

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

As required by Section 12956.1(b) of the California Government Code, please note the following:

IF THIS DOCUMENT CONTAINS ANY RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, GENDER, GENDER IDENTITY, GENDER EXPRESSION, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, GENETIC INFORMATION, NATIONAL ORIGIN, SOURCE OF INCOME AS DEFINED IN SUBDIVISION (P) OF SECTION 12955, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID, AND MAY BE REMOVED PURSUANT TO SECTION 12956.2 OF THE GOVERNMENT CODE. LAWFUL RESTRICTIONS UNDER STATE AND FEDERAL LAW ON THE AGE OF OCCUPANTS IN SENIOR HOUSING OR HOUSING FOR OLDER PERSONS SHALL NOT BE CONSTRUED AS RESTRICTIONS BASED ON FAMILIAL STATUS.

RECORDING REQUESTED BY:

DOC # 2002-0302381

APR 11. 2002 10:41 AM

OFFICIAL RECORDS
SAN DIEGO COUNTY RECORDER'S OFFICE
GREGORY J. SMITH, COUNTY RECORDER
FEES: 14.00

AND WHEN RECORDED, MAIL TO:

Sunset Place Association of Carlsbad
c/o Lindsay Management Services
7720 El Camino Real, Suite 2-A
Carlsbad, CA 92009

FB
2P
1C

(Space Above for Recorder's Use Only)

SUNSET PLACE HOMES

**THIRD AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS***

The Declaration of Covenants, Conditions and Restrictions for **SUNSET PLACE HOMES**, dated September 26, 1986, and recorded September 19, 1986 in the Office of the County Recorder of San Diego County, California, as File/Page No. 86-414297, as amended by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions dated October 14, 1986, and recorded on October 20, 1986 as File/Page No. 86-472131 in the Office of the County Recorder of San Diego County, California and as amended by that certain Second Amendment to Declaration of Covenants, Conditions and Restrictions dated January 21, 1988, and recorded on March 31, 1988 as File/Page No. 88-146966 in the Office of the County Recorder of San Diego County, California ("hereinafter referred to as the "Declaration"), is hereby amended as follows:

There is added to Article IX ("Use Restrictions"), Section 9 ("Architectural Control Committee"), as the last paragraph of said section, the following:

"Whenever any plans submitted under this section would restrict or diminish the view from any other lot, the Board shall instruct the applicant to notify the owners of the affected lots in writing, describing the view impact and requesting that a written response be sent to the Board. The notice may be delivered in person to an owner or may be sent to the owner's address of record by certified mail or other reliable means. No plans restricting or diminishing a view may be considered by the Board or Committee until at least 30 days after such notice is sent, unless each of the affected owners has indicated approval in writing. The applicant must certify in writing to the Board or Committee a list of the lot owners given notice as required in this provision, and must provide the Board with copies of any written response he or she has received. The Board or Committee may not approve any plans lacking the written approval of all affected lots unless it finds that approval would be fair to all parties. For plans covered by this paragraph, the 30 day period in which the Board or Committee must disapprove plans shall begin on the 31st day after notice is sent under this provision."


*This document corrects errors in that certain document recorded April 10, 2002 as document no. 2002-0299444 in the Office of the San Diego County Recorder.

CERTIFICATION

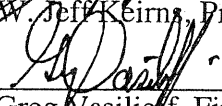
The undersigned, being officers and directors of the Sunset Place Association of Carlsbad, a California nonprofit corporation, ("Association"), hereby certify that the foregoing Third Amendment to Declaration of Covenants, Conditions and Restrictions was approved pursuant to the vote of at least Seventy-five Percent (75%) of the total voting power of each class of membership in the Association (only one class of membership currently exists) and by in excess of a majority of the votes of members other than the Declarant (the Declarant no longer has any interest in the project), as required by article X, section 4 of the Declaration of Covenants, Conditions and Restrictions for Sunset Place Homes recorded 9/19/1986 as File/Page No. 86-414297, as amended by First Amendment to Declaration of Covenants, Conditions and Restrictions recorded on 10/21/1986 as File/Page No. 86-472131 and as amended by Second Amendment to Declaration of Covenants, Conditions and Restrictions recorded on 3/31/1988 as File/Page No. 88-146966, all such recordings in the Office of the County Recorder of San Diego County, California.

SUNSET PLACE ASSOCIATION OF CARLSBAD

Dated: April 11, 2002



W. Jeff Keirns, President

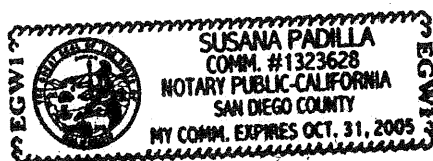


Greg Vasiliou, First Vice-President

STATE OF CALIFORNIA)
) SS.
COUNTY OF SAN DIEGO)

On April 11, 2002, before me, Susana Padilla, a Notary Public in and for said State, personally appeared **W. Jeff Keirns** and **Greg Vasiliou** personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he~~/~~she~~/they executed the same in ~~his~~/~~her~~/their authorized capacity(ies), and that by ~~his~~/~~her~~/their signature(s) on the instrument the person(s), or the entity on behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.





Notary Public in and for said State

SUNSET PLACE HOMEOWNERS' ASSOCIATION
ARCHITECTURAL REVIEW APPLICATION

Please complete the following application and submit it to a member of the Architectural Review Committee. In addition to completing the following application, the Committee will need completed plans and specifications showing the nature, kind, shape, height and materials (including color) proposed.

1. A site plan will be needed to identify landscaping, grading, new patios or any construction within the private area of a unit.
2. Elevations shall be required to identify any alteration to the exterior portion of the building, i.e., patio coverings, fences, window awnings, additions and the like.
3. All drawings must be drawn to scale along with calling out all of the materials to be used, color, and size of the materials proposed. Identify the structural design and connection to the building.

NAME: _____ DATE: _____

ADDRESS: _____ Lot #: _____ PHONE: _____

Please provide a general description of work to be performed (including nature of work, shape, dimensions, materials, color, locations, etc. Enclose a drawing, photograph, or brochure). Submit sketches on a separate page, showing location and design of item requested.

DESCRIPTION OF REQUEST: _____

Is a BUILDING PERMIT required? _____. If yes, a copy of the permit will be required to be submitted to the Committee should the project be approved.

Will the normal drainage be altered? _____

LIST MATERIALS TO BE USED: _____

SIGNATURE OF APPLICANT

RECORDING REQUESTED BY)
AND WHEN RECORDED RETURN TO:)

WILLIAM A. WYMAN)
Attorney at Law)
6994 El Camino Real, Suite 201)
Carlsbad, CA 92009)

THE ORIGINAL OF THIS DOCUMENT)
WAS RECORDED ON 20-MAY-1994,)
DOCUMENT NUMBER 1994-0335634.)
GREGORY SMITH, COUNTY RECORDER)
SAN DIEGO COUNTY RECORDER'S OFFICE)

THIRD AMENDMENT TO DECLARATION OF RESTRICTIONS OF
SUNSET PLACE ASSOCIATION OF CARLSBAD

THIS AMENDMENT TO DECLARATION OF RESTRICTIONS is made as of
this 14th day of May, 1994 by SUNSET PLACE
ASSOCIATION OF CARLSBAD (hereinafter referred to as "Declarant"),
with reference to the following:

A. Declarant is the owner of that certain real property
situated in the City of CARLSBAD, County of San Diego, State of
California, more particularly described in Exhibit "A" attached
hereto.

B. Said property is subject to certain covenants,
conditions, restrictions, reservations, liens and charges as set
forth in the Declaration of Restrictions recorded September 16,
1986, at File/Page No. 86-414297, and amended by First Amendment
recorded in File/Page No. 86-472131 on October 20, 1986, and later
amended as Second Amendment recorded in File/Page No. 88-146966 on
March 31, 1988, in the Office of the Recorder of San Diego County.

C. Article ~~XVI~~ of said Declaration provides that they may be
amended at any time by an instrument in writing approved by owners
of seventy-five (75%) percent or more of the voting power of each
class of membership then in existence, and at least a bare majority
of the votes of members other than the Declarant, which said
written instrument shall become effective upon recording of the
same in the County Recorder's Office of the County of San Diego,
California.

NOW, THEREFORE, DECLARANT hereby declares that the Declaration
be amended as follows:

Article X, Section 15 is hereby added as follows:

15. Binding Arbitration: In case of any claim or dispute between
the Association, or their agents or employees, on the one hand, and
any owner(s), on the other hand, which claim or dispute relates to
the rights and/or duties of the parties under the project
documents, or relates to the design or construction of the project
or any part thereof (except for disputes relating to alleged common
area deficiencies), the procedure shall be as follows: The
aggrieved party or parties shall notify the other party or parties

of the grievance, in writing. When such notice is received by Association, it shall promptly respond with an investigation,, inspection, meeting, discussion, or other action reasonable appropriate to the circumstances. Appropriate action shall include, without limitation, prompt communication with the aggrieved party or parties, and a proposed course of action to resolve the problem. All parties involved in the matter shall negotiate in a good faith attempt to amicable resolve the problem. If the parties are unable to resolve the problem within a reasonable period of time (not to exceed ninety (90) days after the first notice of claim or dispute), the matter shall be submitted to binding arbitration pursuant to the rules of the American Arbitration Association.

CR

CERTIFICATION

We, the undersigned, do hereby certify:

That we are the duly elected and acting President and Secretary of the SUNSET PLACE ASSOCIATION OF CARLSBAD.

That we have counted the declarations of the Third Amendment to the Declaration of Restrictions for SUNSET PLACE ASSOCIATION OF CARLSBAD and they conform and are of the necessary number for amending said Declaration.

IN WITNESS WHEREOF, we have hereunto subscribed our names this 12th day of May, 1994.

Charles Devine
President

[Signature]
Secretary

Sunset Place Association of Carlsbad
STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)

Sunset Place Association of Carlsbad

On May 12, 1994, before me Carol Newman personally appeared Charles Devine, and Greg Vasiliuff President and Secretary of SUNSET PLACE ASSOCIATION OF CARLSBAD, respectively, personally known to me (or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity (ies), and that by their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Carol Newman
(Signature)



Seal

EXHIBIT A

Description Of Real Property

The Real Property referred to herein is described as follows:

1. Lots 1 through 67, inclusive, of Carlsbad Tract 85-18, in the City of Carlsbad, County of San Diego, State of California, according to Map thereof No. 11592, filed in the Office of the County Recorder of San Diego County, California, on August 19, 1986.

2. The real property described in that certain metes and bounds description of "PANNONIA, C.T. 85-18, UNITS NO. III AND IV" which is included in this Exhibit A as pages 2 and 3 hereof.

RECORDING REQUESTED BY:

JOHN D. KIRBY, ATTORNEY

WHEN RECORDED MAIL TO:

LAW OFFICES OF JOHN D. KIRBY,
A PROFESSIONAL CORPORATION
701 B Street, Suite 1665
San Diego, California 92101

This instrument is a full, true and correct
copy of the original
88-146966
March 31, 88
San Diego County of C.
A. Kirby

SUNSET PLACE HOMES
SECOND AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

RECITALS

A. Declarant is the owner of that certain real property located in San Diego County, California, described as follows:

Lots 1 through 67, inclusive, of Carlsbad Tract 85-18, in the City of Carlsbad, County of San Diego, State of California, according to Map thereof No. 11592, filed in the Office of the County Recorder of San Diego County, California, on August 19, 1986.

B. Declarant has heretofore imposed upon said real property certain covenants, conditions and restrictions, all as described in that certain Declaration of Covenants, Conditions and Restrictions dated September 16, 1986, and recorded in the Official Records of San Diego County, California, on September 19, 1986, as File/Page No. 86-414297, as amended by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions dated October 14, 1986, and recorded in the Official Records of San Diego County, California, on October 20, 1986, as File/Page No. 86-472131 (hereinafter referred to as the "Declaration"). In the Declaration, certain common area was described as "Lot 141."

C. After the recording of the Declaration, Lot 141 was re-described on the subdivision map thereof as "Lots 141, 142 and 143," and said Lot 141 is now known as "Lots 141, 142 and 143."

D. In addition to the foregoing, declarant desires to annex Phase 2 and Phase 3 of the real property to the Project, as described in the Declaration.

NOW, THEREFORE, declarant further declares and establishes the following:

1. The "Lot 141" initially referred to in the Declaration is now known as the following:

Lots 141, 142 and 143 of Carlsbad Tract 85-18, in the City of Carlsbad, County of San Diego, State of California, according to Map thereof No. 12018, filed in the Office of the County Recorder of San Diego County, California, on February 23, 1988.

