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**2021 AMENDED AND RESTATED
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR
San Elijo Hills Homeowners Association, Inc.
*A Residential Community***

**NOTICE
(Gov. Code § 12956.1)**

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

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**2021 AMENDED AND RESTATED
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR**

San Elijo Hills Homeowners Association, Inc.

A Residential Community

THIS 2021 AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS is made on the day and year hereinafter written, by San Elijo Hills Homeowners Association, Inc., a California nonprofit mutual benefit corporation (“Association”), with reference to the following Recitals.

RECITALS

A. Association is a corporation whose Members are the Owners of all the residential Lots within that certain real property in the City of Solana Beach, County of San Diego, State of California, more particularly described in Exhibit “A” attached hereto and made a part hereof (“Community”).

B. The Community consists of one hundred ninety-two (192) residential Lots.

C. The Community is currently subject to the covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges set forth in the following documents:

1. The Declaration and Establishment of Protective Covenants and Restrictions of San Elijo Hills recorded June 20, 1973 as Document No. 73-169462 and rerecorded on November 23, 1973 as Document No. 73-326049;
2. The First Amendment to Declaration and Establishment of Protective Covenants and Restrictions of San Elijo Hills recorded November 17, 1995 as Document No. 1995-0525181;
3. The Second Amendment to Declaration and Establishment of Protective Covenants and Restrictions of San Elijo Hills recorded November 17, 1995 as Document No. 1995-0525182; and
4. The Third Amendment to Declaration and Establishment of Protective Covenants and Restrictions of San Elijo Hills recorded January 8, 2007 as Document No. 2007-0012488.

all in the Official Records of the County Recorder of San Diego County, and are hereinafter referred to together as “Original Declaration,” unless the context clearly indicates otherwise.

D. The Association now desires to amend and restate the Original Declaration in its entirety by recording this Restated Declaration. The Association further desires that, upon recordation of this Restated Declaration, the Community shall be subject to the covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges contained herein, and that this Restated Declaration takes the place of and relates back in time to the recording of the Original Declaration. The Original Declaration, in Article VII, provides that it may be amended by the affirmative vote or written consent of two-thirds (2/3) of the Owners of the Association. The undersigned President and Secretary of the Association certify that, to the best of their knowledge, the affirmative vote or written consent of at least the required percentage of the Owners has been obtained.

NOW, THEREFORE, Association hereby declares that all of the Community is and shall continue to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, and improved subject to the declarations, limitations, covenants, conditions, restrictions, reservations, rights, and easements set forth in this Restated Declaration, and as may be amended from time to time, all of which are declared and agreed to be in furtherance of a plan established for the purpose of enhancing and perfecting the value, desirability, and attractiveness of the Community. All provisions of this Restated Declaration shall constitute covenants running with the land and enforceable equitable servitudes upon the Community, and shall be binding on and for the benefit of all of the Community and all parties having or acquiring any right, title, or interest in all or any part of the Community, including the heirs, executors, administrators, and assigns of these parties and all subsequent owners and lessees of all or any part of a Lot.

DECLARATION

ARTICLE 1 - DEFINITIONS

1.1 ***In General*** Unless otherwise defined herein, capitalized terms or words used in this Restated Declaration shall have the definitions in this Article or in the California Nonprofit Corporation Law (California Corporations Code section 5002 et seq.). Words not defined in this Restated Declaration or in the Corporations Code shall be understood in their ordinary and popular sense, as determined by the context in which they are used, unless the context indicates that the term or word is a defined term which was inadvertently not capitalized.

1.2 ***“Applicable Law”*** means statutes, public laws, ordinances, regulations and rulings of administrative agencies, court rulings having value as precedent and any other requirements having the force of law that are in effect at the time a provision of the Governing Documents is applied, and pertaining to the subject matter of the Governing Documents provision in question. Statutes and ordinances specifically referenced in the Governing Documents are “Applicable Law” on the date of the Governing Document, and are not intended to apply to the Community if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more statutes or ordinances.

1.3 ***“Architectural Committee”*** means the committee, if any, appointed by the Board to assist the Board in reviewing architectural submittals from the Owners.

1.4 **“Articles”** [Corp. Code § 5035] mean the Articles of Incorporation of San Elijo Hills Homeowners Association, Inc., filed in the Office of the Secretary of State of the State of California on January 21, 1976, as File No. 762586, and any amendments thereto hereafter adopted.

1.5 **“Assessment” or “Assessments”** means one or all of the Regular, Special, Individual, and Penalty Assessments (Fines) described herein.

1.6 **“Association”** means San Elijo Hills Homeowners Association, Inc., a California nonprofit mutual benefit corporation created for the purpose of managing the Community.

1.7 **“Association-Maintained Slopes”** means the Slopes depicted on Exhibit “B” on Lots 1-7, 9-11, 14-16, 18-20, 29-31, 51-67, 70-109, 112-119, 124-158, 160-165, 169, 170 of Tract “San Elijo Hills”, in the County of San Diego, State of California, according to Map thereof No. 7670, filed in the office of the County Recorder of San Diego County, June 20, 1973. The Association is responsible to maintain all trees, plants, ground cover, and irrigation on Association-Maintained Slopes, as set forth in Section 6.7.

1.8 **“Board”** means the Board of Directors of the Association. One or more members of the Board of Directors may be referred to as a “Director” or “Directors.”

1.9 **“Budgeted Gross Expenses”** means all expenses identified on the annual operating budget for the fiscal year, including all operating expenses and amounts to be deposited into the reserve accounts, but excluding any amounts budgeted to be expended from the reserve accounts for that fiscal year.

1.10 **“Bylaws”** [Corp. Code § 5037] means the Bylaws of the Association and any amendments thereto.

1.11 **“Capital Expenditure” or “Capital Improvement”** mean the use of Association funds to construct or build an addition to the Community, where such use of funds is optional under the Governing Documents, rather than mandatory, and is not otherwise required by Applicable Law. For purposes of the Governing Documents, the maintenance, repair or replacement of Improvements within the Community which the Association is obligated to maintain, using materials of similar kind, or using materials which are needed due to changes in building or fire codes or due to discontinued fabrication or unavailability, or using materials that have substantially similar cost over the useful life of the material shall not be considered a Capital Expenditure or Capital Improvement, notwithstanding that such expenditure or Improvement may be considered a Capital Expenditure or Capital Improvement for tax purposes.

1.12 **“Common Expenses”** means and includes the actual and estimated expenses of operating the Community, and any reasonable reserve for such purposes as found and determined by the Board and all sums designated Common Expenses by or pursuant to the Governing Documents.

1.13 **“Community”** means the entire residential development described in RECITAL/EXHIBIT “A” herein, including all Improvements thereon.

1.14 **“Director” or “Directors”** means one or more members of the Board of Directors.

1.15 **“Dominant Tenement”** refers to each Lot which benefits from an appurtenant easement created by the deed used by Lomas Santa Fe, Inc. to convey such Lot.

1.16 **“Drone”** refers to an aircraft without a human pilot on board, including model airplanes, helicopters and similar aircraft.

1.17 **“Dwelling”** means a residential structure or structures, including any enclosed yard, balconies, patio areas and garages located on a Lot.

1.18 **“Electronic Transmission”** [Corp. Code §§ 20 & 21] means a communication delivered by facsimile, electronic mail or other means of electronic communication as more fully described in California Corporations Code sections 20 and 21.

1.19 **“Eligible Lender”** means a holder, insurer or guarantor of a First Mortgage that provides a written request to the Association stating the name and address of such holder, insurer or guarantor and the Lot number, and requesting notice to which such Eligible Lender is due under the Governing Documents.

1.20 **“Governing Documents”** means this Restated Declaration and any other documents such as the Articles, Bylaws, or Rules, which govern the operation of the Association.

1.21 **“Improvement”** means any structure or appurtenances thereto of every type and kind, including but not limited to, buildings, walkways, sprinkler pipes, carports, swimming pools, roads, driveways, parking areas, solar panels, fences, screening walls, block walls, retaining walls, awnings, stairs, decks, landscaping, hedges, windbreaks, exterior surfaces of any visible structure and the paint or finish on such surfaces, planted trees and shrubs, poles, and signs.

1.22 **“Lender”** means a person to whom a Mortgage is made and includes the beneficiary of a deed of trust and any guarantor or insurer of a mortgage. “Institutional Lender” means a mortgagee that is a financial intermediary or depository, such as a bank, savings and loan, credit union, or mortgage company, that is chartered under federal or state law and that lends money on the security of real property or invests in such loans, or any insurance company or governmental agency or instrumentality, including the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), and the Government National Mortgage Association (GNMA) that guarantees mortgage loans. “First Lender” means a mortgagee that has priority over all other mortgages or holders of mortgages encumbering the same Lot or other portions of the Community. The term “Beneficiary” shall be synonymous with the term “Lender.”

