or other alleged violations of the standards of Chapter 2 of said Title 7. Section 914(a) of the California Civil Code permits builders to elect to use alternative non-adversarial provisions instead of the Statutory Procedures. Section 15.14(b) below contains mediation provisions, which are alternative non-adversarial provisions. Declarant has elected to use the mediation provisions set forth in Section 15.14(b) below instead of the Statutory Procedures. This election is binding. Owners and the Association are not required to initiate the Statutory Procedures under Section 910 of the California Civil Code. Instead, the procedures described in Section 15.14(b) below must be followed. In connection with any civil action by the Association against Declarant for alleged damage to the Properties or any portion thereof, the Board of Directors shall provide any written notice to the Members which may be required by Section 6150 of the California Civil Code.

Commencing on the date of the first annual meeting of the Members, Declarant relinquishes control over the Association's ability to decide whether to initiate any claim related to deficiencies in the construction, design, specifications, surveying, planning, supervision, testing or observation of construction with respect to the Properties or any portion thereof pursuant to Sections 895 et seq. of the California Civil Code ("**Defect Claim**"). This means that Declarant, current employees and agents of Declarant, Board members who are appointed by Declarant, Board members elected by a majority of votes cast by Declarant, and all other persons whose vote or written consent is inconsistent with the intent of the preceding sentence, are prohibited from participating and voting in any decision of the Association or the Owners to initiate a Defect Claim.

The Association may not initiate legal proceedings relating to a Defect Claim without the approval of sixty-seven percent (67%) of the voting power of the Association residing in Members other than Declarant.

(b) Mediation by Owners and Other Parties. As provided in Section 15.14(a) above, before the Association commences any action for damages arising out of or related to deficiencies in the design or construction of the Properties or any portion thereof, the parties shall comply with the provisions of California Civil Code Section 6000 to the extent applicable. All parties, including without limitation any Owner personally and individually (i.e. without serving as a class representative for others or becoming a member of a class action commenced by others), as well as the Association except with respect to (i) matters subject to California Civil Code Section 6000, and (ii) actions taken by the Association against Declarant to collect delinquent Assessments, agree to mediate any and all controversies, disputes or claims with Declarant arising out of, related to, or in any way connected with the Properties, the purchase agreement pursuant to which any Owner acquired a Lot from Declarant (**"Purchase Agreement"**) or any resulting transaction, including without limitation claims relating to personal injury or property damage alleged to have been sustained by any Owner, such Owner's Family or other occupants of the Properties or invitees to the Properties (**"Disputes"**) before resorting to arbitration as described in Section 15.14(c) below. Mediation is a process in which the parties attempt to resolve a dispute by discussing the dispute in the presence of an impartial, neutral third party authorized by the parties to facilitate the resolution of the dispute (**"Mediator"**). The Mediator is not empowered to impose a settlement on the parties. The parties shall agree upon a Mediator within thirty (30) days of written notice of a Dispute delivered by one party to the other. Delivery of a notice of Dispute shall be in accordance with the notice provisions of the Purchase Agreement if the Dispute is between Declarant and the initial purchaser of a Lot from Declarant and otherwise in accordance with the notice provisions of this Declaration unless applicable law requires notice to be given in another manner. If the parties cannot agree upon the selection of a Mediator within such time period, the parties shall request JAMS, Judicial Arbitrator Group, Inc. or another mutually acceptable dispute resolution service provider (as selected, the **"ADR Provider"**) to appoint, within the shortest possible period of time, a Mediator to conduct the mediation. Any party who will be relying upon an expert report and/or or repair estimate at the mediation shall provide the Mediator and the other parties with a copy of such reports and/or estimates. If one or more issues directly or indirectly relate to alleged deficiencies in design, materials or construction, all parties and their experts shall be allowed to inspect, document (by photograph, videotape or otherwise) and evaluate the alleged deficiencies prior to mediation, and any Owner and the Association, as applicable, shall make the property that is the subject of the Dispute available for such purpose. All mediation fees shall be divided equally among the parties; provided, however, that Declarant shall be responsible for any initiation fee to commence mediation, the first eight (8) hours of the Mediator's time, and any administrative fees charged by the ADR Provider for such initiation of mediation and the first eight (8) hours of mediation. Before the mediation begins and consistent with the laws of California, the parties shall agree in writing to limit the admissibility in any arbitration or court action of anything said, any admission made, and any documents prepared in the course of the

mediation. If any party commences an arbitration or court proceeding based on a Dispute without first attempting to resolve the matter through mediation, the other party shall have the right, at any time, to cause such proceeding to be dismissed or set aside, and the commencing party shall pay all costs, expenses and reasonable attorney fees incurred by such party to have such proceeding set aside or dismissed.