2. Whenever in the Declaration reference is made to "Lot 141," said reference shall be deemed to mean the above-referenced "Lots 141, 142 and 143."

3. Declarant, pursuant to the Declaration, declares that the Project is hereby expanded by annexing thereto Phase 2 and Phase 3 of the real property which is described as follows:

Lots 68 through 143, inclusive, of Carlsbad Tract 85-18, in the City of Carlsbad, County of San Diego, State of California, according to Map thereof No. 12018, filed in the Office of the County Recorder of San Diego County, California, on February 23, 1988.

4. Therefore, upon recordation of this Second Amendment with the County Recorder of San Diego County, California, the Project shall consist of:

Lots 1 through 67, inclusive, of Carlsbad Tract 85-18, in the City of Carlsbad, County of San Diego, State of California, according to Map thereof No. 11592, filed in the Office of the County Recorder of San Diego County, California, on August 19, 1986; and

Lots 68 through 143, inclusive, of Carlsbad Tract 85-18, in the City of Carlsbad, County of San Diego, State of California, according to Map thereof No. 12018, filed in the Office of the County Recorder of San Diego County, California, on February 23, 1988.

5. The annexation of Phase 2 and Phase 3 is irrevocable in that said Phases may not hereafter be de-annexed without the prior written consent of the declarant and the California Department of Real Estate.

6. Except as modified or amended by this Second Amendment, the Declaration shall and does remain in full force and effect.

DATED: 1-21-88

SKYLINE ESTATES, INC.,
A California Corporation

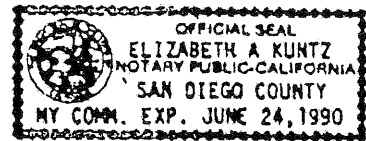
By: Mark A. Nordquist
MARK A. NORDQUIST
President

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN DIEGO)

On January 21, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared MARK A. NORDQUIST, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the President of SKYLINE ESTATES, INC., the corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its bylaws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature Elizabeth A. Kuntz



SUBORDINATION AGREEMENT

LINCOLN SAVINGS AND LOAN ASSOCIATION, being the beneficiary under that certain Deed of Trust recorded in the Office of the County Recorder of San Diego County, California, on August 25, 1987, as File/Page No. 87-482613, hereby declares that the lien and charge of said Deed of Trust is and shall be subordinate and inferior to the Declaration of Covenants, Conditions and Restrictions recorded on September 19, 1986, as File/Page No. 86-414297, as amended by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions recorded on October 20, 1986, as File/Page No. 86-472131, and the Second Amendment to which this Subordination Agreement is attached.

LINCOLN SAVINGS AND LOAN ASSOCIATION

BY: Cynthia S. Freshley, Vice President

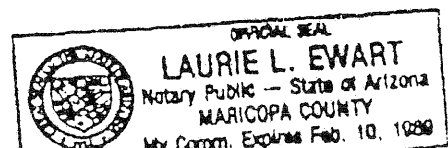
BY: Caulken Scofield, Assistant Secretary

ARIZONA
STATE OF CALIFORNIA)
MARICOPA) ss:
COUNTY OF SAN DIEGO)

On JANUARY 18, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared CYNTHIA S. FRESHLEY, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the VICE President, and Caulken Scofield, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the ASSISTANT Secretary of LINCOLN SAVINGS AND LOAN ASSOCIATION, the corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its bylaws or a resolution of its board of directors.

WITNESS my hand and official seal.

Laurie L. Ewart



RECORDED IN
OFFICIAL RECORDS
OF SAN DIEGO COUNTY, CA.

1986 OCT 20 AM 11:15

VEPA L. LYLE
COUNTY RECORDER

RECORDING REQUESTED BY:

JOHN D. KIRBY, ATTORNEY

TICOR TITLE INSURANCE COMPANY OF CALIFORNIA

WHEN RECORDED MAIL TO:

Law Offices
JOHN D. KIRBY,
A PROFESSIONAL CORPORATION
5151 Murphy Canyon Road, Suite 320
San Diego, California 92123

1140433

RF 8
AR 4
MG 2

FIRST AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
(SUNSET PLACE HOMES)

The undersigned, who constitute all of the owners of the real property which is subject to that certain Declaration of Covenants, Conditions and Restrictions dated September 16, 1986, and recorded in the Office of the County Recorder of San Diego County, California, as File/Page No. 86-414297 (hereinafter "Declaration"), and who also constitute all of the members of Sunset Place Association of Carlsbad, a California nonprofit corporation, hereby amend the Declaration as follows:

1. Article XI, Section 13, is hereby deleted in its entirety, and the following is substituted therefor:

"13. Minimum Floor Area. No primary dwelling structure shall be constructed which has a finished floor area (exclusive of all attached porches, patios, basements and garages) of less than 1,750 square feet."

2. Except as is specifically set forth herein, the Declaration shall and does remain in full force and effect.

DATED: October 14, 1986.

SKYLINE ESTATES, INC.,
A California Corporation

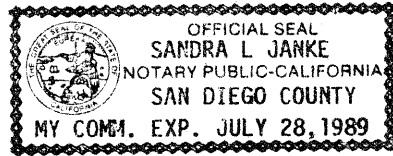
By: Mark A. Nordquist
MARK A. NORDQUIST
President

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN DIEGO)

On October 14, 1986, before me, the undersigned, a Notary Public in and for said State, personally appeared MARK A. NORDQUIST, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the President of SKYLINE ESTATES, INC., the corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its bylaws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature Sandra L Janke



SUBORDINATION AGREEMENT

SECURITY PACIFIC MORTGAGE CORPORATION, a Delaware Corporation, being beneficiary under that certain Deed of Trust recorded August 27, 1986, Recorder's File No. 86-372209 with the Office of the County Recorder of San Diego County, California, hereby declares that the lien and charge of said Deed of Trust is and shall be subordinate and inferior to the Declaration of Covenants, Conditions and Restrictions recorded on September 19, 1986, as Recorder's File No. 86-414297, as amended by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions dated October 14, 1986.

SECURITY PACIFIC MORTGAGE CORPORATION

BY: Richard T. Cirelli
Richard T. Cirelli, Asst. Vice-President

BY: _____

CAT. NO. NN00737
TO 21945 CA (1-83)
(Corporation)

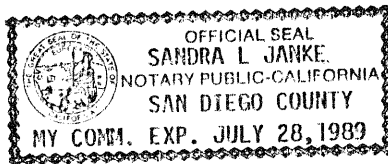


STATE OF CALIFORNIA }
COUNTY OF San Diego } ss.

On October 14, 1986 before me, the undersigned, a Notary Public in and for said State, personally appeared Richard T. Cirelli, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the Assistant Vice-President, and _____ personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the _____ Secretary of the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal

Signature Sandra L. Janke



(This area for official notarial seal)

1323

86-414 297
86 RECORDED IN
OF RECORDS
OF SAN DIEGO COUNTY, CA.
414 297
1986 SEP 19 PM 12: 19
VERA LITTLE
COUNTY RECORDER

RECORDING REQUESTED BY:

JOHN D. KIRBY, ATTORNEY

TICOR TITLE INSURANCE COMPANY OF CALIFORNIA

WHEN RECORDED MAIL TO:

Law Offices
JOHN D. KIRBY,
A PROFESSIONAL CORPORATION
5151 Murphy Canyon Road, Suite 320
San Diego, California 92123

1140433

RF 46
AR 44
MG 1

SUNSET PLACE HOMES

DECLARATION OF COVENANTS,

CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration"), made on the date hereinafter set forth by SKYLINE ESTATES, INC., A California Corporation ("Declarant"), is made with reference to the following facts:

RECITALS

A. Declarant is the owner of that certain real property ("Real Property") located in the County of San Diego, State of California, described on Exhibit A attached hereto. The Real Property is being divided into 141 separate lots. Lots 1 through 67 of the Real Property are hereinafter referred to as "Phase 1" of the Project (the term "Project" is defined below). In addition, lots 68 through 104 are hereinafter referred to as "Phase 2"; and lots 105 through 141 are hereinafter referred to as "Phase 3".

B. Declarant intends to and does hereby establish a residential housing planned development upon Phase 1 of the Project, under the provisions of the Davis-Stirling Common Interest Development Act. Declarant intends to impose upon such Phase mutually beneficial restrictions under a general plan of improvement for the benefit of all of the lots in the development and their owners. Thereafter, Declarant intends (if it is feasible so to do) to annex Phases 2 and 3 to the development.

C. The planned development is referred to herein as the "Project," as the same is defined in Article I below. The owner

of a lot at the Project will receive title to his individual lot, plus an appurtenant membership in SUNSET PLACE ASSOCIATION OF CARLSBAD, a California nonprofit corporation formed for the purpose of managing the Project.

D. Declarant hereby establishes by this Declaration a plan for the ownership of real property estates consisting of the separate individual ownership of all non-Common Area lots.

NOW, THEREFORE, Declarant hereby declares that Phase 1 (and upon annexation to the Project, Phases 2 and 3) shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold, and improved, subject to the following declarations, limitations, covenants, conditions, restrictions, and easements, all of which are for the purpose of enhancing and protecting the value and attractiveness of the Project, and every part thereof, in accordance with the plan for its improvement and the division thereof into a residential planned development. All of the limitations, covenants, conditions, restrictions and easements shall constitute both covenants and equitable servitudes which shall run with the land and shall be binding upon Declarant and its successors and assigns, and all parties having or acquiring any right, title or interest in or to any part of the Project.

ARTICLE I

DEFINITIONS

1. "ASSESSMENT" means that portion of the cost of maintaining, improving, repairing, operating and managing the Project which is to be paid by each lot owner as determined by the Association.

2. "ASSOCIATION" means SUNSET PLACE ASSOCIATION OF CARLSBAD, a California nonprofit corporation, formed for the purpose of managing the Project.

3. "BOARD" or "BOARD OF DIRECTORS" means the governing body of the Association.

4. "COMMON AREA" means that portion of the Real Property which is to be owned by the Association. Lot 141 of the Real Property will constitute the Common Area if and when Phase 3 is annexed to the Project.

5. "COMMON EXPENSES" means the actual and estimated expenses of operating the Common Area and administering the Project, and any reasonable reserve for such purposes as found and determined by the Board, and all sums designated common expenses by or pursuant to this Declaration.

6. "DECLARANT" means SKYLINE ESTATES, INC., A California Corporation.

7. "DECLARATION" means this Declaration of Covenants, Conditions and Restrictions, as may be amended from time to time.

8. "DWELLING STRUCTURE" means the residential structure located or to be located upon a lot.

9. "GOVERNING DOCUMENTS" means and includes this Declaration, the Articles of Incorporation of the Association, the Bylaws of the Association, and the rules and regulations for the members as established by the Association from time to time.

10. "INSTITUTIONAL LENDER" means any bank, savings and loan association, insurance company, or other financial institution holding a recorded first mortgage on a lot in the Project.

11. "LOT" means a plot of land shown upon the subdivision map of the Real Property recorded in the Official Records of the County Recorder of the county where the Project is located; provided, however, that the term "lot" shall not include any portion of the Common Area.

12. "MEMBER" means and refers to a person entitled to membership in the Association as provided herein. Whenever "member" or "membership" is used in this Declaration for the purpose of determining quorums, percentages, or minimum or maximum numbers for voting as specified in this Declaration, all persons who are members because of their joint ownership of a particular lot shall be counted as one.

13. "MORTGAGE" shall include a deed of trust as well as a mortgage. A "first mortgage" shall mean a mortgage or deed of trust which is recorded, which has first priority over all other mortgages and deeds of trust, and which was made in good faith and for value.

14. "MORTGAGEE" shall include a beneficiary or a holder of a deed of trust as well as a mortgagee.

15. "MORTGAGOR" shall include the trustor of a deed of trust as well as a mortgagor.

16. "OWNER" means and refers to the record holder or holders of title, if more than one, of a fee simple interest in a lot in the Project. "Owner" shall include contract sellers, but shall exclude persons or entities having an interest merely as security for the performance of an obligation. Whenever "owner" is used in this Declaration for the purpose of determining quorums, percentages, or minimum or maximum numbers for voting as specified in this Declaration, all of the owners of a particular lot shall be counted as one.

17. "PERSON" means a natural person, a corporation, a partnership, a trustee, or any other legal entity.

18. "PROJECT" means Phase 1 of the Real Property described in Recital A on page 1 of this Declaration, including all structures and improvements located and to be located thereon. Project shall also include those of Phases 2 and 3 which are annexed, and all structures and improvements at any time located upon such Phases after annexation.