1.23 **“Lot”** means all the residential lots within the Community, including all Improvements now or hereafter thereon.

1.24 **“Member”** means every person or entity entitled to membership in the Association as provided in this Restated Declaration and the Bylaws.

1.25 **“Mortgage”** means a mortgage or deed of trust encumbering a Lot or any other portion of the Community. **“First Mortgage”** means a mortgage that has priority over all other mortgages encumbering the same Lot or other portions of the Community.

1.26 **“Notice and Hearing”** [Corp. Code § 7341] means notice to an Owner and an opportunity for the Owner to be heard, prior to the imposition of any fine, penalty or other disciplinary measure, in the manner set forth in the Bylaws or other Governing Documents and in compliance with any Applicable Law.

1.27 **“Officers”** means the Officers of Association appointed by the Board of Directors pursuant to the Bylaws.

1.28 **“Owner”** means any natural person, firm, corporation, partnership, trust or other entity which owns a fee simple interest in any Lot, as shown on the most recent deed for the Lot recorded in the Office of the San Diego County Recorder, including the Association, and any contract sellers under recorded contracts of sale. “Owner” shall not include any persons or entities that hold an interest in a Lot merely as security for performance of an obligation. For purposes of exercising membership rights, including the right to serve as a Director, and incurring membership obligations when an Owner is a corporation, firm, limited liability company or other legal entity, any Director, Officer, employee or agent designated in writing by the Owner may exercise the membership rights attributable to the Owner. For Lots held in trust, the trustee may exercise the membership rights attributable to the trust. A person or entity is not an Owner due to: (i) community property or other marital rights where the person asserting such rights is not shown on the recorded title as an Owner; (ii) rights of adverse possession not adjudicated and shown on the recorded title as an Owner; or (iii) other equitable rights where the person asserting such rights is not shown on the recorded title as an Owner.

1.29 **“Owner-Maintained Slopes”** means the Slopes depicted on Exhibit “B” on Lots 7-9, 21-25, 29-50, 68-69, 120-123, of Tract “San Elijo Hills”, in the County of San Diego, State of California, according to Map thereof No. 7670, filed in the office of the County Recorder of San Diego County, June 20, 1973. Owners are responsible to maintain all portions of Owner-Maintained Slopes, as set forth in Section 6.2.

1.30 **“Restated Declaration” or “Restated PC&Rs”** means this Amended and Restated Declaration of Protective Covenants and Restrictions and any amendments hereto.

1.31 **“Rules”** means any Rules for the Association regulating the use of the Lots, the Community and any facilities located thereon adopted by the Members or by the Board as set forth in Section 3.5.2, below.

1.32 **“Servient Tenement”** refers to each Lot which is burdened by an appurtenant easement created by the deed used by Lomas Santa Fe, Inc. to convey such Lot.

1.33 **“Slopes”** means the portion of Lots 1-11, 14-16, 18-25, 29-109, 112-158, 160-165, 169, 170 of Tract “San Elijo Hills”, in the County of San Diego, State of California, according to Map thereof No. 7670, filed in the office of the County Recorder of San Diego County, June 20, 1973, depicted on Exhibit “B” extending from the top of the slope to the toe of the slope. The Association may enact and enforce restrictions that specifically apply to Slopes.

1.34 **“Visible Slopes”** means Association-Maintained Slopes depicted on Exhibit “B” located on Lots 1-7, 51-67, 72-94, 134-135, 155-157, 164, 165, 169, 170 of Tract “San Elijo Hills”, in the County of San Diego, State of California, according to Map thereof No. 7670, filed in the office of the County Recorder of San Diego County, June 20, 1973 that can be readily viewed from a street within the Community. The Association may enact and enforce restrictions that specifically apply to Visible Slopes.

1.35 **“Voting Power”** [Corp. Code § 5078] means the total number of votes eligible to be cast in the Association based on one (1) vote per Lot, less the votes of any Lot where voting rights have been suspended.

ARTICLE 2 - THE COMMUNITY

2.1 **Community Subject to Restated Declaration.** The entire Community shall be subject to this Restated Declaration.

2.2 **Equitable Servitudes.** The covenants and restrictions set forth in this Restated Declaration shall be enforceable equitable servitudes and shall inure to the benefit of and bind all Owners. These servitudes may be enforced by any Owner or by the Association or by both.

2.3 **Prohibition Against Deannexation.** There shall be no deannexation of any part of the Community without first obtaining the same approval of Owners as required by Article 14 herein.

2.4 **Prohibition Against Severance of Elements.** Any conveyance, judicial sale, or other voluntary or involuntary transfer of a Lot shall include all interests and appurtenances as shown in the original deed of conveyance. Any conveyance, judicial sale, or other voluntary or involuntary transfer of the Owner’s entire estate shall also include the Owner’s membership interest in the Association. Any transfer that attempts to sever those component interests shall be void.

2.5 **Drainage Easements.** The Owner of a Lot shall permit free access by Owners of adjacent or adjoining Lots, or the Association and its agents, to Slopes or drainageways located on their Lot, when such access is essential for the maintenance or permanent stabilization of said Slopes, or maintenance of the drainage facilities for the protection and use of property other than the Lot on which the Slopes or drainageways are located. The Owner of any Lot shall not in any way interfere with established slope ratios or create erosion or sliding problems. The Owner of any Lot shall not interfere with the established drainage pattern over their Lot from adjacent or adjoining Lots without prior Board approval and unless the Owner makes adequate provisions for continued drainage over their Lot from adjacent or adjoining Lots. For the purpose herein,

“established drainage” is defined as the drainage which occurred at the time a Lot was first conveyed from the Community developer to an Owner.

2.6 **Association Easements Over Lots.** The Association has an easement over each Lot, as the servient tenement, for the purpose of allowing the Association’s agents to enter the Lot to perform such duties and exercise such powers as may be set forth by the Governing Documents.

2.7 **Encroachment Easements.** None of the rights and obligations of the Owners created herein, or by the deed creating the Community, shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of such encroachments over the Lots upon which the encroachment exists so long as the encroachments shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful conduct of said Owner or Owners. In the event a structure on a Lot is partially or totally destroyed and then rebuilt or repaired, the Owners of any adjoining Lots agree that any minor encroachments over the adjoining Lots which are similar to any encroachments which existed prior to the partial or total destruction shall be permitted and there shall be easements for maintenance of such encroachment so long as they shall exist.

2.8 **Utility Easements.** In the case where utility facilities are located on a Lot or Lots owned by other than the Owner of a Lot served by the utility facilities, the Owners of any Lots served by the utility facilities shall have the right of reasonable access for themselves or their agents to repair, replace and generally maintain the utility facilities as and when the same may be necessary.

In the case of utility facilities which serve more than one (1) Lot, the Owner of each Lot served by the utility facilities shall be entitled to the full use and enjoyment of such portions of the utility facilities as service their Lot.

2.9 **Security.** Owners and occupants of a Lot, and their respective guests and invitees, are responsible for their own personal safety and the security of their property within the Community.

2.9.1 Neither the Association nor its Board, Officers, agents or representatives shall in any way be considered an insurer or guarantor of safety or security within the Community, nor shall such parties be held liable for any injury, loss or damage by reason of failure to provide any type or form of security or, if applicable, then the ineffectiveness of any security measures undertaken.

2.9.2 Each Owner acknowledges, understands, and shall be responsible for informing its tenants and all occupants and guests of its Lot that the Association, its Board, Officers, agents or representatives, are not insurers or guarantors of safety or security and that each person within the Community assumes all risks of personal injury and loss of or damage to property,

wherever located, including Lots, storage areas, and the contents of Lots and Dwellings resulting from the acts of third parties.

2.10 **Side Yard Easements.**

2.10.1 The easements described in this Section 2.10 shall refer to the easements that created the Dominant Tenements and Servient Tenements defined in Article I of this Restated Declaration. The deeds that established these easements defined the scope of such easements by reference to Article XIV of the Original Declaration. With the recording of this Restated Declaration, the scope of those easements is restated as set forth below.

2.10.2 Exclusivity of Easements. Each of said easements shall exclusively benefit the Dominant Tenement appurtenant thereto; provided, however, the rights created by each easement shall not prevent exercise of any rights created by this Restated Declaration or (ii) any other document (including said SAN ELIJO HILLS, Map No. 7670) recorded in the Official Records of San Diego County prior to recordation of the Original Declaration or (iii) any utility easement(s) or license(s).