(c) ARBITRATION OF DISPUTES. WITHOUT IN ANY WAY LIMITING THE PROVISIONS OF SECTIONS 15.14(a) AND (b) ABOVE, ALL PARTIES AGREE THAT THE TRANSACTION UNDERLYING ANY DISPUTE INVOLVES INTERSTATE COMMERCE AND THAT ANY DISPUTE NOT SETTLED DURING MEDIATION SHALL BE RESOLVED BY BINDING ARBITRATION AS PROVIDED IN THE FEDERAL ARBITRATION ACT (9 U.S.C. §§1 *ET SEQ.*) BY THE ADR PROVIDER SELECTED BY THE PARTIES, WHICH ADR PROVIDER MAY BE DIFFERENT THAN THE ADR PROVIDER THAT CONDUCTED THE MEDIATION, AND SUCH DISPUTE SHALL NOT BE RESOLVED BY OR IN A COURT OF LAW OR EQUITY. EACH OWNER AGREES TO PERSONALLY AND INDIVIDUALLY (I.E., WITHOUT SERVING AS A CLASS REPRESENTATIVE FOR OTHERS OR BECOMING A MEMBER OF A CLASS ACTION COMMENCED BY OTHERS WITH RESPECT TO THE DISPUTE) ARBITRATE SUCH DISPUTE. A WRITTEN NOTICE OF THE INTENT TO ARBITRATE SUCH DISPUTE SHALL BE DELIVERED BY THE PARTY DESIRING TO ARBITRATE SUCH DISPUTE TO THE OTHER PARTY WITHIN THIRTY (30) DAYS AFTER THE CONCLUSION OF THE MEDIATION IN ACCORDANCE WITH THE NOTICE PROVISIONS IN THE PURCHASE AGREEMENT IF THE DISPUTE IS BETWEEN DECLARANT AND THE INITIAL PURCHASER OF A LOT FROM DECLARANT AND OTHERWISE IN ACCORDANCE WITH THE NOTICE PROVISIONS OF THIS DECLARATION UNLESS APPLICABLE LAW REQUIRES NOTICE TO BE GIVEN IN ANOTHER MANNER. EXCEPT AS OTHERWISE EXPRESSLY STATED IN THE DEED FROM DECLARANT TO THE INITIAL PURCHASER OF A LOT OR TO THE ASSOCIATION, AS APPLICABLE, THE ARBITRATION SHALL BE CONDUCTED IN ACCORDANCE WITH THE RULES SPECIFIED BY THE ADR PROVIDER ("**RULES**"), WHICH RULES MUST INCLUDE, AND IT IS THE EXPRESS INTENT OF ALL PARTIES TO THE DISPUTE, THAT EACH SHALL BE BOUND BY THE FOLLOWING:

(1) THE ARBITRATION SHALL BE CONDUCTED BY A SINGLE ARBITRATOR AGREED UPON BY THE PARTIES WITH AT LEAST TEN (10) YEARS OF EXPERIENCE IN THE SUBJECT MATTER OF THE DISPUTE WHO MAY BE, WITHOUT LIMITATION, AN ATTORNEY LICENSED TO PRACTICE LAW IN CALIFORNIA WITH EXPERIENCE IN REAL ESTATE OR CONSTRUCTION LAW, OR AN EXPERT IN THE CONSTRUCTION INDUSTRY ("**ARBITRATOR**"). IF THE PARTIES CANNOT AGREE UPON THE SELECTION OF AN ARBITRATOR, THE ARBITRATOR SHALL BE SELECTED BY THE ADR PROVIDER IN ACCORDANCE WITH THE RULES. AN ARBITRATOR SHALL BE SELECTED WITHIN THE SHORTEST POSSIBLE PERIOD AFTER DELIVERY OF THE WRITTEN NOTICE OF INTENT TO ARBITRATE THE DISPUTE. EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION 15.14, ANY FEES DUE

TO THE ADR PROVIDER IN CONNECTION WITH SUCH SELECTION PROCESS SHALL BE SPLIT EQUALLY BY THE PARTIES. IF THE AMOUNT CLAIMED EXCEEDS ONE MILLION DOLLARS (\$1,000,000), THE ARBITRATION SHALL BE HEARD AND DETERMINED BY THREE (3) ARBITRATORS UNLESS THE PARTIES AGREE ON A SINGLE ARBITRATOR. IF THREE (3) ARBITRATORS ARE TO HEAR THE DISPUTE, DECLARANT AND THE OTHER PARTY SHALL EACH SELECT AN ARBITRATOR OF THEIR CHOICE AND THOSE TWO ARBITRATORS SHALL AGREE ON THE SELECTION OF THE THIRD ARBITRATOR.