19. "REAL PROPERTY" means Phase 1 of the Real Property described in Recital A on page 1 of this Declaration, and shall also include those of Phases 2 and 3 which are annexed to the Project as herein provided.

20. "SLOPE AREA" means the area located on certain of the lots within the Project which is to be maintained by the Association. The Slope Area is described on Exhibit C attached hereto and by this reference made a part hereof.

ARTICLE II

DESCRIPTION AND DIVISION OF PROJECT

1. Description of Project. The Project consists of the Real Property and all improvements located and to be located thereon. Declarant intends that the Real Property will be developed by the construction of dwelling structures and related improvements thereon.

2. Division of Project. The Project is divided into lots and Common Area as follows:

a. Lots: A lot is a plot of land shown upon the subdivision map referred to in Recital A on page 1 of this Declaration, with the exception of the Common Area.

b. Common Area: The Common Area is the portion of the Real Property to be owned by the Association. Upon annexation of Phase 3, the Common Area shall consist of lot 141 of the subdivision map referenced above. The Common Area includes all improvements located or to be located thereon. Each owner has a right and easement of use of the Common Area (subject to the provisions of the governing documents) in accordance with the purposes for which the Common Area is intended, so long as the rights of other owners are not hindered or encroached upon. The foregoing right and easement shall not be conveyed or otherwise transferred separately from its respective lot, and said right and easement shall be deemed to be conveyed or encumbered with its respective lot even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the lot. The Common Area included

within a Phase will be conveyed by Declarant to the Association concurrently with the first conveyance of a lot in such Phase to an owner.

3. Annexation of Additional Phases. Phases 2 and 3 may be annexed to the Project by either of the methods set forth in this paragraph 3. Any Phase which is annexed to the Project shall become subject to this Declaration without the necessity of any further amendment hereof, and any such Phase shall then be subject to the jurisdiction of the Association.

a. Annexation by Declarant. Declarant shall be entitled to annex to the Project the property described as Phases 2 and 3 in Recital A of this Declaration (without the assent of the Association, its members or the owners) in the following manner: Declarant shall execute a Declaration of Annexation, and shall thereafter cause the same to be recorded in the Office of the County Recorder of the county where the Project is located. The Declaration of Annexation shall set forth the legal description of the Phase to be annexed, and shall affirmatively state that such Phase is being annexed to the Project and made subject to this Declaration. In order to be effective, the Declaration of Annexation must be recorded as above-described prior to the third anniversary of the original issuance of the most recently issued subdivision public report issued by the California Department of Real Estate for a Phase of the Project. Each Declaration of Annexation shall constitute an amendment to this Declaration.

b. Annexation Pursuant to Approval of Members. Any property may be annexed to the Project (and shall thereafter be subject to this Declaration and subject to the jurisdiction of the Association) if such annexation is approved by the following-described vote or written consent: (i) while the two-class membership is in effect, by at least two-thirds (2/3) of the total voting power of each class of members; and (ii) when the one-class membership is in effect, by both (a) at least two-thirds (2/3) of the total voting power of the Association, and (b) at least two-thirds (2/3) of the total voting power of members other than the Declarant. The owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association may, upon receipt of the above-described approval of the voting power of Association members other than Declarant, execute a Declaration of Annexation and cause the same to be recorded in the Office of the County Recorder of the county where the Project is located. Such Declaration of Annexation shall set forth the legal description of the property to be annexed, and shall affirmatively state that such property is being made subject to this Declaration and subject to the jurisdiction of the Association. Each such Declaration of Annexation shall constitute an amendment to this Declaration.

ARTICLE IIIMANAGEMENT AND ADMINISTRATION

The management of the Project shall be vested in the Association upon the filing of the Association's Articles of Incorporation with the California Secretary of State. The owners of all the lots covenant and agree that the management of the Project shall be in accordance with the provisions of the governing documents.

ARTICLE IVAUTHORITY OF ASSOCIATION

In addition to the duties and powers enumerated elsewhere in this Declaration, without limiting the generality thereof, and in addition to the powers set forth in the Articles of Incorporation and Bylaws of the Association, the Association shall have the right and authority to:

1. Maintain, repair, replace, restore, operate and manage all of the Common Area and all facilities, improvements, furnishings, equipment and landscaping thereon, and all property that may be acquired by the Association, and establish an adequate reserve fund for repair, replacement and restoration thereof.
2. Obtain, for the benefit of all of the lots, all water, gas and electric service, refuse collection, and janitorial service in connection with the Common Area.
3. Grant easements where necessary for utilities, services and sewer facilities over the Common Area to serve the Common Area and the lots.
4. Secure, if available, (i) appropriate fidelity bond coverage (naming the Association as obligee) for any person or entity handling funds of the Association, including but not limited to employees of any manager or managing agent, (ii) insurance for the protection of its directors and officers from personal liability in the management of the Association's affairs; and (iii) such other policy or policies of insurance as the Board of Directors deems necessary or desirable in protecting the interest of the Association and its members.
5. Discharge by payment, if necessary, any lien against the Common Area, and assess the cost thereof to the member or members responsible for the existence of said lien.

6. Adopt reasonable rules not inconsistent with this Declaration relating to the use of the Common Area, all facilities located thereon, and the conduct of owners and their tenants and guests with respect to the Common Area.

ARTICLE V

MAINTENANCE BY ASSOCIATION

The Association shall provide maintenance of the Common Area as follows: paint, maintain, repair and replace any improvements, landscaping, recreational facilities, streets and any other portions of the Common Area. In the event that the need for maintenance or repair of any area subject to maintenance by the Association is caused by any owner, his family or tenants, or any invitees of any such persons, the cost of such maintenance or repair in excess of insurance proceeds payable to the Association for such maintenance or repair shall be paid by such owner, and such amount shall be a special assessment to which such owner's lot is subject.

ARTICLE VI

MEMBERSHIP AND VOTING RIGHTS

1. Membership. The owner of a lot shall automatically, upon becoming the owner of same, be a member of the Association, and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease.

2. Transferred Memberships. Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the sale or encumbrance of the lot to which it is appurtenant, and then only to the purchaser (in the case of a sale) or mortgagee (in the case of an encumbrance) of such lot. Any attempt to make a prohibited transfer is void. In the event the owner of any lot should fail or refuse to transfer the membership registered in his name to the purchaser of his lot, the Association shall have the right to record the transfer upon its books, and thereupon the old membership outstanding in the name of the seller shall be null and void. Within three days of the transfer of any lot, the transferor and transferee thereof must each notify the Board of Directors of the transfer.

3. Membership Classes and Voting Rights.

a. Class A Membership: Class A members shall be all owners (with the exception of the Declarant while Class B membership is in existence). Each lot shall be entitled to one vote. When more than one person is an owner of a particular

lot, all such persons shall be members, and the vote for such lot shall be exercised as the majority of such persons among themselves determine. In no event shall more than one vote be cast with respect to any lot, and in no event shall the vote of any lot be split. The owner (or valid proxy) exercising the vote for any lot at a meeting shall be conclusively presumed to be voting in the manner determined by the majority of the owners of that lot unless the Association is otherwise notified in writing prior to the meeting, or an objection is made by another owner of that lot from the floor of the meeting.

b. Class B Membership: The Class B member shall be the Declarant, who shall be entitled to vote as follows: Voting shall be the same as for Class A memberships, except that the Class B member shall have three votes for each lot owned by it. The Class B membership shall be converted to Class A membership and shall forever cease to exist on the occurrence of whichever of the following is first in time:

(1) When the total outstanding votes held by Class A members equals the total outstanding votes held by the Class B member (tripled as stated above); or

(2) The date of the second anniversary of the original issuance of the final subdivision public report for an annexed Phase of the Project; or

(3) The date of the fourth anniversary of the original issuance of the final subdivision public report for the first Phase of the Project.

4. Vesting of Voting Rights. Voting rights of a lot in Phase 1 shall vest upon the recordation of this Declaration in the Office of the County Recorder of the County where the Project is located, and voting rights of a lot in each annexed Phase shall vest when the Declaration of Annexation making such Phase a part of the Project is recorded in the Office of said County Recorder.

ARTICLE VII

ASSESSMENTS

1. Creation of the Lien and Personal Obligations of Assessments. The Declarant, for each lot within the Project, hereby covenants, and each owner of any lot by acceptance of a deed therefor, 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 or charges (payable annually in twelve (12) equal monthly installments), and (2) special assessments for capital improvements and as hereafter set forth, such assessments to be established and collected as hereafter provided. Each

annual and special assessment, together with late charges, interest, reasonable attorneys fees and costs of collection incurred by the Association in collecting any delinquent assessments, shall be a charge on the lot and shall be a continuing lien upon the lot against which each such assessment is made, the lien to become effective upon recordation of a notice of assessment. Each such assessment, together with late charges, interest, reasonable attorneys fees and costs of collection shall also be the personal obligation of the person who was the owner of such lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them. No owner of a lot may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the Common Area or by the abandonment of his lot.

2. Commencement of Annual Assessments. The annual assessments for the lots in a particular Phase of the Project shall commence upon the first day of the calendar month following the first conveyance of a lot in that Phase of the Project; or on the first day of the calendar month following the conveyance of the Common Area, if any, in such Phase, to the Association, whichever shall first occur. Declarant and any other owner of a lot which does not include a structural improvement for human occupancy shall be exempt from the payment of that portion of any assessment which is for the purpose of defraying expenses and reserves directly attributable to the existence and the use of the structural improvements. This exemption includes without limitation the expenses and reserves attributable to refuse disposal, cable television and any utilities supplied to the lots. The exemption herein conferred shall be in effect only until a notice of completion of the structural improvement has been recorded or until 120 days after the issuance of a building permit for the structural improvement, whichever occurs first.

3. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Project, for the improvement and maintenance of the Common Area for the common good of the Project, and for other Association expenses.

4. Determining Annual Assessments. Within one hundred twenty (120) days before the close of each fiscal year of the Association, the Board of Directors shall determine the expenditure budget for the Association for the next succeeding fiscal year. The expenditure budget shall include all expenses of the Association, including reasonable adequate reserve funds for contingencies and for maintenance, repairs, and replacement of those elements of the Common Area and other property owned by the Association that must be replaced on a periodic basis. The amount so determined (less any surplus expected to be on hand from the prior year's expenditure budget) shall be the total

Project annual assessment. The Board may appoint a Finance Committee to assist in the determination of the expenditure budget. A copy of the expenditure budget shall be distributed to each member of the Association not less than 45 days and not more than 60 days before the beginning of the fiscal year.

5. Procedure for Increasing Annual Assessments. From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the Board of Directors may, without a vote of the membership, increase the annual assessment each year by not more than twenty percent (20%) above the annual assessment for the previous year. An increase in the annual assessment by more than said twenty percent (20%) amount shall require the following-described vote or written assent: (1) while the two-class membership is in effect, by a majority of the votes cast by each class of members at a meeting of members, or by a majority of the votes cast by each class of members by a written ballot held in accordance with the provisions of California Corporations Code Sections 7513 et seq.; and (2) when the one-class membership is in effect, by both (i) a majority of the total votes cast at such a meeting or by such a written ballot, and (ii) a majority of the votes cast at such a meeting or by such a written ballot by members other than the Declarant.

Notwithstanding the above-described right of the Board of Directors to increase the total annual assessments each year by not more than twenty percent (20%) above the total annual assessment for the previous year without the vote or written assent of the membership, the Board of Directors shall not (without the above-prescribed vote of the membership) increase that portion of the annual assessment which is attributable to purposes other than the following-described purposes by more than ten percent (10%) above the total annual assessment for the previous year: (1) maintenance or repair of the Common Area or other areas which the Association is obligated to maintain or repair (including without limitation the payment of insurance premiums, the payment of utility bills, the costs incurred in maintaining or repairing structures or improvements, and funding reserves), and (2) the cost of addressing emergency situations.

6. Annual Assessments - Miscellaneous. As stated in Article VII, paragraph 2 above, the annual assessments provided for herein shall commence as to a lot within a particular Phase of the Project on the first day of the month following the first conveyance of a lot in such Phase. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. Written notice of the annual assessment shall be sent to every owner subject thereto. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by a Director 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 on a lot is binding upon the Association as of the date of its issuance.

7. Special Assessments.

a. In addition to the annual assessments authorized above, the Association may levy (without a vote of the membership), in any fiscal year, special assessments applicable only to that year for the purpose of defraying, in whole or in part, the costs of any action or undertaking on behalf of the Association, provided that any such assessments in the aggregate shall not exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. Except as provided below, aggregate special assessments in any fiscal year in excess of said five percent (5%) amount shall require the following-described vote or written assent: (1) while the two-class membership is in effect, by a majority of the votes cast by each class of members at a meeting of members, or by a majority of the votes cast by each class of members by a written ballot held in accordance with the provisions of California Corporations Code Sections 7513 et seq.; and (2) when the one-class membership is in effect, by both (i) a majority of the total votes cast at such a meeting or by such a written ballot, and (ii) a majority of the votes cast at such a meeting or by such a written ballot by members other than the Declarant.