2.10.3 Dominant Tenement Rights. Each easement may be used by the owner(s) of the Dominant Tenement appurtenant thereto as a general recreational and garden area only. Patios, patio furniture, landscaping (including concrete walks, concrete slabs, flowers, shrubs, sprinklers and similar items) may be placed on and under the easement area.

The Owner(s) of a Dominant Tenement shall not use the easement (i) in violation of any law or (ii) for any permanent installation of any sort, such as a swimming pool or structures incident thereto, plumbing installations (other than sprinklers), or recreational sports equipment and facilities.

2.10.4 Servient Tenement Rights. The Owner(s) of each Servient Tenement shall have the following rights with respect to the easement burdening said Servient Tenement:

- (a) To at all reasonable times enter the easement area, and reasonably cross over the Dominant Tenement for such entry, in order to perform work related to the usage of the Servient Tenement, including maintenance of any fence along the easement boundary line, which fence shall be the obligation of the Owner of the Servient Tenement to maintain and repair.
- (b) To drain water over, upon, and across the easement area, if but only if said drainage results from the normal usage of

the Servient Tenement; the Owner(s) of the Dominant Tenement shall maintain the easement area in such manner as will not interfere with or alter such drainage.

- (c) To enjoin attachment of any object by the Owner(s) of the Dominant Tenement to a wall or building belonging to the Servient Tenement.
- (d) To locate in the easement area roof overhangs, eaves, rain gutters, etc., which are a part of the structure located on the Servient Tenement, provided that such items do not encroach over the easement area below a height of seven (7) feet measured from the finished grade elevation of the easement area, and to locate in the easement area rain spouts which may extend to said finished grade elevation.

ARTICLE 3 - THE ASSOCIATION

3.1 **Organization of the Association.** The Association is incorporated as a nonprofit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. The Association is created for the purpose of managing the Community and is charged with the duties and invested with the powers prescribed by Applicable Law and set forth in the Governing Documents.

3.2 **Board of Directors.** The affairs of the Association shall be managed and its duties and obligations performed by an elected Board of Directors, as provided in the Bylaws.

3.3 Membership.

3.3.1 Every Owner, upon becoming an Owner, shall automatically become a Member of the Association. Ownership of a Lot is the sole qualification for membership. All memberships shall be appurtenant to the Lot conveyed, and cannot be transferred, assigned, conveyed, hypothecated, pledged, or alienated except as part of a transfer of the Owner's entire ownership interest, and then only to the transferee. Any transfer of the Owner's title to their Lot shall automatically transfer the appurtenant membership to the transferee.

3.3.2 Each Member shall have the rights, duties, privileges, and obligations as set forth in the Governing Documents.

3.3.3 Membership shall automatically cease when the Owner no longer holds an ownership interest in a Lot.

3.4 **Membership Class; Voting Rights.** The Association shall have one (1) class of membership and the rights, duties, obligations and privileges of the Members shall be as set forth in the Governing Documents. On matters presented to the

membership for a vote, each Lot shall be assigned one (1) vote, subject to the provisions of the Bylaws.

3.5 General Powers and Authority. The Association shall have all the powers of a nonprofit corporation organized under the California Nonprofit Mutual Benefit Corporation Law, subject to any limitations set forth in the Governing Documents. It may perform all acts that may be necessary for or incidental to the performance of the obligations and duties imposed upon it. Its powers shall include, but are not limited to:

3.5.1 The power to establish, fix, levy, collect, and enforce the payment of Assessments against the Owners in accordance with the procedures set forth herein.

3.5.2 The power to adopt reasonable Rules governing the use of the Lots, Dwellings, Slopes, any common facilities and Association-owned property, and the conduct at Board and Members' meetings, in accordance with the following:

(a) The Rules may include, but are not limited to:

(i) Reasonable restrictions on use of the Slopes, Lots and Dwellings by the Owners and their families, guests, employees, tenants and invitees.

(ii) Reasonable restrictions on the conduct of Owners and their families, guests, employees, tenants and invitees as to activities on the Slopes, Lots and Dwellings.

(iii) The establishment of Notice and Hearing procedures and a schedule of Fines and other disciplinary measures which may be imposed for violations of any provisions of the Governing Documents.

(iv) Association campaign, election and voting information.

(b) The Association must comply with any Applicable Law when adopting any Rules.

(c) A copy of any modifications of the Rules shall be given to each Owner within fifteen (15) days of adoption.

(d) If any provision of the Rules conflicts with any provision of this Restated Declaration, the Articles, or the Bylaws, the Restated Declaration, Articles, or Bylaws shall control to the extent of the inconsistency.

- (e) The Rules shall have the same force and effect as if they were set forth in and were part of this Restated Declaration and shall be binding on the Owners and their successors in interest whether or not actually received by them.
- (f) Rules adopted or amended by the Board of Directors on behalf of the Association are valid and enforceable upon adoption, unless a later effective date is established by the Board, and shall remain in effect until the next annual meeting of the Members at which a quorum is achieved. At that annual meeting, ratification of the Board-adopted Rule change shall be proposed to the Members. If at least one-third (1/3) of the Voting Power does not vote on the matter of the proposed ratification, the Rule change shall remain in effect. If at least one-third (1/3) of the Voting Power votes on the matter of the proposed ratification, the Rule change shall be repealed unless ratified by a majority of those who vote.

3.5.3 The right to institute, defend, settle, or intervene in litigation, arbitration, mediation, or administrative proceedings in its own name as the real party in interest and without joining with it the Owners, as provided in any Applicable Law.

3.5.4 [Corp. Code § 7341] Subject to Notice and Hearing requirements, the right to discipline a Member for violation of any of the provisions of the Governing Documents by (1) suspending the Member's membership rights, including the Member's voting rights, the right to be a candidate for election to the Board of Directors, and the rights and privileges to use any common facilities and (2) imposing Fines.

3.5.5 The right for its agents and employees to enter any Lot when necessary in connection with any maintenance, landscaping, or construction work for which the Association is or may be responsible or to reduce the likelihood of or prevent damage to the Slopes or another Lot. This entry shall be made only upon reasonable notice to the Owner (except in the case of an emergency) and with as little inconvenience to the Owner as is practicable. Any entry by the Association to investigate a reported or suspected water intrusion shall be deemed an emergency. Such person shall not be deemed guilty of trespass by reason of such entry.

3.6 ***Duties of Association.*** In addition to the duties of the Association, its agents and employees set forth elsewhere in the Governing Documents, the Association shall be responsible for the following:

- 3.6.1 The Association, acting through the Board, shall operate, maintain, repair, and replace those components assigned to the Association by Section 6.2 entitled "Division of Responsibility" herein or contract for the performance of that work, subject to the provisions of the Governing Documents.
- 3.6.2 The Association shall use the general operating fund described in ARTICLE 4 -entitled "Assessments and Collection Procedures" herein to, among other things, acquire and pay for goods and services for the Community.

3.7 Volunteer Protection. No cause of action against a person serving without compensation as a Director, Officer, or committee member of the Association, on account of any negligent act or omission by that person within the scope of that person's duties as a Director acting in the capacity of a Board member, or as an Officer or committee member acting in the capacity of, and within the scope of the duties of, an Officer or committee member, shall be included in a complaint or other pleading unless the court enters an order allowing the pleading that includes that claim to be filed after the court determines that the party seeking to file the pleading has established evidence that substantiates the claim. The court may allow the filing of a pleading that includes that claim following the filing of a verified petition therefor accompanied by the proposed pleading and supporting affidavits stating the facts upon which the liability is based. The court shall order service of the petition upon the party against whom the action is proposed to be filed and permit that party to submit opposing affidavits prior to making its determination. The filing of the petition, proposed pleading and accompanying affidavits shall toll the running of any applicable statute of limitations until the final determination of the matter, which ruling, if favorable to the petitioning party, shall permit the proposed pleading to be filed. Any party may request a hearing before the court prior to the court making a final determination on the petition.

3.8 Limitation of Liability for Damages for Board Members. The Association wishes to encourage volunteer Directors to serve on the Association Board. This limitation of liability provision is intended to supplement other statutes in the law that protect and immunize Directors from liability for certain acts. In the event of a conflict between the law and the provisions stated herein, the law shall govern.

- 3.8.1 No member of the Board (current or former) shall be personally liable for an amount exceeding \$20,000 per Director in any given lawsuit (or related series of lawsuits arising from the same or similar set of facts), where the Director is a named defendant, no matter the number of claimants, to any current or former Owner, or to any other party, for gross negligence or intentional or willful misconduct, and any damages arising therefrom for emotional distress, pain and suffering, or other non-economic losses, including punitive damages, allegedly caused by the Director, the Association, the Board, the manager or any other representative or employee of the Association, or any committee or committee member, or any Officer of the Association, provided that such Director has, upon the basis of such information as may be

possessed by them, acted reasonably and in good faith. The limitation of liability stated herein is not applicable to any claims against Board members where Association insurance is defending and indemnifying the Board member without reservation.