(2) THE ARBITRATOR SHALL HAVE EXCLUSIVE AUTHORITY TO RESOLVE ANY DISPUTE, INCLUDING, BUT NOT LIMITED TO ANY CLAIM THAT ALL OR ANY PART OF THE PURCHASE AGREEMENT OR ANY ADDENDA OR AMENDMENT THERETO IS VOID OR VOIDABLE. THE ARBITRATOR'S AUTHORITY IS LIMITED TO RESOLUTION OF THE DISPUTE, AND OTHER CLAIMS MAY NOT BE JOINED OR CONSOLIDATED WITH THE DISPUTE UNLESS AGREED TO IN WRITING BY ALL PARTIES. THE ARBITRATOR SHALL BE AUTHORIZED TO PROVIDE ALL RECOGNIZED REMEDIES AVAILABLE AT LAW FOR ANY CAUSE OF ACTION, EXCEPT INJUNCTIVE RELIEF. THE ARBITRATOR SHALL MAKE A DETERMINATION OF THE DISPUTE AS SOON AS POSSIBLE AFTER COMPLETION OF THE ARBITRATION PROCEEDING. THE PARTIES AGREE THAT THE ARBITRATOR'S DECISION SHALL BE FINAL AND BINDING. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES AGREE THAT NO FINDING OR STIPULATION OF FACT, NO CONCLUSION OF LAW, AND NO ARBITRATION AWARD IN ANY ARBITRATION SHALL BE GIVEN PRECLUSIVE OR COLLATERAL ESTOPPEL EFFECT WITH RESPECT TO ANY ISSUE OR CLAIM IN ANY SUBSEQUENT ARBITRATION OR COURT ACTION, EXCEPT AMONG THE PARTIES TO THE ARBITRATION.

(3) IF THE ARBITRATOR REQUIRES ANY ADVANCE FEES TO BE PAID, DECLARANT SHALL PAY THE ADVANCE FEES. HOWEVER, THE FEES SHALL ULTIMATLEY BE SPLIT EQUALLY AMONG THE PARTIES AS SET FORTH IN SECTION 15.14(C)(1) ABOVE.

(4) JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED IN ANY COURT HAVING JURISDICTION.

(5) ALL ARBITRATIONS SHALL BE CONCLUDED, IF PRACTICABLE, WITHIN ONE HUNDRED EIGHTY (180) DAYS OF THE APPLICABLE PARTY PROVIDING A NOTICE OF INTENT TO ARBITRATE THE DISPUTE TO THE OTHER PARTY.

NOTICE: YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE

LITIGATED IN A COURT OR JURY TRIAL. YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE.

(d) Additional Parties. Any dispute involving Declarant's affiliates, directors, officers, employees and/or agents shall also be subject to mediation and arbitration as described above, and shall not be pursued in a court of law or equity. Declarant may, at its sole discretion, include Declarant's contractors, subcontractors and/or suppliers, as well as any warranty company, insurer or other necessary or proper party as parties in the mediation and arbitration notwithstanding any contrary provision.

(e) Attorneys' Fees/Costs. Except as otherwise expressly provided in this Section 15.14, each party shall bear its own costs and expenses, including attorneys' fees and expert costs fees, related to any Dispute, and shall not be entitled to or awarded its attorney fees or costs incurred with respect to such Dispute, or the Mediator or Arbitrator fees, or any related administrative fees. The fees and costs associated with mediation and/or arbitration proceedings will depend in large part on the nature of the Dispute. As such, it is not possible to estimate the fees and costs in advance.

(f) Time for Filing/Location. In no event shall the Dispute be submitted for mediation or arbitration after the date when institution of a legal or equitable proceeding based on the underlying claims in such Dispute would be barred by the applicable statute of limitations or statute of repose. Arbitration proceedings shall be conducted in the jurisdiction where the Properties are located.