The foregoing provisions of this paragraph 7 with respect to special assessments do not apply in cases where a special assessment against a member is a remedy utilized by the Association to reimburse the Association for costs incurred in bringing the member or his lot into compliance with the provisions of the governing documents.

In addition, the foregoing provisions of this paragraph 7 do not limit assessment increases for the following purposes: (1) the maintenance or repair of the Common Area or other areas which the Association is obligated to maintain or repair, including without limitation the payment of insurance premiums, the payment of utility bills, the costs incurred in maintaining or repairing structures or improvements, and funding reserves, and (2) the cost of addressing emergency situations.

b. A monetary penalty imposed by the Association as either (i) a disciplinary measure for failure of an owner to comply with the governing instruments, or (ii) as a means of reimbursing the Association for costs incurred by the Association in the repair of damage to Common Areas and facilities for which the owner was allegedly responsible or in bringing the owner and his subdivision interest into compliance with the governing instruments, shall not become a lien against the owner's lot which is enforceable by a sale of the interest in accordance with the provisions of Sections 2924, 2924b and 2924c of the California Civil Code.

c. The provisions of paragraph 7.b. above do not apply to charges imposed against an owner which consist of reasonable late payment penalties for delinquent assessments and charges to reimburse the Association for the loss of interest and for costs reasonably incurred (including attorneys' fees) in its efforts to collect delinquent assessments. Such charges shall constitute special assessments to which the assessed owner's lot is subject.

8. Division and Payment of Assessments. All annual and special assessments, except as otherwise provided in Article VII, paragraph 7 above, shall be charged to the lots equally. The owners of each lot shall be jointly and severally liable for the assessment charged to their lot. Each owner shall be obligated to pay to the Association his regular assessment in twelve equal monthly installments on or before the first (1st) day of each calendar month, and to pay special assessments within thirty (30) days after their levy, or at such other times as the Board of Directors shall designate. All assessments shall be paid at such place as the Board of Directors shall designate.

9. Nonpayment of Assessments; Recording of Lien. If any assessment is not paid and received by the Association within fifteen (15) days after the due date, a late charge, interest, reasonable attorneys fees and costs of collection (the exact amount to be determined by the Board in accordance with the Bylaws of the Association) shall be assessed from the due date until the assessment and all late charges, interest and costs of collection are paid. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the lot.

The Board of Directors may cause to be recorded, in the Office of the County Recorder of the county where the Project is located, a Notice of Assessment Lien as to any delinquent assessment, late charges, interest, reasonable attorneys fees and costs of collection. The notice shall state the amount of the assessment and such related charges as may be authorized by this Declaration, a description of the lot against which the lien has been assessed, and the name of the record or reputed owner of the lot, and in order for the lien to be enforced by non-judicial foreclosure as provided herein, the name and address of the trustee authorized by the Association to enforce the lien by sale. The notice shall be signed by any member of the Board of Directors, or by the Association's managing agent. The assessment lien shall also be deemed to secure all of the foregoing items which shall become due or incurred relative to the lot subsequent to the recordation of the Notice of Assessment Lien until the completion of the enforcement of the lien or the payment of the full amount secured by the lien, or other satisfaction to be made in connection therewith.

Within ten (10) days after receipt of a written request therefor, the Association shall provide any owner of a lot with an itemization of the late charges, interest, and costs of collection, which the Association is assessing against such owner and his lot in connection with the delinquent assessment. The Association may charge a fee for this service, which charge shall not exceed the Association's reasonable cost to prepare and reproduce the requested itemization.

10. Subordination of the Lien to First Deeds of Trust and First Mortgages; Notice of Default. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. The transfer of any lot shall not affect the assessment lien. However, the transfer of any lot pursuant to the exercise of a power of sale or a judicial foreclosure involving a default under the first mortgage shall extinguish the lien of assessments which were due prior to such transfer. No transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Where the mortgagee of a first mortgage of record or other purchaser of a lot obtains title to the same as a result of such a power of sale or foreclosure of a first mortgage, such acquirer of title, and its successors and assigns, shall not be liable for 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 acquirer. However, such unpaid common expenses or assessments shall be deemed to be common expenses collectible from owners of all of the lots, including such acquirer, its successors and assigns.

Upon the written request of a holder of a first mortgage encumbering a lot, the Association shall provide such holder with written notification of any default by the owner of such lot in the performance of such owner's obligations under the governing documents if such default has remained uncured for a period of thirty (30) days.

11. Priorities; Enforcement; Remedies. When a Notice of Assessment Lien has been recorded, such assessment shall constitute a lien on such lot prior and superior to all other liens except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first mortgage.

Such lien may be enforced in any manner permitted by law, including without limitation sale by a court of law, sale by the trustee designated in the Notice of Assessment, or sale by a trustee substituted pursuant to California Civil Code Section 2934a. Any sale by a trustee shall be conducted in accordance with the provisions of California Civil Code Sections 2924, 2924b, and 2924c applicable to the exercise of powers of sale in mortgages and deeds of trust. Notwithstanding the foregoing,

however, no proceeding or action shall be instituted to foreclose the lien, either judicially or under the power of sale granted herein, until notice of intention to proceed to foreclose the lien shall have been delivered by the Board of Directors to the owners of the lot affected by the lien at least thirty (30) days prior to the commencement of any such action or proceeding.

The Association, acting on behalf of the owners, shall have the power to bid for the lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid common expenses, rent, costs of collection, attorneys fees and other sums due pursuant to the governing documents shall be maintainable without foreclosing or waiving the lien securing the same.

Subject to the provisions of the governing documents, the Board may suspend the voting rights and right to use of any recreational facilities of a member who is in default in payment of any assessment or other sum due pursuant to the governing documents.

ARTICLE VIII

UTILITIES

1. Owners' Rights and Duties. The rights and duties of the owners with respect to sanitary sewer, water, electricity, gas and telephone lines and facilities, and heating and air-conditioning facilities, shall be as follows:

a. Whenever sanitary sewer, water, electricity, gas, television receiving, telephone lines or connections, heating or air-conditioning conduits, ducts, or flues are installed within the Project, which connections, or any portion thereof, lie in or upon lots owned by other than the owner of a lot served by said connections, the Association and the affected owner shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter upon the lots or to have the utility companies enter upon the lots in or upon which said connections, or any portion thereof, lie, to repair, replace and generally maintain said connections as and when necessary.

b. Whenever sanitary sewer, water, electricity, gas, or telephone lines or connections, heating or air-conditioning conduits, ducts, or flues are installed within the Project which connections serve more than one lot, the owner of each lot served by said connection shall be entitled to the full use and enjoyment of such portions of said connection that service his lot.

2. Association's Duties. The Association shall maintain all utility installations located in the Common Area except for those installations maintained by utility companies, public, private or municipal. The Association shall pay all charges for utilities supplied to the Common Area.

ARTICLE IX

USE RESTRICTIONS

In addition to all of the covenants contained herein, the use of the Project and each lot therein is subject to the following:

1. Lot Use. No lot shall be occupied or used except for residential purposes by the owners, their tenants, and social guests, and no trade or business shall be conducted therein, except that Declarant, its successors, or assigns, may use any lot or lots in the Project owned by Declarant for a model site or sites and display and sales office during construction, development and sales of the Project. Such right shall terminate on the date which is three (3) years from the date of the first close of escrow for the sale of a lot in the final building/construction phase of the Project.

2. Right to Use Common Area. Each owner and the general public may use the Common Area in accordance with the purposes for which it is intended without hindering the exercise of or encroaching upon the rights of any other owners.

3. Nuisances. No noxious or offensive activities shall be carried on upon any lot, or in any part of the Project, nor shall anything be done thereon which may be or may become an annoyance or a nuisance to or which may in any way interfere with the quiet enjoyment of each of the owners of his respective lot, or which shall in any way increase the rate of insurance for the Project, or cause any insurance policy to be cancelled or to cause a refusal to renew the same, or which will impair the structural integrity of any building.

4. Signs. No signs shall be displayed to the public view on any lots or on any portion of the Project unless such signs are approved by the Board; provided, however, that one "For Sale" or "For Rent" sign of customary and reasonable dimensions and as permitted by law may be displayed from a lot without approval of the Board.

5. Animals. No animals or birds of any kind shall be raised, bred, or kept in any lot, or on any portion of the Project, except that usual and ordinary household pets such as dogs, cats, birds, etc. may be kept, provided that they are not kept, bred, or maintained for any commercial purpose, and further

provided they are kept under reasonable control at all times. No pets shall be allowed in the Common Area except as may be permitted by rules of the Board. No dog shall enter the Common Area except while on a leash which is held by a person capable of controlling the dog. Owners shall prevent their pets from soiling all portions of the Common Area where other persons walk, and in the event a pet does soil such a portion of the Common Area, the owner or person in control of the pet shall immediately clean up after the pet.

6. Garbage and Refuse Disposal. All rubbish, trash and garbage shall be regularly removed and shall not be allowed to accumulate upon any part of the Project. All trash, garbage and other waste shall be kept in sanitary containers. All trash enclosures or other equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. All equipment, woodpiles, and storage piles shall be kept screened and concealed from view of other lots, streets and the Common Area.

7. Radio and Television Antennas. No alteration to or modification of any installed cable television system shall be permitted. No owner may be permitted to construct or use an external radio or television antenna without the prior written consent of the Board.

8. Right to Lease. The respective lots shall be used only as single family residences, and shall not be rented for transient purposes. "Transient purposes" are defined as rental for a period of less than thirty (30) days. Subject to the foregoing restrictions, the owners of the respective lots shall have the right to lease same provided that the lease is in writing, expressly provides that the tenancy is made subject to the covenants, conditions, limitations, and restrictions contained in the governing documents, and provides that any failure by the tenant to comply with the terms of the governing documents shall be a default under the lease.

9. Architectural Control Committee. No fence, wall obstruction, balcony, screen, patio, patio cover, tent, awning, carport, carport cover, improvement, or structure of any kind shall be commenced, erected, or painted upon any part of the Project, nor shall any alteration or improvement of any kind be made thereto, until the same has been approved in writing by the Board or by an architectural control committee ("Committee") consisting of at least three, but not more than five, members which may be appointed by the Board. Plans and specifications showing the nature, kind, shape, color, size, materials and location of such improvements, alterations, and the like shall be submitted in writing to the Board or to the Committee for approval as to quality of workmanship and design and harmony of external design with existing structures, and as to location in relation to surrounding structures, topography, and finish grade elevation.

No permission or approval shall be required to repaint in accordance with the color scheme previously approved by the Board or the Committee. The owner submitting plans and specifications in accordance with the foregoing shall also obtain all building and other permits as required by governmental authorities.

No landscaping of patios or yards visible from the street or from the Common Area not involving the use of natural plants, grass, trees, or shrubs, and which does involve the use of synthetic materials, or of concrete, rock, or similar materials, shall be undertaken by any owner until plans and specifications showing the nature, kind, shape, and location of the materials shall have been submitted to and approved in writing by the Board or the Committee.

Whenever any plans and specifications are submitted in writing to the Board or Committee pursuant to the provisions of this paragraph, said plans and specifications will be deemed approved for the purposes of this paragraph 9 if the Board or Committee fails to disapprove the plans and specifications within thirty (30) days after the date of submission to the Board or Committee.

10. Drapes. All window openings visible from the street or Common Area shall have facing the exterior either draperies, drape linings, or casements, and all such draperies, drape linings, and casements shall be of a neutral color approved by the Board or Committee.

11. Clothes Lines. Except as may be authorized by the Board, no exterior clothes lines shall be erected or maintained, and there shall be no outside laundering or drying of clothes.

12. Liability of Owners for Damage to Common Area. The owner of each lot shall be liable to the Association for all damages to the Common Area or improvements thereon caused by such owner or his family or tenants, or any invitees of any such persons; provided, however, that such owner shall not be responsible for that portion of said damage, if any, covered by the insurance proceeds which are paid to the Association.

13. Owners Not to Alter or Improve Common Area. No owner shall make or cause or permit to be made any alteration or improvement to the Common Area, or remove any landscaping, structure, furnishing or other object therefrom, without the prior written consent of the Board of Directors and the executive director of the California Coastal Commission (or its successors in interest). Upon any violation of this paragraph, the Association may summarily restore the affected portion of the Common Area to the condition it was in immediately prior to the violation. The cost of such restoration shall be paid by the owner responsible for the violation.