3.9 Notice of Claim as Prerequisite for Pursuing Claims for Damages and/or Other Relief.

3.9.1 At least sixty (60) days prior to instituting any lawsuit against the Association and/or its Directors, Officers, agents or volunteers, for alleged breaches of duty and/or failure to adhere to the Governing Documents of the Association, or for any alleged wrongdoing, including claims for damages as well as equitable relief, arising from the operations of the Association, Owner shall provide prior written notice of their complaints, with sufficient specificity to allow Association and its agents to investigate and evaluate potential liability. Such notice shall be served by Owner on Association's agent for service of process, and the meeting herein shall be deemed to satisfy the Board's duty to meet and confer with Owners pursuant to Applicable Law as to the complaints outlined in the notice of claim.

3.9.2 The Board shall have a period of forty-five (45) days to review the Owner's complaint(s), and to convene a meeting with the complaining Owner to attempt to resolve Owner's complaint(s). Unless otherwise agreed by the parties, the Board shall establish a date, time and place for such meeting with the complaining Owner(s), which meeting shall be within the forty-five (45) days of service of the notice on Association. The notice to Owner of the meeting set by the Board shall include the date, time and place of such meeting, and the notice shall be delivered to Owner no less than ten (10) calendar days before the date of such meeting. No later than fifteen (15) days following the hearing, the Board shall notify the Owner of its proposed resolution, if any, which may provide for a reasonable time period for the Board to cure the issue. Owner's failure to provide the written notice of complaints described above shall be a basis for the immediate dismissal, without prejudice, of any lawsuit, instituted by Owner against Association and/or its Directors, Officers, committee members, or other agents.

3.10 Duty to Mitigate Damages. It is the duty of all Owners, their families, and invitees, to mitigate any damages claimed to arise from negligence or other wrongdoing by Association and/or its Directors, Officers, agents or volunteers, by all reasonable means. If Owners, their families, and invitees fail to mitigate their damages, such failure to mitigate, including complying with Section 3.9 shall be the basis for a court to offset any damage award, including attorneys' fees.

ARTICLE 4 - ASSESSMENTS AND COLLECTION PROCEDURES

4.1 ***Covenant to Pay.***

- 4.1.1 Each Owner by acceptance of the deed to the Owner's Lot is deemed to covenant and agrees to pay to the Association all Assessments described in this Article and all other charges duly levied by the Association pursuant to the provisions of this Restated Declaration.
- 4.1.2 An Assessment and any late charges, reasonable costs of collection, and interest, as assessed in accordance with the provisions of this Article, shall also be a personal debt of each Owner of the Lot at the time the Assessment or other sums are levied.
- 4.1.3 Co-Owners of a Lot shall be jointly and severally liable for all charges levied by the Association on that Lot.
- 4.1.4 No Owner may waive or otherwise escape liability for these Assessments by abandonment of the Owner's Lot.

4.2 ***Purpose of Assessments.*** Except as provided herein, the Association shall levy Assessments sufficient to perform its obligations. The Assessments levied by the Association shall be used exclusively to promote the recreation and welfare of the Owners, for the operation, replacement, improvement, and maintenance of the Community, and to discharge any other obligations of the Association under this Restated Declaration. All Assessment payments shall be put into general operating and reserve funds to be used for the foregoing purposes.

4.3 ***Regular Assessments.***

- 4.3.1 Concurrently with preparation of the financial documents and budget for each fiscal year, the Board shall estimate the net charges to be paid during that next fiscal year, including a reasonable provision for contingencies, replacements and reserves, with adjustments made for any expected income and surplus from the prior year's fund. The resulting amount shall constitute the Regular Assessments for the budgeted year.
- 4.3.2 In the event the Board shall determine that the estimate of total charges for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it shall then immediately determine the approximate amount of such inadequacy and issue a supplemental estimate of the Common Expenses and determine the revised amount of Regular Assessments against each Member, and the date or dates when due.

- 4.3.3 Failure of the Board to estimate the net charges within the time period stated herein shall not void any Assessment imposed by the Board.
- 4.3.4 Regular Assessments for fractions of any semi-annual assessment installment shall be prorated.
- 4.3.5 Each Owner is obligated to pay Assessments to the Association in two equal semi-annual installments due on the first day of March and September, respectively, unless the Board adopts an alternative schedule for payment.

4.4 ***Special Assessments.***

- 4.4.1 If the Board determines that the amount to be collected from Regular Assessments will be inadequate to defray the Common Expenses for the year due to the cost of any construction, unexpected repairs or replacements of Capital Improvements, or any other reason, it shall make a Special Assessment for the additional amount needed, subject to any limitations imposed by Applicable Law or the Governing Documents.
- 4.4.2 Special Assessments shall be levied and collected in the same manner as Regular Assessments.
- 4.4.3 The Board may levy a Special Assessment in one lump sum or in installments over a period of time the Board determines appropriate.

4.5 ***Allocation of Regular and Special Assessments.*** Regular and Special Assessments shall be divided equally among the Lots.

4.6 ***Limitations on Regular and Special Assessments.***

- 4.6.1 Except in emergency situations as defined in 4.6.3, the Board may not, without the approval of Members constituting a majority of the votes cast when a quorum of the Owners is established, impose a Regular Assessment per Lot that is more than seven percent (7%) greater than the Regular Assessment for the preceding fiscal year, or levy Special Assessments that in the aggregate exceed five percent (5%) of the Budgeted Gross Expenses of the Association for that fiscal year.
- 4.6.2 For purposes of this Section, a “quorum” means more than fifty percent (50%) of the Owners of the Association.
- 4.6.3 These limitations shall not apply to Assessment increases that are necessary for emergency situations. An emergency situation is an extraordinary expense necessary to repair or maintain the

Association-Maintained Slopes where a threat to personal safety on the property is discovered.

4.7 **Owner Notice of Regular and Special Assessments.** The Association shall provide notice to the Owners of any increase in the Regular Assessments or the imposition of a Special Assessment not less than thirty (30) days prior to the increase in the Regular Assessment or Special Assessment becoming due.

4.8 **Individual Assessments.**

4.8.1 Subject to the limitations of the Governing Documents and in addition to Regular and Special Assessments, the Board may levy Individual Assessments against Owners and Lots whenever the Association (1) performs any service or accomplishes any item of repair or maintenance which is the duty of any Owner to accomplish, but which has not been accomplished by such Owner, (2) incurs any costs to remedy the effects of the Owner's noncompliance with the Governing Documents, or (3) incurs any costs which by Applicable Law or as required by the Governing Documents must be reimbursed by an Owner.

4.8.2 Such Individual Assessment shall include the cost thereof, together with any financing costs and administrative costs incurred by the Association.

4.8.3 Prior to levying an Individual Assessment, the Board shall provide the Owner with a Notice and Hearing. The Notice and Hearing regarding the levy of an Individual Assessment may be combined with the Notice and Hearing regarding any underlying violation.

4.8.4 Duly levied Individual Assessments shall be subject to the provisions in the Governing Documents regarding costs, late charges and interest for delinquent payment, and may become a lien on the Lot, in the same manner as Regular and Special Assessments.

4.9 **Fines.**

4.9.1 The Board of Directors may levy, subject to the limitations of the Governing Documents, Fines (penalty assessments) against an Owner and their Lot.

4.9.2 In the event the Board of Directors imposes a Fine, that Fine shall be subject to costs, late charges and interest as described in this Article for delinquent payment, and may become a lien on the Lot, collectible by the Association through judicial or nonjudicial foreclosure as allowed in this Article.

4.10 **Costs, Late Charges and Interest.** Late charges may be levied by the Association against an Owner for the delinquent payment of Assessments, including

Fines. An Assessment, including any installment payment, is delinquent thirty (30) days after its due date. If an Assessment is delinquent, the Association may recover all of the following from the Owner:

- 4.10.1 Reasonable costs incurred in collecting the delinquent Assessment, including actual attorneys' fees.
- 4.10.2 A late charge not exceeding ten percent (10%) of the delinquent Assessment or ten dollars (\$10.00), whichever is greater, or the maximum amount allowed by Applicable Law.
- 4.10.3 Interest on the foregoing sums, at a rate of ten percent (10%) per annum, or the highest percentage permitted by Applicable Law, whichever is less, commencing thirty (30) days after the Assessment becomes due.