(g) Consumer Due Process Protocol. Declarant supports the principles set forth in the Consumer Due Process Protocol developed by the National Consumer Dispute Advisory Committee and agrees that, notwithstanding the requirements for arbitration stated in this Section 15.14, an Owner or the Association, as applicable, shall have the option, after pursuing mediation as provided herein, to seek relief in a small claims court for Disputes or claims within the scope of the court's jurisdiction in lieu of proceeding to arbitration. There shall be no appeal from a decision by a small claims court.

(h) Injunctive Relief. Notwithstanding anything in this Section 15.14 to the contrary, if any party seeks injunctive relief, and not monetary damages, from a court because irreparable damage or harm would otherwise be suffered by either party before mediation or arbitration could be conducted, such action shall not be interpreted to indicate or be deemed a waiver of the right to mediate or arbitrate.

(i) WAIVER OF CLASS ACTION. EACH PARTY WAIVES THE RIGHT FOR ANY DISPUTE TO BE COMMENCED, HEARD OR RESOLVED AS A CLASS ACTION. DECLARANT AND EACH OWNER WAIVE AND AGREE NOT TO ASSERT ANY

CLASS ACTION OR REPRESENTATIVE ACTION CLAIMS AGAINST THE OTHER IN MEDIATION, ARBITRATION OR OTHERWISE, AND AGREE THAT IT IS THE EXPRESS INTENT OF EACH PARTY THAT CLASS ACTION AND REPRESENTATIVE ACTION PROCEDURES NOT BE ASSERTED OR APPLIED WITH RESPECT TO ANY DISPUTE.

Notwithstanding any other provisions of this Declaration, this Section 15.14 may not be amended without the written consent of Declarant attached to and recorded with such amendment, regardless of whether Declarant continues to maintain an ownership interest in any Lot or Membership in the Association.

15.15. References to Code Sections and Regulations.

All references in this Declaration and the other Governing Documents to a federal or state code section or regulation shall mean such code section or regulation as it may be amended or otherwise modified from time to time.

15.16. Post-Tension Concrete System.

Each Owner acknowledges and understands that his Dwelling Unit may have been built using a post-tension concrete system ("**System**"). The System involves placing steel cables under high tension in the concrete slab foundation located beneath the Dwelling Unit. Therefore, any attempt to alter or pierce the foundation (for example, cutting, drilling or installation of a subterranean floor safe) could damage the integrity of the System and/or cause serious injury or damage to persons or property. Each Owner covenants and agrees that: (i) he shall not cut into or otherwise tamper with the System unless required in the event of an emergency (such as a plumbing leak); (ii) he shall not permit or allow any other person to cut into or tamper with the System unless required in the event of an emergency (such as a plumbing leak); (iii) he shall disclose the existence of the System to any tenant, lessee or subsequent purchaser of the Lot and to any person who may perform the emergency repairs authorized by clauses (i) and (ii) above; and (iv) Declarant shall not be responsible for any damage or injury resulting from or arising in connection with the alteration of the System by the Owner or any employee, agent, Family member or representative of the Owner.

15.17. No Enhanced Protection Agreement.

No provisions of the Governing Documents are intended by Declarant to constitute an "enhanced protection agreement" as defined in California Civil Code Section 901. No provisions of the Governing Documents shall be interpreted to constitute such an enhanced protection agreement.

15.18. Providing Documents to Subsequent Owners.

Each Owner of a Lot shall provide to any subsequent Owner of such Lot all warranties, maintenance recommendations and other documents and information related to such Lot which were provided to the original purchaser of such Lot by Declarant.

Declarant has executed this Declaration as of JUNE 6, 2017.

LA VENTANA 242, LLC, a California
limited liability company

By:

Kyung Moo Kim
Kyung Moo Kim, Manager

"Declarant"

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF Los Angeles)

On JUNE 06, 2017, before me, JUDY A. LAYLAND,
Notary Public, personally appeared Kyung Moo Kim,
who proved to me on
the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the
within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their
authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s),
or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature see attached notary (Seal)
Certificate

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

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On June 06, 2017, before me, Judy A. Layland, a Notary Public, personally

appeared Kyang Moo Kim

Who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument the person, or the entity upon behalf of which person acted, executed the instrument.

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

WITNESS my hand and official seal.

CCR

Judy A. Layland

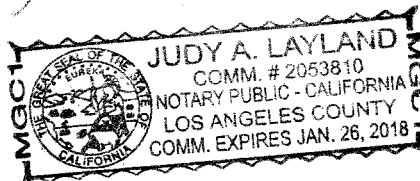


EXHIBIT "A"

ARTICLES OF INCORPORATION OF THE ASSOCIATION