ARTICLE XGENERAL PROVISIONS

1. Enforcement. The Association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed pursuant to provisions of the governing documents, and in such action shall be entitled to recover reasonable attorneys' fees and all costs. Failure of the Association or any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

2. Invalidity of Any Provision. Should any provision or portion of this Declaration be declared invalid or in conflict with any law of the jurisdiction where the Project is situated, the validity of all other provisions and portions hereof shall remain unaffected and in full force and effect.

3. Term. The covenants and restrictions of this Declaration shall run with and bind the Project, and all parts thereof, and shall inure to the benefit of and shall be enforceable by the Association or the owners of any lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by the owners of a majority of the lots and by seventy-five percent (75%) of the holders of first mortgages on the lots, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change this Declaration in whole or in part, or to terminate the same.

4. Amendments. Except as provided in the foregoing paragraph, or in the case of annexation of additional Phases as is hereinabove provided, this Declaration may be amended only by the vote or written consent of both (i) at least seventy-five percent (75%) of the voting power of each class of membership then in existence, and (ii) at least a bare majority of the votes of members other than the Declarant; provided, however, that the percentage of votes necessary to amend any specific provision of this Declaration shall not be less than the percentage of votes prescribed for action to be taken pursuant to such provision. Any amendment must be recorded and shall become effective upon being recorded in the Office of the County Recorder of the county where the Project is located. The amendment shall be executed and acknowledged by any two officers or directors of the Association, and shall certify that the required percentage approval of the members of the Association as described herein has been obtained.

5. Owner's Right and Obligation to Maintain and Repair. Except as is otherwise specifically herein provided, each owner shall, at his sole cost and expense, maintain and repair his lot and the dwelling structure thereon. This obligation shall include, without limitation, maintenance and repair of the dwelling structure, and all plumbing, electrical, heating, air-conditioning and other utility systems serving the lot and located anywhere within the lot, and all portions of the yard area of his lot and any improvements made thereto.

6. Entry for Repairs. Upon reasonable notice to the owner, the Association or its agents may enter upon any lot when necessary in connection with any maintenance, landscaping or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the owner as practicable, and any damage caused thereby shall be repaired by the Association at the expense of the Association. The Association or its agents may enter any lot without such notice in the case of an emergency threatening damage to the Project.

7. Common Area, Pedestrian/Bicycle Trail, Slope Area, and Association Insurance. The Association shall obtain and continue in effect a master policy of insurance (covering the Common Area and personal property owned by the Association) and liability insurance, including fire insurance on any Common Area buildings or other improvements, for full extended coverage (in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement value)), and vandalism, malicious mischief, and public liability insurance.

The public liability insurance shall also cover and insure against liability of the Association and its members for damages and injuries occurring as a result of the existence, use and maintenance of the Pedestrian/Bicycle Trail described in Article XIV below, as well as damages and injuries occurring as a result of the performance by the Association of its maintenance duties of the Slope Area as described in Article XV below.

The Association shall also obtain and maintain appropriate worker's compensation coverage. The Association shall also obtain and continue in effect fidelity bond coverage (if available) for any person or entity handling funds of the Association, including, but not limited to, employees of any manager or managing agent. Such fidelity bond coverage shall name the Association as obligee.

All of the foregoing shall be in form and amounts (except where an amount is specifically required) satisfactory to the Board, but without prejudice to the right of the owner to obtain individual insurance.

Premiums for such insurance shall be a common expense to be included in the monthly assessments levied by the Association,

and the portion of such payments necessary for the insurance premiums may be held in a separate account of the Association and used solely for the payment thereof as such premiums become due.

8. Damage or Destruction to Common Area. In the event of damage or destruction of the Common Area or facilities thereon, and the proceeds from the insurance policy or policies then in force are sufficient to totally cover the cost of repair and replacement to a substantially similar configuration, the Board of Directors shall promptly cause the repair or replacement to take place. However, should the proceeds from the insurance policy or policies be inadequate to cover the aforementioned costs, then a special assessment to provide the requisite additional funds may be levied pursuant to applicable provisions of this Declaration, and the repair or replacement shall only then take place.

9. Condemnation. Any condemnation award affecting all or a part of the Common Area of the Project shall be paid to the Association; unless the condemning authority makes some other allocation of payment.

10. Limitation of Restrictions on Declarant. Declarant is undertaking to establish residential dwellings and incidental improvements upon the Project. The completion of that work, and the sale, rental, and other disposal of lots is essential to the establishment and welfare of the Project as a residential community. In order that said work may be completed and the Project be established as a fully occupied residential community as rapidly as possible, nothing in this Declaration shall be understood or construed to:

a. Prevent Declarant, its contractors, or subcontractors from doing on the Project or any lot whatever is reasonably necessary or advisable in connection with the completion of said work; or

b. Prevent Declarant or its representatives from erecting, constructing and maintaining on any part or parts of the Project such structures as may be reasonable and necessary for the conduct of its business of completing said work and establishing said Project as a residential community, and marketing the lots; or

c. Prevent Declarant from conducting on any part of the Project its business of completing said work, and of establishing a plan of lot ownership; or

d. Prevent Declarant from maintaining such sign or signs on any parts of the Project as may be necessary in the reasonable discretion of Declarant.

In exercising its rights pursuant to this paragraph, the Declarant shall not unreasonably interfere with the use of the Common Area by any owner. The rights conferred by this paragraph shall terminate three (3) years from the date of the first close of escrow for the sale of a lot in the final building/construction phase of the Project.

11. Amendment and Granting of Easements. Declarant shall have the absolute right and power, at any time prior to filing a Notice of Completion covering the entire Project in the Office of the County Recorder of the county where the Project is located, to enter into any written agreement with governmental or public agencies or utilities changing the location of any of the easements to governmental or public agencies or utilities in connection with the development and/or improvement of the Project, or any portion or portions thereof. Each owner hereby appoints Declarant as his attorney-in-fact for the purposes of effecting such amendment, and also for the purposes of granting easements affecting the Project to governmental or public agencies or utilities in connection with the development or improvement of the Project. The power herein granted Declarant shall be and is a power coupled with an interest.

12. Encroachment Easements. Each owner of a lot within the Project is hereby declared to have an easement over all adjoining lots and the Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, reconstruction, repair, settlement or shifting of the building, or any other similar cause. There shall be easements for the maintenance of said encroachments as long as they shall exist, and the rights and obligations of owners shall not be altered in any way by said encroachments, settlement or shifting; provided, however, that in no event shall an easement for encroachment be created in favor of an owner or owners if said encroachment occurred due to the willful misconduct of said owner or owners.

13. Taxes. All taxes assessed against lots shall be paid before delinquency by the owner of the lot against which the assessment is made. All taxes assessed against the Common Area or against other property owned by the Association shall be paid by the Association; said taxes shall be paid for out of annual assessments and, if necessary, a special assessment may be levied against the lots in an amount equal to said taxes.

14. Federal Home Loan Mortgage Corporation ("FHLMC") Requirements. For purposes of this paragraph, the holder of a first mortgage is referred to as a "first mortgagee."

Notwithstanding anything to the contrary in this Declaration or any other governing documents, the following provisions shall control:

a. Any "right of first refusal" which may be contained in the governing documents shall not impair the right of a first mortgagee to:

(1) Foreclose or take title to a lot pursuant to the remedies provided in the first mortgage;

(2) Accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor; or

(3) Sell or lease a lot acquired by the first mortgagee.

b. A first mortgagee who obtains title to a lot pursuant to the remedies provided in a first mortgage or foreclosure of a first mortgage shall not be liable for such lot's unpaid dues or charges which accrue prior to the acquisition of title to such lot by the first mortgagee. However, such unpaid dues or charges shall be deemed to be common expenses collectible from all of the lot owners, including such first mortgagee, its successors and assigns.

c. Except in the case of any greater percentage required by other provisions of this Declaration, the Association shall not be entitled to do any of the following without the prior written approval of at least seventy-five percent (75%) of the first mortgagees (based on one vote for each first mortgage owned) or owners (other than the Declarant) of the individual lots:

(1) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subparagraph);

(2) Change the method of determining the obligations, assessments, dues or other charges which may be levied against a lot owner;

(3) By act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of the homes located upon lots, the exterior maintenance of the homes located upon lots, the maintenance of the Common Area, or the upkeep of lawns and plantings within the Project;

(4) Fail to maintain fire and extended coverage insurance on insurable Common Area on a current replacement cost basis in an amount not less than 100% of the insurable value (based on current replacement cost); or

(5) Use hazard insurance proceeds for losses to any Common Area for other than the repair, replacement or reconstruction of such Common Area.

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

e. Assessments shall include an adequate reserve for maintenance, repairs and replacements of portions of the Common Area that must be replaced on a periodic basis, and such reserve shall be funded from regular (and not special) assessments.

f. Upon request, a first mortgagee is entitled to written notification from the Association of any default in the performance by the individual lot mortgagor of any obligation under the governing documents which is not cured within thirty (30) days from the date of such default.

g. Any agreement for professional management of the Project, or any other contract providing for services by the Declarant, shall not exceed a term of three years, subject to shorter maximum terms as may otherwise be specified in the governing documents. Any such agreement must also provide for termination by either party without cause or payment of a termination fee on ninety days or less written notice.

ARTICLE XI

PHASE 1 CONSTRUCTION STANDARDS

It is contemplated that some or all of the lots located within Phase 1 shall be sold in an unimproved condition, that is, without a residential structure completed by the Declarant. To the extent that any such lots are in fact sold in such an unimproved condition, the construction standards as set forth in this Article XI shall apply to the construction of the first residential structure to be built upon each such lot, and shall also apply to all related improvements and landscaping which are a part of the improvement plan for the construction of such initial residential structure. The provisions of this Article XI shall not apply to the Declarant, who is expressly excepted from the provisions and restrictions contained in this Article XI.

1. Review of Proposed Construction. Subject to the rights of the Declarant to construct improvements and develop the Project as set forth in this Declaration, no residential structure or related fence, wall, patio cover, landscaping, or other

improvement shall be commenced, erected, painted or planted in Phase 1 of the Project until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the Committee as to harmony of external design and color, and location in relation to surrounding structures and topography.

The Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction contemplated thereby, in the locations indicated, will comply with the standards prescribed in this Declaration, and will not be detrimental to the appearance of the surrounding area of the Project as a whole, and that the appearance of any contemplated structure will be in harmony with the surrounding structures.

The Committee may condition its approval of proposals or plans and specifications on such changes therein as it deems appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The Committee may also issue rules or guidelines setting forth procedures for the submissions of plans for approval, and may require a reasonable fee payable to the Committee for any costs involved to accompany each application for approval. The Committee may provide that the amount of such fee shall be uniform or that it be determined in any other reasonable manner.

The Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevation drawings of front, rear and side views, roof plans, landscape plans, construction schedule, and description or samples of exterior material and colors.

Until receipt by the Committee of all required plans and specifications, the Committee may postpone review of any plans submitted for approval. Each owner shall obtain a written receipt for any plans and specifications submitted to the Committee for approval. Decisions of the Committee and the reasons therefor shall be transmitted by the Committee to the applicant at the address set forth in the application for approval within thirty (30) days after receipt by the Committee of all materials required by the Committee. Any application submitted pursuant to this paragraph shall be deemed approved unless written disapproval or a request for additional information or materials by the Committee shall have been transmitted to the applicant within thirty (30) days after the date of receipt by the Committee of such application or final additional information.

2. No Waiver of Future Approvals. The approval of the Committee of any proposals or plans and specifications or

drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matter whatever, subsequently or additionally submitted for approval or consent.

3. Compensation of Members. The members of the Committee shall receive no compensation for services rendered other than reimbursement for expenses actually incurred by them in the performance of their duties hereunder.

4. Correction of Defects. Inspection of work and correction of defects therein shall proceed as follows:

a. The Committee or its duly authorized representative may, at any time, inspect any improvement for which approval of plans is required under this Article; provided, however, that the Committee's right of inspection of improvements for which plans have been submitted and approved shall terminate sixty (60) days after the respective owner shall have given written notice to the Committee of completion of the improvement. If, as a result of such inspection, the Committee finds that any part of such improvement was done without obtaining approval of the plans therefor, or was not done in substantial compliance with the plans approved by the Committee, it shall notify the owner in writing of failure to comply with this Article within sixty (60) days from the inspections, specifying the particulars of noncompliance. The Committee shall have the authority to require the owner to take such action as may be necessary to remedy the noncompliance.

b. If, upon the expiration of sixty (60) days from the date of such notification, the owner shall have failed to remedy such noncompliance, the Committee shall determine the estimated cost of correcting or removing the same, and the Committee, at its option, may record in the Office of the County Recorder of the county where the Project is located a notice of noncompliance and exercise all other legal and equitable remedies as set forth herein or allowed by law.

c. If, for any reason, the Committee fails to notify an owner of any noncompliance with previously submitted and approved plans, within sixty (60) days after receipt of said written notice of completion from the owner, the improvement shall be deemed to be in accordance with said approved plans.