No late charge may be imposed more than once for the delinquency of the same payment. However, the imposition of a late charge on any delinquent payment shall not eliminate or supersede charges imposed on prior delinquent payments. The amounts delinquent, including the entire unpaid balance and any related costs described herein, may be collected by the Association as provided in this Article.

4.11 **Priority of Payments.** The Board, in its sole discretion, may decide how payments received from Owners will be applied to any outstanding balances due the Association from that Owner.

4.12 **No Offsets.** All Assessments shall be payable in the amounts specified by the Association, and no offsets against such amount shall be permitted for any reasons, including, without limitation, a claim that the Association is not properly exercising its duties of maintenance, operation or enforcement.

4.13 **Enforcement of Assessments and Late Charges.** [Civ. Code § 2924b] A delinquent Assessment, and any related late charges, reasonable costs of collection (including actual attorneys' fees), and interest assessed in accordance with this Article, shall become a lien upon the Lot when a Notice of Assessment Lien is duly recorded as provided in Applicable Law.

- 4.13.1 Unless otherwise provided by statute, the Notice of Assessment Lien shall describe the amount of the delinquent Assessment or installment, the related charges authorized by this Restated Declaration, the legal description of the Lot, the name of the purported Owner, and, if the lien is to be enforced by power of sale under nonjudicial foreclosure proceedings, the name and address of the trustee authorized by the Association to enforce the lien by sale. The Notice may be signed by any Officer or Director of the Association, or any employee or agent of the Association authorized to do so by the Board. The Notice shall be mailed by certified mail to every person whose name is shown as an Owner of the Lot in the Association's records, and the

notice shall be mailed no later than ten (10) calendar days after recordation.

- 4.13.2 Unless otherwise allowed by Applicable Law, the Notice of Assessment Lien may not be recorded until after the Association has mailed, via certified mail, a written demand for payment to the delinquent Owner. The written demand shall comply with the requirements of Applicable Law.
- 4.13.3 If not paid in full within thirty (30) days after recordation of the Notice of Assessment Lien, any lien described herein may be enforced in any manner permitted by Applicable Law, including judicial foreclosure or nonjudicial foreclosure. Any nonjudicial foreclosure shall be conducted by the trustee named in the Notice or by a trustee substituted pursuant to Applicable Law.
- 4.13.4 If all sums specified in the Notice of Assessment Lien are paid before the completion of any judicial or nonjudicial foreclosure, the Association shall (1) record a notice of satisfaction and release of lien, and (2) upon receipt of a written request by the Owner, shall also record a notice of rescission of any recorded notice of default and demand for sale.
- 4.13.5 The Notice of Assessment Lien is not required to be amended by the Association or Trustee to reflect any partial payments made on the account of the delinquent Owner after its recordation, and any such partial payments received shall not be construed to invalidate the Notice of Assessment Lien. The Notice of Assessment Lien may be foreclosed upon as set forth herein even though the delinquent Owner has made one or more partial payments.
- 4.13.6 Notwithstanding any other provision herein, a Fine may not become a lien on a Lot enforceable by the sale of the Lot through nonjudicial foreclosure. Any Notice of Assessment Lien recorded to enforce a Fine must specifically state that such lien may not be enforceable by sale of the Lot through nonjudicial foreclosure.

4.14 **Assignment of Rent.** [Civ. Code § 2938]

- 4.14.1 This assignment is for the purpose of collecting all Assessments, late charges, interest, fines, and costs of collection, including attorneys' fees due to the Association pursuant to this Restated Declaration which are in default. This assignment applies to any lease or rental agreement now existing or hereinafter made.
- 4.14.2 Each Owner does hereby presently assign to the Association, absolutely and regardless of possession of the property, all rents and other monies now due or hereafter to become due under any

lease or rental agreement or otherwise for the use or occupation of any or all parts of any Lot owned by the Owner. The Association hereby confers on each Owner the authority to collect and retain the rents and other monies derived from any such lease or rental agreement as they become due and payable, provided that the Association, at its sole discretion, may revoke such authority at any time, upon written notice to the Owner of a default in the payment of any Assessments due. Upon revocation of such authority, the Association may collect and retain such rental monies, whether past due and unpaid or current.

- 4.14.3 The Association's rights under this Section are in addition to and not in place of, the rights described above to file a lien and foreclose upon a lien. The Association's rights shall be subordinate to the rights of any First Lender.
- 4.14.4 The Association shall only exercise its rights to collect rental monies in compliance with California Civil Code section 2938, as amended from time to time, or any successor statute. Further, the Association shall only exercise this right after filing the lien described above and after providing the Owner with Notice and a Hearing pursuant to any Applicable Laws and the Bylaws.
- 4.14.5 By recordation of this Restated Declaration, each Owner expressly consents to and is bound by this assignment of rents to the Association.

4.15 *Priority of Assessment Lien.* As set forth hereinbelow, the Assessment lien referred to in this Article shall be superior to all other subsequent liens, except (1) all taxes, bonds and governmental Assessments which, by Applicable Law, would be superior thereto, and (2) the lien or charge of any First Mortgage of record. Notwithstanding any other provision to the contrary, the following provisions shall govern the priority and obligation for payment of the Assessment lien:

- 4.15.1 Only the judicial or nonjudicial foreclosure of the First Mortgage shall operate to transfer title free of the Assessment lien or obligation for any Assessment lien, and then only as to payments which became due prior to the date of sale, and excluding those Assessment liens recorded prior to the recording of the First Mortgage.
- 4.15.2 Neither the transfer of a Lot pursuant to a foreclosure of any Mortgage, nor an election by the Association to proceed against any new Owner for payment, shall serve to cancel the personal obligation of the prior Owner for payment of the delinquent Assessments and charges which accrued during such Owner's period of ownership.

- 4.15.3 No sale or transfer of any Lot shall relieve such Lot or its new Owner from liability for any future Assessments which accrue during such Owner's period of ownership.
- 4.15.4 The personal obligation of any Owner for payment of delinquent Assessments and charges may be satisfied, and therefore discharged, only by payment of the entire amount of the delinquent Assessments and charges, whether or not such Owner remains in possession of their Lot.
- 4.15.5 To the extent permitted by Applicable Law, each Owner hereby waives the benefit of any homestead or exemption laws of the State of California now in effect, or in effect from time to time hereafter, to the extent of any liens created pursuant to the Governing Documents, whether such liens are now in existence or are created at any time in the future.

4.16 **Statement of Delinquent Assessment.** The Association shall provide any Owner, upon written request, with a statement specifying the amounts of any delinquent Assessments and related late charges, interest, and costs levied against the Owner's Lot.

ARTICLE 5 - USE RESTRICTIONS AND COVENANTS

5.1 **General.** The use and enjoyment of the Community by Owners and their tenants, guests, invitees or any other person deriving rights from such Owner, shall be subject to the covenants and restrictions contained in the Governing Documents. Each such person shall comply with the provisions in the Governing Documents and be subject to any enforcement actions in the event of violations. As more fully set forth in this Restated Declaration, both the Association, through the Board of Directors, and each Owner shall be entitled to enforce the Governing Documents.

5.2 **Affecting Association Insurance.** No one may perform any act or keep anything on or in any Lot that will increase the Association's rate of insurance without the Board's prior written consent. Further, no Owner shall permit anything to be done or kept on their Lot that would result in the cancellation of insurance on any Lot or on any part of the Slopes or that would violate any law.

5.3 **Alter Slopes.** No one may alter, attach, construct, or remove anything on or from the Slopes, except upon the written consent of the Board.

5.4 **Antennas and Satellite Dishes.** [Federal Telecommunications Act] Exterior antennas and satellite dishes, not exceeding one (1) meter (39.37") in diameter, are permitted, but only in strict compliance with Applicable Laws. Except as permitted by Applicable Law, there shall be no outside television or radio antennae, satellite dishes, masts, poles or flag poles constructed, installed or maintained in the Community for any purpose whatsoever without the prior written consent of the Board. Subject to Section 3.5.2, the Board or Members may adopt Rules restricting the construction, installation, maintenance or replacement of any such equipment as long as such restrictions do not conflict with Applicable Law.

5.5 **Brush and Weeds.** No one may allow brush, weeds, or undergrowth to accumulate upon any Lot so as to render the Lot or any portion of it a fire hazard, unsightly, or detrimental to other Lots.

5.6 **Discharge into Streets or Gutters.** No one may discharge anything other than water and residue allowed by applicable water quality ordinances into the streets, gutters and drains in the Community.

5.7 **Drones.**

5.7.1 No resident, guest or invitee may enter into the airspace above another resident's Lot with a Drone.

5.7.2 No resident, guest or invitee may operate or authorize the operation of a Drone in the airspace above any portion of the Community in such a way as to invade the privacy of Members, guests, residents or vendors, whether equipped with a camera or otherwise.

5.8 **Emissions into the Air.** No one may discharge or cause the emission of any dust, sweepings, dirt, cinders, odors, gases, mold spores, or other substances into the atmosphere other than those caused by normal residential use.

5.9 **Harassment.** No one may engage in any type of harassment, illegal, noxious or offensive activity toward any Owners, residents, Association representatives, management representatives, Board members and/or vendors working in the Community. No person shall attempt to engage Association or management representatives or vendors on any private business of such person, or to otherwise direct, supervise or in any manner attempt to assert control over such Association or management representative or vendor during the hours that such Association or management representative or vendor is working on behalf of the Association.

5.10 **Hazardous Materials.** No one may store any of the following upon a Lot: any substance, material or waste in amounts not intended for ordinary household or automotive use and which is or becomes: (1) regulated by any local or regional governmental authority of the State of California or the United States Government as a hazardous waste; (2) is defined as a "solid waste," "sludge," "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," "non-RCRA hazardous waste," "RCRA hazardous waste," or "recyclable material," under any federal, state or local statute, regulation, or ordinance, including, without limitation, sections 25115, 25117, 25117.9, 25120.2, 25120.5 or 25122.7, 25140, 25141 of the California Health and Safety Code; (3) defined as a "Hazardous Substance" under section 25316 of the California Health and Safety Code; (4) defined as a "Hazardous Material," "Hazardous Substance" or "Hazardous Waste" under section 25501 of the California Health and Safety Code; (5) defined as a "Hazardous Substance" under section 25281 of the California Health and Safety Code; (6) asbestos; (7) petroleum products, including, without limitation, petroleum, gasoline, used oil, crude oil, waste oil, and any fraction thereof, natural gas, natural gas liquefied, methane gas, or synthetic fuels; (8) materials defined as hazardous or extremely hazardous pursuant to the California Code of

Regulations; (9) pesticides, herbicides and fungicides; (10) polychlorinated biphenyls; (11) defined as a "Hazardous Substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.); (12) defined as a "Hazardous Waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; (13) defined as a "Hazardous Substance" or "Mixed Waste" pursuant to Section 101 of the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., and regulations promulgated thereunder; (14) defined as a "Hazardous Substance" pursuant to Section 401.15 of the Clean Water Act, 40 C.F.R. 116; (15) defined as an "Extremely Hazardous Substance" pursuant to Section 302 of the Superfund Amendments and Reauthorizations Act of 1986, 42 U.S.C. Section 11002 et seq.; or (16) defined as "medical waste" pursuant to Section 25023.2 of the California Health and Safety Code, Chapter 6.1 (Medical Waste Management Act).

5.11 ***Leasing or Renting Lot.*** No one may lease or rent a Lot in violation of the following:

- 5.11.1 All leases and rental agreements must be in writing.
- 5.11.2 All leases and rental agreements must be for the entire Dwelling, and not merely parts thereof, unless the Owner remains in occupancy. A carport, garage or parking space may not be leased or rented separate and apart from the Dwelling to which it is appurtenant.
- 5.11.3 No lease or rental shall be for a period of less than thirty (30) days or for hotel, transient, fractionalized ownership interest or time-share purposes.
- 5.11.4 Any Owners leasing or renting their Lot shall promptly notify the Association of the address and telephone number where such Owner can be reached.
- 5.11.5 Each Owner-lessor shall provide any tenant or lessee with a current copy of all Governing Documents and shall be responsible for compliance by the tenant or lessee with all of the provisions of the Governing Documents during the tenant's/lessee's occupancy and use of the Lot.
- 5.11.6 All leases and rental agreements shall be subject in all respects to the Governing Documents, and shall provide that failure to comply with the requirements of the Governing Documents shall constitute a default under the lease which may be cured by eviction of the tenant.
- 5.11.7 All leases and rental agreements shall provide that any failure of a lessee or tenant to comply with the terms of any Governing Document relating to residential leases or property use restrictions shall constitute a default under the lease or rental

agreement and shall entitle the Owner to terminate the tenancy on thirty (30) days' written notice.

- 5.11.8 If any tenant or lessee fails to honor the provisions of any Governing Document, the Association shall be entitled to take such corrective action as it deems necessary or appropriate under the circumstances to preserve the quiet enjoyment of other Owners and residents of the Community. Without limitation, the Association's actions in response to a tenant's violation of the Governing Documents may include the imposition of fines and penalties against the Owner-lessor of the Lot.
- 5.11.9 In the event a tenant or lessee of a Lot fails to comply with the provisions of the Governing Documents then, in addition to all other remedies which it may have, the Association may notify the Owner of such violation(s) and demand that it be remedied through the Owner's efforts within thirty (30) days of such notice. If such violation(s) is not remedied within that thirty (30) day period, then the Owner shall immediately, at their own cost and expense, institute and diligently prosecute an eviction action (unlawful detainer) against his tenant or lessee on account of such violation(s). Such eviction action shall not be compromised or settled without the prior written consent of the Association.

5.12 **Mechanic's Lien.** No labor performed or services or materials furnished with the consent of, or at the request of, an Owner, the Owner's agents or contractors shall be the basis for the filing of a lien against any other Lot or any other Owner in the Community unless that other Owner has expressly consented to or requested the performance of the labor or furnishings of the materials or services. However, express consent shall be deemed to have been given by the Owner of any Lot in the case of emergency repairs thereto. Labor performed or services or materials furnished for the Slopes, if duly authorized by the Association, shall be deemed to be performed or furnished with the express consent of each Owner. The Owner of any Lot may remove their Lot from a lien against two (2) or more Lots or any part thereof by payment to the holder of the lien of the fraction of the total sum secured by the lien which is attributable to the Owner's Lot.

5.13 **Modification to Lot or Dwelling.** No one may modify, construct, build or otherwise alter any portion of a Lot or Dwelling other than as provided in ARTICLE 8 -, below.

5.14 **Offensive Activity.** [Civ. Code § 3479] No one may engage in any illegal, noxious or offensive activity in any part of the Community, engage in any activity that creates an unreasonable annoyance or nuisance to the Community, or do any act which unreasonably threatens the health, safety and welfare of other residents of the Community.

5.15 **Outside Drying and Laundering.** Exterior clotheslines and drying racks may only be erected or maintained in the backyard and there shall be no other exterior drying or laundering of clothes.

5.16 **Owner Responsibility.** Owners shall be responsible for their family members, guests, tenants, contract purchasers, and invitees while in the Community and may be held responsible for any violations of the Governing Documents committed by such persons.

5.17 **Pets.** Pets must be kept within the Owner's Lot or on leash or tether when not on the Owner's Lot.

5.18 **Power Equipment.** No one may set up a hobby shop for commercial purposes, except upon the written consent of the Board. Use of power equipment may be subject to reasonable Rules as to the time and duration of use and the level of noise.

5.19 **Residential Use of Unit.** Lots shall be used for residential purposes only. No Lot may be used for time share purposes, or any other similar transitory use through fractionalized ownership or any other similar arrangement. Lots are intended to be used as a primary residence. A Lot may be used for in-home professional or administrative occupations or similar home office use so long as only minimal external evidence is observable, and if: (1) such occupations are merely incidental to the use of the Lot as a residence, and (2) the occupation is conducted in conformity with any Applicable Law and the Rules.

5.20 **Signs.** [Civ. Code §§ 712, & 713] No one may erect or display any sign on or from any Lot except as allowed by Applicable Law and the Rules. Notwithstanding the foregoing, Owners may place on their Lot one sign not larger than 18" x 24" advertising a Lot for sale, lease, or exchange. Owners may place on their Lot political signs not larger than 18" x 24" for two months prior to each public election. Such signs must be removed the day after the applicable election. Owners may place on their Lot one contractor's sign not larger than 18" x 24" while construction work approved under ARTICLE 8 is in progress. Such contractor's sign must be removed within one week after completion of construction. Owners may place signs on their Lot stating that the property is protected by an alarm system. Such signs must be provided by a professional alarm company. Owners may also place a neighborhood watch sign on their Lot. No signs may be erected or displayed on the Slopes without the prior written approval of the Board.

5.21 **Solar Installation.** Owners may install solar energy systems on their Lots subject to receiving approval from the Association and provided they do so in strict compliance with any reasonable Rules adopted by the Members or the Board and Applicable Law.

5.22 **Subdividing Lot.** No one may attempt to further subdivide a Lot.