5. Non-Liability of Committee Members. No right, power, or responsibility conferred on the Committee by this Declaration shall be construed as a duty, obligation, or disability charged upon the Committee, Declarant, or any employee or agent of the Committee or Declarant. Neither Declarant, the Committee, nor any member thereof, nor their duly authorized

representatives, shall be liable to any owner or other person for any loss, damage, or injury arising out of or in any way connected with the performance or non-performance of the Committee's duties hereunder, unless such loss, damage, or injury arise out of the willful misconduct or malicious misconduct of the Committee.

6. Scope of Review. The Committee shall review and approve or disapprove all plans submitted to it for any proposed improvement on the basis of satisfaction of the Committee that such plans and specifications comply with the provisions of this Declaration and with the grading plan, proposed location of the improvements on the lots, the finished ground elevation, the color scheme, finish, design, proportions, architecture, shape, height, style, and appropriateness of proposed improvements to views from adjoining lots, of materials used thereon, the planting, landscaping, size, height, or location of vegetation on a lot, or on the basis of aesthetic considerations and the overall benefit or detriment which would generally result to the immediate vicinity and the Project. The Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes, and materials and similar features, but shall not be responsible for reviewing or approving any plans or design from the standpoint of structural safety or conformance with building or other codes.

7. Commencement and Completion of Improvements. The approval by the Committee of any proposed improvement shall be conditioned on (i) such work commencing within one hundred eighty (180) days after written approval is forwarded to the owner, and (ii) after commencement of the improvement, work thereon shall be prosecuted continuously and diligently to its completion, which completion shall in no event be later than two (2) years after the aforementioned written approval is forwarded to the owner.

8. No Occupancy Prior To Completion. No owner shall occupy or allow to be occupied his lot prior to completion of the primary dwelling structure thereon. As used herein, the "completion" of the residential structure shall be the date on which a certificate of occupancy for such structure has been issued by the County of San Diego, or other appropriate governmental agency.

9. Obligation to Landscape. Within one hundred twenty (120) days after completion of the primary residential structure (as the term "completion" is defined in the preceding paragraph), the owner of the lot upon which such structure is located shall complete the landscaping upon his lot. The landscaping placed upon such lot shall be in conformance with the landscaping plan which has been submitted to and approved by the Committee. It is the obligation of each owner to submit the landscaping plan to the Committee in sufficient time to allow review and approval by

the Committee, and completion of the landscaping installation, all within the aforementioned one hundred twenty (120) day completion period.

10. Single Family Dwellings Only. No more than one dwelling structure may be constructed or maintained upon any lot, and each such dwelling structure shall be a "single family" structure (i.e., no duplex or other multiple family structures shall be allowed.)

11. Ancillary Buildings and Other Improvements. Ancillary buildings and other improvements may be erected and maintained for the use of the persons in possession of the primary dwelling structure located upon any lot, provided that each such ancillary building/improvement shall conform to the architectural design and exterior materials and finish of the primary dwelling structure located upon such lot. Notwithstanding the foregoing, however, no ancillary building may be built between the primary dwelling structure and any street located immediately adjacent to such lot without the prior written consent of the Committee. All roofs of any such ancillary building/improvement must be of the same material and color as the roof of the primary dwelling structure. The plans and specifications for such ancillary buildings/improvements must be submitted to and approved by the Committee as is elsewhere in this Declaration required.

12. Height Limit of Dwellings and Other Improvements. No dwelling shall have more than two (2) stories, nor be more than twenty-four (24) feet in height overall (including chimney). No other improvement upon any lot shall be more than twenty-four (24) feet in height overall.

13. Minimum Floor Area. No primary dwelling structure shall be constructed which has a finished floor area (exclusive of all attached porches, patios, basements and garages) of less than 1,800 square feet if such structure is a single story structure, or less than 2,400 square feet if such structure is located on more than one story.

14. Construction Shacks. During the period of construction, no trailer, mobile home, tent, shack, garage, or other structure of a temporary character, other than temporary chemical toilet facilities of commercial quality, shall be moved, erected, or maintained upon any lot, except as may be specifically permitted in writing by the Committee. Temporary toilet facilities must be located in an unobtrusive place, and must be painted, all as shall be approved in writing by the Committee.

15. Construction Cleanup. After plans and specifications for the construction of improvements are submitted to the Committee pursuant to this Declaration, the owner submitting same shall, at the request of the Committee, deposit with the Committee the sum of \$500.00 to guarantee that the construction

site during the course of construction will be maintained reasonably free of debris at the end of each working day, and that the construction will be completed as shown on the plans and specifications approved by the Committee. In the event of a violation of this provision, the Committee may give written notice thereof to the builder and owner of the lot upon which the improvement is being constructed, and if such violation is not cured or work commenced to cure the same within forty-eight (48) hours after the mailing of said notice, the Committee may correct or cause to be corrected said violation, and may use said deposit, or as much thereof as may be necessary, to cover the cost of such correction work. In the event that the cost of curing said violation or violations shall exceed the amount of said deposit, the excess cost shall be paid by the owner of the lot upon which the improvement is being constructed, such cost to be paid to the Committee upon demand by the Committee. Such deposit, or any part thereof remaining in the possession of the Committee at the completion of the construction work, shall be returned by the Committee to the person who made the deposit with any accrued interest.

16. Working Hours for Construction. No construction upon any lot is allowed before 7:00 a.m. on weekdays, or 8:00 a.m. on Saturdays. All construction upon any lot shall terminate not later than 6:00 p.m. Construction work is prohibited on Sunday and is also prohibited upon all national holidays. However, landscaping may be installed upon Sundays and holidays, provided that no tractors, bulldozers, trenchers, or any noise producing equipment is operated in connection with such landscaping installation.

17. Roofs. The preferred roofing material for any building constructed upon any lot shall be wood shingle, wood shake, colored clay or cement tile. If other materials are used, samples thereof shall be submitted to the Committee for approval. Under no circumstances, however, will white or reflected materials be permitted. No air-conditioning or other appliances or equipment shall be constructed, kept or maintained upon any roof so as to be visible from any part of the Project. Rock roofs, flat roofs, composition roofs and asphalt roofs are prohibited. The slope of each roof shall be approved by the Committee.

18. Garages. Each lot shall have constructed thereon a garage which is large enough to accommodate and fully enclose at least two full-sized automobiles.

19. Underground Utilities Required. All electrical, telephone, and cable television utilities located upon the Project shall be placed underground, unless the prior written consent of the Committee is obtained which allows such utilities to be placed above ground.

20. Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of the same had been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Committee for the purpose of service of such notice, or to the residence of such person if no address has been given to the Committee. Such address may be changed from time to time by notice in writing to the Committee.

21. No Further Subdivision. No lots within Phase 1 of the Project may be further subdivided.

ARTICLE XII

MAINTENANCE OF LOTS AND IMPROVEMENTS

Each owner shall maintain his lot and all landscaping thereon (except for the "Pedestrian and Bicycle Trail" described on Exhibit B attached hereto, and the "Slope Area" described on Exhibit C attached hereto, which are to be maintained by the Association as prescribed in Articles XIV and XV hereof), and all other improvements thereon, in a first class, clean, sanitary and attractive condition. All such landscaping shall, at all times, be maintained in a flourishing manner. Each owner shall keep his lot (except for the Pedestrian and Bicycle Trail and Slope Area) clear of weeds, and shall keep all vegetation neatly trimmed. If any portion of the landscaping upon any lot (except for the Pedestrian and Bicycle Trail and Slope Area) is removed or destroyed, or damaged by fire or other cause, the owner of the lot shall re-landscape and re-plant within sixty (60) days of such damage. No landscaping on any lot (including the Pedestrian and Bicycle Trail and Slope Area) shall be allowed to attain a height in excess of twenty-four (24) feet.

ARTICLE XIII

FENCES

At the time of the execution of this Declaration by Declarant, it is contemplated that Declarant may (but shall not be obligated so to do) construct fences along the boundary lines of certain lots, which fences shall separate lots from each other. With respect to any such fences constructed by Declarant, the fences shall be repaired, maintained and replaced by and at the expense of owners of the lots which are separated by the fence. The owners shall share equally in the responsibility for repair, maintenance and replacement of the fence separating their respective lots, and shall share equally the expense of same, except as follows: (1) with respect to the maintenance of the

surface portions of a fence facing a particular lot (that is non-structural repairs and maintenance), the owner of a lot facing the side of the fence needing such non-structural repair or maintenance shall pay the total cost of same; and (2) if a fence requires repair, maintenance or replacement as a result of the acts of a particular owner causing damage to the fence, then the owner causing such damage shall cause the repair, maintenance or replacement to be performed at such owner's sole cost and expense.

If any owner shall install a fence upon his lot, the fence shall be maintained, repaired and replaced at the sole cost and expense of the owner of the lot upon which the fence is located.

All fences shall be kept in first-class condition and repair.

Any fence located on the Common Area shall be maintained by the Association at its expense.

ARTICLE XIV

REQUIREMENTS OF CITY OF CARLSBAD AND ESTABLISHMENT OF PEDESTRIAN AND BICYCLE TRAIL

Pursuant to Resolution No. 8294 which has been adopted by the City Counsel of the City of Carlsbad, California, in connection with the application for a subdivision map (Case No. CT85-18), the following is established:

1. The maintenance duties of the Association as set forth in this Article XIV are necessary to protect the public health, safety and welfare against erosion and sedimentation downstream from the area of the Project.

2. The provisions of this Article XIV setting forth maintenance responsibilities of the Association may not be amended or changed in any respect without the express written approval of the City of Carlsbad.

3. The City of Carlsbad shall have the right to require the Association to perform the maintenance responsibilities set forth in this Article XIV. In addition, the City of Carlsbad shall have the right, but not the duty, to itself perform said maintenance responsibilities in the event the Association fails so to do, and the City of Carlsbad shall be entitled to be reimbursed by the Association for the costs incurred by the City in the performance of any such maintenance.

4. Any terrace drains which are located within the Common Area shall be maintained by the Association. In addition, the desiltation basins, vista point, and all open space easements located within the Common Area shall be maintained by the

Association.

5. Declarant hereby establishes an easement for the purposes of a pedestrian and bicycle trail across that portion of the Real Property which is described on Exhibit B attached hereto and by this reference made a part hereof. The easement which is hereby established is referred to herein as the "Pedestrian/Bicycle Trail."

All owners of lots at the Project, as well as the general public, shall have the right to use the Pedestrian/Bicycle Trail in a manner which is consistent with the rights of all other persons entitled to use thereof.

The Association shall have sole responsibility for maintaining the Pedestrian/Bicycle Trail, and no owner shall have any responsibility or obligation in connection with such maintenance.

6. No recreational vehicles may be stored within the front yard setback area of any lot, which front yard setback area is herein established as the area of each lot which is within 20 feet from the curb of the street running in front of such lot.

ARTICLE XV

SLOPE AREA MAINTENANCE AND USE

1. Slope Area to be Maintained by Association. Declarant shall initially establish landscaping of the Slope Area at the Project in accordance with Declarant's general plan of improvement and landscaping for the Project. The initial establishment of landscaping of the Slope Area shall include without limitation the installation, repair and maintenance of appropriate irrigation and vegetation watering systems.

Commencing with the first close of escrow for the sale of a lot in Phase 1 of the Project, the Association shall keep and maintain the landscaping of the Slope Area in a flourishing manner, and shall repair and replace the same as may be required in order to keep the landscaping in such condition. In addition, commencing with the first close of escrow for the sale of a lot in Phase 1 of the Project, the Association shall maintain in good condition and repair the irrigation and vegetation watering systems located upon the Slope Area.

The obligations of Declarant as set forth in this Article XV shall terminate on the date of the first close of escrow for the sale of a lot in Phase 1 of the Project.

2. Restrictions on Use of Slope Area. No structure or improvement shall be constructed or maintained upon the Slope Area of any lot, except for those structures and improvements

which are installed by Declarant or the Association for the purpose of assisting in performing the landscaping and maintenance duties of the Association. Any prohibited structure or improvement which is at any time (by anyone other than Declarant or the Association) installed or placed upon the Slope Area of any lot shall be immediately removed by the owner of the lot upon which it is located, at such owner's expense.