5.23 **Trash.** No one may allow rubbish, trash, recycling and garbage to accumulate within the Lot. Trash and recyclables must be placed in the appropriate receptacles and out of view of the street, except the day before through the day after the scheduled day of collection.

5.24 **Vehicle Maintenance.** Except for minor maintenance and repair, no one may perform any vehicle overhaul, repair, or non-emergency maintenance on any Lot within the Community other than in a fully enclosed garage.

5.25 **Vehicle Use and Parking.** Parking in the Community is limited and all Owners and residents are encouraged to park vehicles within their garage. Parking on any Lot within the Community is subject to the following:

5.25.1 The following vehicles are Authorized Vehicles: standard passenger vehicles, including automobiles, passenger vans designed to accommodate ten (10) or fewer people, golf carts, motorcycles and pick-up trucks. The Association has the power to identify additional vehicles as Authorized Vehicles in the Rules to adapt this restriction to all types of vehicles produced by manufacturers.

5.25.2 Authorized Vehicles may be parked only in portions of the Community intended for parking of motorized vehicles, subject to the Rules.

5.25.3 The following vehicles are Restricted Vehicles:

(a) Commercial-type vehicles (e.g., stake bed trucks, tank trucks, dump trucks, step vans, concrete trucks and limousines). Commercial vehicles shall not include sedans or standard size pickup trucks which are used both for business and personal use, provided that any signs or markings of a commercial nature on such vehicles shall be unobtrusive and inoffensive as determined by the Board of Directors,

(b) Buses or vans designed to accommodate more than ten (10) people,

(c) Vehicles having more than two (2) axles,

(d) Trailers,

(e) Inoperable vehicles or parts of vehicles,

(f) Unregistered vehicles,

(g) Aircraft or watercraft,

(h) Any vehicle, including attachments, that is more than ten (10) feet tall or twenty-three (23) feet long,

5.25.4 Restricted Vehicles may not be parked overnight, stored or kept on any Lot within the Community unless they are parked within an Owner's fully enclosed garage with the door closed.

5.25.5 If a vehicle qualifies as both an Authorized Vehicle and a Restricted Vehicle, then the vehicle is presumed to be a Restricted Vehicle, unless the vehicle is expressly classified as an Authorized Vehicle in writing by the Board. The Association has the power to identify additional vehicles as Restricted Vehicles in the Rules to adapt this restriction to all types of vehicles produced by manufacturers.

5.25.6 Subject to Section 3.5.2, the Members or Board may adopt reasonable Rules in compliance with this Section governing the operation, maintenance, storage and parking of any vehicle, including trucks, campers, trailers, boats or commercial vehicles in the Community, including the streets, garages, and driveways.

5.26 **Disposal of items.** Unwanted items may not be disposed by placing them upon any Lot to be taken by the general public, except pursuant to a scheduled pick-up. This restriction does not apply to recently harvested fruit and vegetables, books, or similar items that the Board may determine to be in the Community's interest.

5.27 **Wells** No wells for the production of, or from which there is produced water, oil or gas shall be operated upon any Lot; nor shall any machinery, appliance or structure be placed, operated or maintained thereon for use in connection with any trading, manufacturing or repairing business. No mining or quarrying operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon any Lot.

5.28 **Livestock** No farm animals, livestock, poultry or fish of any kind shall be raised, bred or kept on any Lot, except that dogs, cats, or other common household pets and fish or tropical fish may be kept provided that they are not kept, bred or maintained for any commercial purposes or in unreasonable quantities, and provided that they do not become a nuisance to the Owners or occupants of any Lot.

5.29 **Temporary Structures** No tents, shacks, trailers, basement, garage or outbuildings shall at any time be used on any Lot as a residence, either temporarily or permanently; nor shall any residence of a temporary character be constructed, placed or erected on any Lot. Backyard tent camping for up to 7 consecutive days is allowed.

ARTICLE 6 - REPAIR AND MAINTENANCE

6.1 **General; Standards of Maintenance.** The Association and all Owners are required to fulfill the maintenance requirements imposed by the Governing Documents. For purposes of this Article, "maintenance" shall include, without limitation, painting, weatherproofing and cleaning to keep Improvements in a clean, safe, properly ventilated, watertight, dry and sanitary condition necessary to preserve the attractive appearance of the Lots, Dwellings, and the Community, and protect the values thereof. The Improvements on the Lots shall be kept in good condition and repair and landscaping shall be neatly trimmed, properly cultivated and free of trash, weeds and other unsightly material. Landscaping must be installed and maintained. Subject to Section 3.5.2, the

Members and the Board shall each have the power to enact Rules to determine the standards of such maintenance.

6.2 **Division of Responsibility.** The allocation of responsibility for various components in the Community is set forth below.

- 6.2.1 Each Owner shall be responsible for the maintenance, repair and replacement of their Lot, with the exception of Association-Maintained Slopes.
- 6.2.2 Notwithstanding the foregoing, the Owner of a Dominant Tenement is responsible for maintaining, repairing, and replacing landscaping located in the appurtenant Side-Yard Easement.
- 6.2.3 Except as otherwise provided in the Governing Documents, the costs of maintenance, repair and replacement shall be borne by the party responsible for the maintenance, repair and replacement.
- 6.2.4 No Owner shall have a claim against the Association if the Owner performs or pays for any work ordinarily the responsibility of the Association unless the Board agrees in advance that the Owner may perform the work and receive reimbursement from the Association.

6.3 **Owner Improvements.** Each Owner shall be responsible for the maintenance, repair, and replacement of any Improvements installed or planted anywhere within the Community by the Owner, any resident in the Owner's Dwelling, or the Owner's predecessor in interest. The Owner is also responsible for any damages to the Slopes caused by such installation, maintenance, use, or repair. Installation of any Improvement within the Community is subject to the architectural review provisions in Article 8. Any unauthorized Improvement on the Slopes shall be considered a trespass and shall give the Board the right to remove the unauthorized Improvement summarily and without compensation to the party who installed it.

6.4 **Failure to Maintain.** If an Owner fails to maintain, repair or replace the areas described herein pursuant to the standards set by the Board, the Board may notify the Owner of the work required and request that the same be done within a reasonable time from the giving of such notice. If the Owner fails to complete such maintenance within said time period, the Board may, following a Notice and Hearing, cause such work to be done and the cost thereof shall immediately be paid by such Owner to the Association and until paid shall bear interest at the rate of ten percent (10%) (but no greater than the maximum rate authorized by Applicable Law). The Association shall have an easement over the Lots pursuant to the Article entitled "The Community" herein for the purpose of performing the work described herein.

6.5 **Termite Control.** The responsibility for control of wood destroying pests or organisms shall be as follows:

- 6.5.1 Each Owner shall be responsible for the maintenance and repair of their personal property, their Dwelling and any other Improvements as required to control the presence of or damage caused by wood-destroying pests or organisms.
- 6.5.2 The Association shall be responsible for the maintenance and repair of the Association-Maintained Slopes, as required to control the presence of or damage caused by wood destroying pests or organisms. The Board shall determine the method and timing of any treatment in its sole discretion.
- 6.5.3 Neither the Association, the Board, Officers, agents nor employees shall have any liability, absent gross negligence, to any Owner, family member, guest, invitee or tenant for any damage caused by the treatment.

6.6 **Limitation of Liability.** The Association shall not be liable to any Owner or their tenants, guests or others, for damage to or loss of any property, or the cost of repair or replacement of any damaged property or portions of such Owner's Lot unless such damage is caused by the gross negligence of the Association, its Board, Officers, agents or employees.

6.7 **Slope Maintenance.** The Association shall maintain landscaping on Association-Maintained Slopes. The Association's maintenance obligation for Association-Maintained Slopes shall include preservation of tree count, tree health, and tree character. The Association shall maintain irrigation on Association-Maintained Slopes, which includes the use of water-efficient landscape techniques. The Board of Directors may decide, in its sole discretion, the level of maintenance required.

ARTICLE 7 - DELETED.

ARTICLE 8 - ARCHITECTURAL AND DESIGN CONTROL

8.1 **General.** Any Improvement exterior to a Dwelling shall be governed by this Article. Improvements on the Slopes by the Association do not need to comply with the requirements of this Article. The powers and duties set forth in this Article shall be vested in, and exercised by, the Board. The Board shall establish an Architectural Committee as provided herein to review and approve or reject architectural submittals.

8.2 **General Modifications Requiring Prior Approval.** Nothing may be erected, placed or planted exterior to any Dwelling, nor may any excavation or demolition commence without the prior written approval of the Architectural Committee in accordance with this Article, except as provided in Section 8.4 below.

8.3 **Specific Modifications.** The following provisions govern the specific changes and modifications listed below:

- 8.3.1 Modifications or alterations exterior to any Dwelling to facilitate handicapped access as provided by Applicable Law must have the prior written consent of the Architectural Committee.