In addition, no owner shall install or maintain any landscaping upon the Slope Area of his/her lot without the prior written consent of the Association and the executive director of the California Coastal Commission (or its successors in interest), which consent may be withheld by the Association for any reason, at its sole discretion.

3. Ownership of Irrigation and Vegetation Watering Systems. All irrigation and vegetation watering systems installed by Declarant upon the Slope Area shall belong to Declarant until the first close of escrow for the sale of a lot in Phase 1 of the Project. Upon such close of escrow, such irrigation and vegetation watering systems shall become the property of the Association. The irrigation and vegetation watering systems shall be automatically transferred by Declarant to the Association immediately upon the close of such escrow, and shall be accepted by the Association in an "as is" condition.

Any and all irrigation and vegetation watering systems installed by the Association upon the Slope Area shall belong to the Association.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this Declaration this _____ day of 9-16, 1986.

SKYLINE ESTATES, INC.,
A California Corporation

By: Mark A. Nordquist
MARK A. NORDQUIST
President

EXHIBIT ADescription Of Real Property

The Real Property referred to herein is described as follows:

1. Lots 1 through 67, inclusive, of Carlsbad Tract 85-18, in the City of Carlsbad, County of San Diego, State of California, according to Map thereof No. 11592, filed in the Office of the County Recorder of San Diego County, California, on August 19, 1986.

2. The real property described in that certain metes and bounds description of "PANNONIA, C.T. 85-18, UNITS NO. III AND IV" which is included in this Exhibit A as pages 2 and 3 hereof.

MAY 2, 1986

PANNONIA

C.T. 85-18 UNITS 3 AND 4

BEING A SUBDIVISION OF A PORTION OF LOT "I" OF RANCHO AGUA HEDIONDA, IN THE CITY OF CARLSBAD, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 823, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, NOVEMBER 16, 1896, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE MOST SOUTHEASTERLY CORNER OF LOT 47 OF CARLSBAD HIGHLANDS NO. 2, MAP NO. 2825, SAID POINT ALSO BEING A POINT ON THE WESTERLY BOUNDARY LINE OF CARLSBAD TRACT NO. 82-5A, MAP NO. 10925; THENCE ALONG SAID WESTERLY BOUNDARY LINE OF MAP NO. 10925, AND THE WESTERLY BOUNDARY LINE OF CARLSBAD TRACT NO. 74-19, MAP NO. 8177 SOUTH $03^{\circ} 39' 17''$ EAST 1506.16 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH $63^{\circ} 36' 14''$ WEST A DISTANCE OF 273.01 FEET; THENCE NORTH $66^{\circ} 59' 31''$ WEST 60.00 FEET ALONG A RADIAL LINE TO A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 480.00 FEET; THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF $01^{\circ} 03' 26''$ AND AN ARC LENGTH OF 8.86 FEET; THENCE NORTH $45^{\circ} 33' 21''$ WEST 156.40 FEET; THENCE NORTH $23^{\circ} 53' 26''$ WEST 282.72 FEET; THENCE NORTH $36^{\circ} 31' 44''$ WEST 117.60 FEET; THENCE NORTH $45^{\circ} 10' 05''$ WEST 120.56 FEET; THENCE NORTH $56^{\circ} 16' 59''$ WEST 294.55 FEET; THENCE SOUTH $69^{\circ} 03' 58''$ WEST 62.64 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE WESTERLY AND

1357

HAVING A RADIUS OF 280.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF $08^{\circ} 22' 57''$ AND AN ARC LENGTH OF 40.96 FEET; THENCE ALONG A RADIAL LINE TO SAID CURVE NORTH $80^{\circ} 05' 24''$ WEST 60.00 FEET TO A POINT ON A CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 220.00 FEET; THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF $03^{\circ} 58' 16''$ AND AN ARC LENGTH OF 15.25 FEET; THENCE SOUTH $87^{\circ} 38' 03''$ WEST 209.79 FEET TO A POINT ON THE EASTERLY BOUNDARY LINE OF CARLSBAD TRACT NO. 82-18, UNIT NO. 2, MAP NO. 7973; THENCE ALONG SAID EASTERLY BOUNDARY SOUTH $06^{\circ} 19' 29''$ WEST 365.44 FEET TO A POINT ON THE SOUTHEASTERLY CORNER OF SAID MAP NO. 7973, SAID POINT ALSO BEING ON THE NORTHEASTERLY CORNER OF PARCEL MAP NO. 12243; THENCE SOUTH $15^{\circ} 12' 10''$ EAST 1236.32 FEET TO A POINT ON THE NORTHWESTERLY CORNER OF PARCEL MAP NO. 13337; THENCE ALONG THE NORTHERLY BOUNDARY OF SAID PARCEL MAP NO. 13337 SOUTH $80^{\circ} 56' 01''$ EAST 75.36 FEET; THENCE SOUTH $83^{\circ} 14' 57''$ EAST 151.70 FEET; THENCE NORTH $70^{\circ} 07' 03''$ EAST 355.60 FEET; THENCE NORTH $46^{\circ} 57' 58''$ EAST 195.12 FEET TO THE NORTHWESTERLY CORNER OF MAP NO. 11387; THENCE ALONG NORTHERLY BOUNDARY OF SAID MAP NO. 11387 NORTH $46^{\circ} 57' 58''$ EAST 339.28 FEET TO A POINT ON THE WESTERLY BOUNDARY LINE OF CARLSBAD TRACT NO. 82-6, LAGUNA DEL MAR UNIT NO. 1, MAP NO. 11385; THENCE ALONG SAID WESTERLY BOUNDARY NORTH $03^{\circ} 39' 17''$ EAST 177.75 FEET, TO A POINT ON THE WESTERLY BOUNDARY LINE OF MAP NO. 8177 THENCE ALONG SAID WESTERLY BOUNDARY LINE NORTH $03^{\circ} 39' 17''$ EAST 105.56 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT B

Pedestrian And Bicycle Trail Easement Area

The Pedestrian and Bicycle Trail Easement Area is shown and legally described on pages 2 through 6 of this Exhibit B.

LEGAL DESCRIPTION
PEDESTRIAN TRAIL DEED RESTRICTION
PANNONIA UNITS 3 & 4
C.T. 85-18

PARCEL 1

A 10.00 FOOT WIDE STRIP OF LAND LYING WITHIN THAT PORTION OF LOT "I" OF RANCHO AGUA HEDIONDA, IN THE CITY OF CARLSBAD, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 823, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, NOVEMBER 16, 1896; THE SIDELINES OF SAID 10.00 FOOT WIDE EASEMENT LYING 5.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT A POINT ON THE MOST NORTHERLY CORNER OF PARCEL MAP NO. 12243, IN THE CITY OF CARLSBAD, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA; THENCE CONTINUING ALONG THE MOST EASTERLY BOUNDARY LINE OF SAID PARCEL MAP NO. 12243, SOUTH 15° 12' 10" EAST, 92.00 FEET; THENCE NORTH 74° 47' 50" EAST, 126.88 FEET TO A POINT ON THE FUTURE WESTERLY RIGHT OF WAY OF SUNNYHILL DRIVE, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 74° 47' 50" WEST, 115.00 FEET; THENCE SOUTH 15° 00' 41" EAST, 132.13 FEET; THENCE SOUTH 21° 54' 06" EAST, 31.52 FEET; THENCE SOUTH 41° 54'

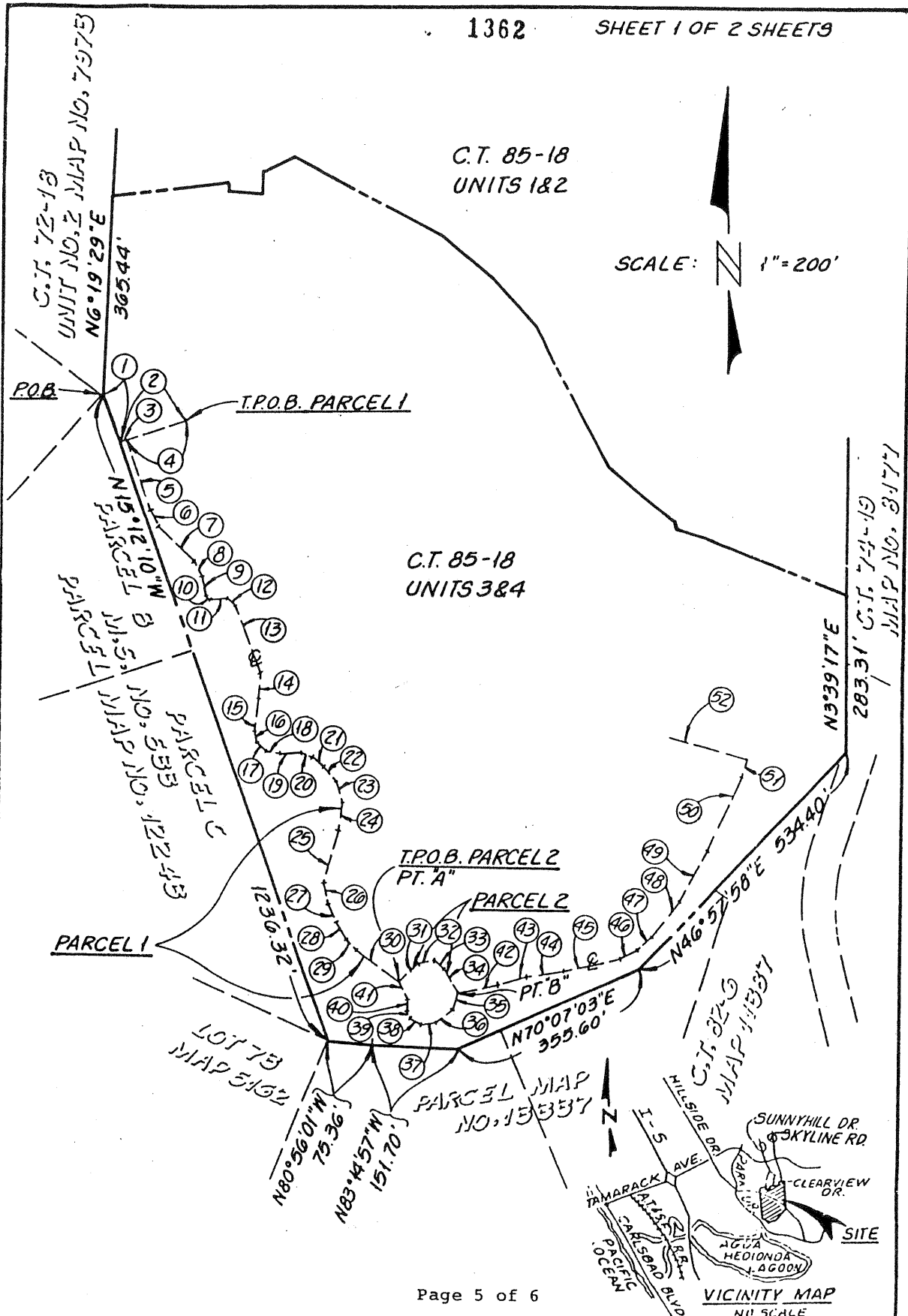
39" EAST, 89.28 FEET; THENCE SOUTH 23° 52' 15" EAST, 32.70 FEET;
THENCE SOUTH 5° 28' 32" EAST, 37.93 FEET; THENCE SOUTH 38° 53'
44" EAST, 9.54 FEET; THENCE NORTH 89° 00' 32" EAST, 33.70 FEET;
THENCE SOUTH 44° 22' 36" EAST, 17.37 FEET; THENCE SOUTH 16° 26'
21" EAST, 133.51 FEET; THENCE SOUTH 7° 15' 40" WEST, 44.47 FEET;
THENCE SOUTH 10° 49' 05" WEST, 61.07 FEET; THENCE SOUTH 4° 43'
48" EAST, 18.43 FEET; THENCE SOUTH 39° 32' 27" EAST, 25.81 FEET;
THENCE SOUTH 79° 51' 56" EAST, 22.66 FEET; THENCE SOUTH 89° 40'
16" EAST, 38.88 FEET; THENCE SOUTH 64° 56' 28" EAST, 21.46 FEET;
THENCE SOUTH 44° 45' 03" EAST, 26.61 FEET; THENCE SOUTH 33° 52'
55" EAST, 36.10 FEET; THENCE SOUTH 11° 40' 53" EAST, 37.64 FEET;
THENCE SOUTH 10° 40' 07" WEST, 50.78 FEET; THENCE SOUTH 19° 11'
55" WEST, 96.17 FEET; THENCE SOUTH 7° 48' 53" EAST, 39.22 FEET;
THENCE SOUTH 19° 23' 28" EAST, 35.50 FEET; THENCE SOUTH 24° 26'
01" EAST, 34.61 FEET; THENCE SOUTH 39° 15' 13" EAST, 27.81 FEET;
THENCE SOUTH 48° 16' 46" EAST, 94.94 FEET TO A POINT HEREINAFTER
REFERRED TO AS POINT "A"; THENCE SOUTH 21° 51' 40" EAST, 35.46
FEET; THENCE SOUTH 8° 53' 43" WEST, 20.07 FEET; THENCE SOUTH 18°
34' 38" EAST, 15.06 FEET; THENCE SOUTH 55° 08' 36" EAST, 22.56
FEET; THENCE NORTH 86° 26' 33" EAST, 26.32 FEET; THENCE NORTH 55°
13' 53" EAST, 37.61 FEET; THENCE NORTH 21° 37' 59" EAST, 32.29
FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "B"; THENCE
NORTH 82° 08' 36" EAST, 69.46 FEET; THENCE NORTH 78° 20' 46"
EAST, 54.66 FEET; THENCE NORTH 86° 11' 37" EAST, 67.16 FEET;
THENCE NORTH 81° 45' 20" EAST, 104.04 FEET; THENCE NORTH 65° 50'
33" EAST, 36.73 FEET; THENCE NORTH 51° 23' 57" EAST, 33.52 FEET;
THENCE NORTH 40° 43' 59" EAST, 80.38 FEET; THENCE NORTH 32° 07'

13" EAST, 101.23 FEET; THENCE NORTH 28° 38' 38" EAST, 147.35 FEET; THENCE NORTH 19° 27' 23" EAST, 30.25 FEET; THENCE NORTH 69° 51' 29" WEST, 150.92 FEET TO A POINT ON THE FUTURE EASTERLY RIGHT OF WAY OF HORIZON DRIVE, SAID POINT BEING THE TERMINUS THEREOF.

PARCEL 2

A 10.00 FOOT WIDE STRIP OF LAND LYING WITHIN THAT PORTION OF LOT "I" OF RANCHO AGUA HEDIONDA, IN THE CITY OF CARLSBAD, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 823, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, NOVEMBER 16, 1896; THE SIDELINES OF SAID 10.00 FOOT WIDE EASEMENT LYING 5.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE ABOVE MENTIONED POINT "A", SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING; THENCE NORTH 49° 00' 11" EAST, 49.72 FEET; THENCE NORTH 82° 05' 40" EAST, 26.92 FEET; THENCE SOUTH 41° 43' 27" EAST, 24.50 FEET; THENCE SOUTH 26° 07' 16" EAST, 49.94 FEET TO THE ABOVE MENTIONED POINT "B", SAID POINT BEING THE POINT OF TERMINUS THEREOF.



PEDESTRIAN TRAIL RESTRICTION

APPLICANT:
 PANNONIA INVESTMENT CORPORATION
 580-A BEECH AVENUE
 CARLSBAD, CA. 92008

O'Day CONSULTANTS
 CIVIL ENGINEERING
 PLANNING & ARCHITECTURE
 SURVEYING

ENGINEER OF WORK: *George O'Day*
 GEORGE O'DAY R.E.L. 32014 DATE

DATA TABLES

NO.	Δ OR BEARING	RADIUS	LENGTH
①	N15°12'10"W	—	92.00'
②	N74°47'50"E	—	126.88'
③	N74°47'50"E	—	11.88'
④	N74°47'50"E	—	115.00'
⑤	N15°00'41"W	—	132.13'
⑥	N21°54'06"W	—	31.52'
⑦	N41°54'39"W	—	89.28'
⑧	N23°52'15"W	—	32.70'
⑨	N5°28'32"W	—	37.93'
⑩	N38°53'44"W	—	9.54'
⑪	N89°00'32"E	—	33.70'
⑫	N44°22'36"W	—	17.37'
⑬	N16°26'21"W	—	133.51'
⑭	N7°15'40"E	—	44.47'
⑮	N10°49'05"E	—	61.07'
⑯	N4°43'48"W	—	18.43'
⑰	N39°32'27"W	—	25.81'
⑱	N79°51'56"W	—	22.66'
⑲	N89°40'16"W	—	38.88'
⑳	N64°56'28"W	—	21.46'
㉑	N44°45'03"W	—	26.61'
㉒	N33°52'55"W	—	36.10'
㉓	N11°40'53"W	—	37.64'
㉔	N10°40'07"E	—	50.78'
㉕	N19°11'55"E	—	96.17'
㉖	N7°48'53"W	—	39.22'

NO.	Δ OR BEARING	RADIUS	LENGTH
⑳	N19°23'28"W	—	35.50'
㉑	N24°26'01"W	—	34.61'
㉒	N39°15'13"W	—	27.81'
㉓	N48°16'46"W	—	94.94'
㉔	N49°00'11"E	—	49.72'
㉕	N82°05'40"E	—	26.92'
㉖	N41°43'27"W	—	24.50'
㉗	N26°07'16"W	—	49.94'
㉘	N21°37'59"E	—	32.29'
㉙	N55°13'53"E	—	37.61'
㉚	N86°26'33"E	—	26.32'
㉛	N55°08'36"W	—	22.56'
㉜	N18°34'38"W	—	15.06'
㉝	N8°53'43"E	—	20.07'
㉞	N21°51'40"W	—	35.46'
㉟	N82°08'36"E	—	69.46'
㊱	N78°20'46"E	—	54.66'
㊲	N86°11'37"E	—	67.16'
㊳	N81°45'20"E	—	104.04'
㊴	N65°50'33"E	—	36.73'
㊵	N51°23'57"E	—	33.52'
㊶	N40°43'59"E	—	80.38'
㊷	N32°07'13"E	—	101.23'
㊸	N28°38'38"E	—	147.35'
㊹	N19°27'23"E	—	30.25'
㊺	N69°51'29"W	—	150.92'

PEDESTRIAN TRAIL RESTRICTION

APPLICANT:
 PANNONIA INVESTMENT
 CORPORATION
 540-A BEECH AVENUE
 CARLSBAD, CA
 92008

O'Day CONSULTANTS

ENGINEER OF WORK
 GEORGE O'DAY

1364

EXHIBIT C

Slope Area

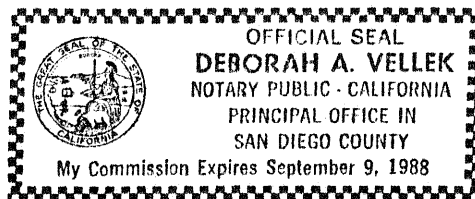
The Slope Area is shown and legally described as the "Open Space Easement To Be Maintained By Homeowners Association" on Sheet No. 9 of Carlsbad Tract 85-18, according to Map thereof No. 11592, recorded in the Office of the County Recorder of San Diego County, California, on August 19, 1986.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

On Sept. 16, 1984 before me, the undersigned, a Notary Public in and for said State, personally appeared MARK A. NORDQUIST, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the President of SKYLINE ESTATES, INC., the corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its bylaws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature Deborah A. Vellek



I N D E X

SUNSET PLACE HOMESDECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

<u>ARTICLE</u>	<u>TITLE</u>	<u>PAGE</u>
	RECITALS.	1
I	DEFINITIONS	2
II	DESCRIPTION AND DIVISION OF PROJECT	4
III	MANAGEMENT AND ADMINISTRATION	6
IV	AUTHORITY OF ASSOCIATION.	6
V	MAINTENANCE BY ASSOCIATION.	7
VI	MEMBERSHIP AND VOTING RIGHTS.	7
VII	ASSESSMENTS	8
VIII	UTILITIES	14
IX	USE RESTRICTIONS.	15
X	GENERAL PROVISIONS.	18
XI	PHASE 1 CONSTRUCTION STANDARDS.	23
XII	MAINTENANCE OF LOTS AND IMPROVEMENTS.	29
XIII	FENCES.	29
XIV	REQUIREMENTS OF CITY OF CARLSBAD AND ESTABLISHMENT OF PEDESTRIAN AND BICYCLE TRAIL	30
XV	SLOPE AREA MAINTENANCE AND USE.	31

AFTER RECORDING MAIL TO:
JOHN D. KIRBY
5151 MURPHY CANYON RD. #320
SAN DIEGO, CA 92123
1140433

RECORDED IN
OFFICIAL RECORDS
OF SAN DIEGO COUNTY, CA.

1986 OCT -8 AM 11: 20

VERA L. LYLE
COUNTY RECORDER

SUBORDINATION AGREEMENT

RF 3.00
AR 1.00
MG 1.00

SECURITY PACIFIC MORTGAGE CORPORATION, a Delaware Corporation,
being beneficiary under that certain Deed of Trust recorded August 27,
1986, Recorder's File No. 86-372209 with the Office of the County Recorder
of San Diego County, California, hereby declares that the lien and
charge of said Deed of Trust is and shall be subordinate and inferior to
the Declaration of Covenants, Conditions and Restrictions recorded
on September 19, 1986 as Recorder's File No. 86-414297 with the Office of
the County Recorder of San Diego County.

SECURITY PACIFIC MORTGAGE CORPORATION

By:

By: Richard T. Cirelli

D 1945 CA (8-74)

Corporation)



STATE OF ~~CALIFORNIA~~ COLORADO }
COUNTY OF Denver } SS.

On October 6, 1986 before me, the undersigned, a Notary Public in and for said
State, personally appeared Richard T. Cirelli,
known to me to be the Assistant Vice President, and _____,

known to me to be _____ Secretary
of the corporation that executed the within Instrument,
known to me to be the persons who executed the within
Instrument on behalf of the corporation therein named, and
acknowledged to me that such corporation executed the
within instrument pursuant to its by-laws or a resolution of
its board of directors.

WITNESS my hand and official seal.

Signature Debra Jean Spurr
My Commission Expires April 29, 1989

(This area for official notarial seal)

DATA TABLES

NO.	Δ OR BEARING	RADIUS	LENGTH
①	N15°12'10"W	—	92.00'
②	N74°47'50"E	—	126.88'
③	N74°47'50"E	—	11.88'
④	N74°47'50"E	—	115.00'
⑤	N15°00'41"W	—	132.13'
⑥	N21°54'06"W	—	31.52'
⑦	N41°54'39"W	—	89.28'
⑧	N23°52'15"W	—	32.70'
⑨	N5°28'32"W	—	37.93'
⑩	N38°53'44"W	—	9.54'
⑪	N89°00'32"E	—	33.70'
⑫	N44°22'36"W	—	17.37'
⑬	N16°26'21"W	—	133.51'
⑭	N7°15'40"E	—	44.47'
⑮	N10°49'05"E	—	61.07'
⑯	N4°43'48"W	—	18.43'
⑰	N39°32'27"W	—	25.81'
⑱	N79°51'56"W	—	22.66'
⑲	N89°40'16"W	—	38.88'
⑳	N64°56'28"W	—	21.46'
㉑	N44°45'03"W	—	26.61'
㉒	N33°52'55"W	—	36.10'
㉓	N11°40'53"W	—	37.64'
㉔	N10°40'07"E	—	50.78'
㉕	N19°11'55"E	—	96.17'
㉖	N7°48'53"W	—	39.22'

NO.	Δ OR BEARING	RADIUS	LENGTH
㉗	N19°23'28"W	—	35.50'
㉘	N24°26'01"W	—	34.61'
㉙	N39°15'13"W	—	27.81'
㉚	N48°16'46"W	—	94.94'
㉛	N49°00'11"E	—	49.72'
㉜	N82°05'40"E	—	26.92'
㉝	N41°43'27"W	—	24.50'
㉞	N26°07'16"W	—	49.94'
㉟	N21°37'59"E	—	32.29'
㊱	N55°13'53"E	—	37.61'
㊲	N86°26'33"E	—	26.32'
㊳	N55°08'36"W	—	22.56'
㊴	N18°34'38"W	—	15.06'
㊵	N8°53'43"E	—	20.07'
㊶	N21°51'40"W	—	35.46'
㊷	N82°08'36"E	—	69.46'
㊸	N78°20'46"E	—	54.66'
㊹	N86°11'37"E	—	67.16'
㊺	N81°45'20"E	—	104.04'
㊻	N65°50'33"E	—	36.73'
㊼	N51°23'57"E	—	33.52'
㊽	N40°43'59"E	—	80.38'
㊾	N32°07'13"E	—	101.23'
㊿	N28°38'38"E	—	147.35'
1	N19°27'23"E	—	30.25'
2	N69°51'29"W	—	150.92'