- 8.3.2 Only one single-family residence may be built on each Lot. No accessory dwelling units or junior accessory dwelling units may be built.
- 8.3.3 No hedge shall be allowed to grow over 36 inches tall within 15 feet of the rear building pad boundary at the top of a Slope.
- 8.3.4 Other than fences, no permanent structure over 36 inches tall shall be installed within 15 feet of the rear building pad boundary.
- 8.3.5 Not more than 50% of any Lot may be covered with structures or impervious paving materials.
- 8.3.6 No structure may exceed 16 feet in height without the prior written consent of the Architectural Committee.
- 8.3.7 Roof pitch must be between 3 in 12 and 5 in 12. Flat sections may be permitted only for small accent features.
- 8.3.8 Rock roofs and composition shingles are prohibited.
- 8.3.9 Color selection for exterior surfaces (including roofs and fences) is subject to approval by the Architectural Committee.
- 8.3.10 Window size and placement on Servient Tenements must respect the privacy of the Dominant Tenement.
- 8.3.11 No door may be built in any Servient Tenement that provides access to the easement area of any Dominant Tenement.
- 8.3.12 Decks must not exceed floor level and must respect the privacy of neighbors.
- 8.3.13 Air conditioning units must be screened from street and neighbors' view.
- 8.3.14 Fences shall not exceed 36 inches in the front-yard setback or 72 inches elsewhere. Chain-link fences may not be installed.
- 8.3.15 Fences within 15 feet of the rear building pad boundary at the top of a Slope must be see-through for any portion exceeding 36" in height.

8.4 ***Architectural Changes Not Requiring Prior Approval.*** Notwithstanding Sections 8.2 and 8.3 above, no permission or approval shall be required for an Owner to alter Improvements on their Lot in any of the following ways:

- 8.4.1 Altering the interior of a Dwelling; provided such alteration does not impair the Slopes, any utilities or systems servicing the Slopes, or other Lots.

- 8.4.2 Maintaining the appearance of existing structures and landscaping, including like-with-like replacement and repainting in the same color scheme.
- 8.4.3 Painting the interior of a Dwelling or its front door any color.
- 8.4.4 Painting any exterior surface white, beige, cream, taupe, light sage, light peach, pale yellow, wheat, light brown, or light gray.
- 8.4.5 Painting exterior trim, fascia, window casings, doors, or fences patina green, forest green, evergreen, olive, medium brown, or dark brown.
- 8.4.6 Painting fences black.

8.5 ***Procedure for Obtaining Approval of Architectural Changes.*** The procedure for obtaining approval of any architectural change shall be as follows:

- 8.5.1 The requesting Owner must submit a complete Request for Architectural Improvement form to the Architectural Committee describing the nature, size, height, color, and location of any proposed Improvements.
- 8.5.2 The Architectural Committee shall review the submission and approve or disapprove of any such submission within thirty (30) days after receipt of the complete submission, and provide a written response to the requesting Owner, including an explanation of the reasons for any disapproval.
- 8.5.3 In the event the Architectural Committee fails to provide a written response to the requesting Owner within thirty (30) days after receipt of the request from the Owner, the Owner may notify the Architectural Committee in writing that a response has not been received. If the Architectural Committee fails to respond within thirty (30) days of the receipt of the notice, approval will not be required and the related covenants shall be deemed to have been fully satisfied, so long as the proposed Improvement does not violate any requirements of the Governing Documents or Applicable Law.
- 8.5.4 Once an Owner has obtained approval for an architectural submittal, work on such approved submittal shall commence within one year of the Architectural Committee's approval and must be completed within the time-frame that may be specified by the Architectural Committee. The Owner's failure to commence or complete the work by the times set forth above shall operate to invalidate the Architectural Committee's approval.

8.5.5 No work for which approval is required shall be deemed to be approved simply because it has been completed without a complaint, notice of violation or commencement of a suit to enjoin such work.

8.6 **Standard of Architectural Review.** An architectural submittal made by an Owner shall be reviewed for conformity with the Governing Documents. Additional factors to be considered include, but are not limited to, the quality of proposed workmanship and the location of the Improvement in relation to surrounding structures, topography, and finish grade elevation.

8.7 **Architectural Committee.** The Architectural Committee shall consist of three (3) members, formed as follows:

8.7.1 The Board shall have the right to appoint all of the members of the committee.

8.7.2 Members appointed to the committee by the Board need not be Members of the Association, but shall have suitable skills in architecture, engineering, or development and at least two must reside within the Community.

8.7.3 Members shall be appointed for three-year terms. All members of the committee may be removed by the Board at any time with or without cause.

8.7.4 The committee shall meet as often as it deems necessary to properly carry out the obligations imposed upon it, unless otherwise directed by the Board.

8.7.5 The vote or written consent of the majority of the committee shall be required for any recommendation.

8.8 **Compensation.** The members of the Board and Architectural Committee shall receive no compensation for services rendered, other than reimbursement by the Association for expenses incurred by them in the performance of their duties hereunder. However, the Board may hire an architect or other professional to consult with the committee, and the Association may compensate the architect or professional for services rendered to the Association.

8.9 **Liability.** Neither the Board, the Architectural Committee nor any member thereof shall be liable to the Association or to any Owner for any damage, loss or prejudice suffered or claimed on account of: (1) the approval or disapproval of any plans, drawings and specifications, whether or not defective; (2) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications; or (3) the development of any property within the neighborhood; provided, however, that such member has acted in good faith on the basis of such information as may be possessed by them.

8.10 Effect of Owner-Installed Improvements. This Section shall apply to all Improvements installed on any Lot or elsewhere in the Community, either by a current or former Owner or by that Owner's family members, agents, tenants, or anyone exercising the Owner's powers, and without regard to whether the Owner first complied with the requirements of this Article, including without limitation, the requirement for seeking and obtaining prior written approval before installing any such Improvements.

8.10.1 Owner shall pay all costs and expenses incurred in the construction and installation of any such Improvements, and shall be fully responsible for the maintenance, repair and replacement of such Improvements. Each Owner shall be responsible for any damages to persons, property or otherwise which result from the construction, maintenance, use or continued existence of such Improvements and shall hold the Association free and harmless from any and all costs and expenses attributable to the construction, installation, maintenance, repair, or replacement of such Improvements or to their continued existence or use. The Association shall have no responsibility either for securing or maintaining insurance for any such Improvements.

8.10.2 Each Owner covenants and agrees that any such Improvements shall be constructed in strict compliance with the plans and specifications and in the exact location approved by the Association, if so approved, and shall be maintained in good condition and repair in accordance with generally accepted construction, maintenance and repair practices, and shall comply with all Applicable Laws. Owner shall be obligated to obtain any necessary building permits and inspections and to verify compliance with all requirements imposed by law. The Association's approval of any such Improvements, if given, is limited to an approval based solely on the criteria contained in the Governing Documents and does not include a review for compliance with Applicable Laws.

8.10.3 All such Improvements shall be subject to the jurisdiction of the Association, acting through the Board, and to the Governing Documents; and shall be subject to an easement in favor of the Association to perform its duties under the Governing Documents. As such, each Owner shall pay all costs and expenses incurred in removing and replacing the Improvements, if such removal is required by the Association, in its sole discretion, to perform its maintenance and repair responsibilities under the Governing Documents. The Association shall exercise such discretion reasonably and not arbitrarily.

8.10.4 Owner shall defend, indemnify and hold harmless the Association, its Members, Board, Officers, agents and employees from and against any and all injuries, damages, causes of action or claims which may exist or be instituted against any or all of said

parties because of, or in any manner arising from or connected with, the granting of written confirmation of approval for any Improvements, the power to grant and confirm such approval in writing, or the construction, maintenance, repair, replacement, existence or use of any such Improvements.

- 8.10.5 Each Owner releases Association, its Members, Board, Officers, agents and employees from any duty or obligation to pay, or otherwise be responsible, for the cost of construction, maintenance, repair or replacement of any such Improvements, and releases said parties from any and all claims, injuries, damages and causes of action which may arise as a result of the construction, maintenance, repair or replacement of the Improvements or the continued existence or use of the Improvements.
- 8.10.6 If any Owner fails to construct, maintain or use such Improvements in accordance with any architectural approval granted by the Association and according to the terms of this Article, the Association shall have the power, at Owner's expense, either to maintain, repair or replace the Improvements or to remove the Improvements, in the Association's sole discretion.
- 8.10.7 The Association shall have the power, but not the obligation, unilaterally to record a document against the title to Owner's Lot identifying the nature, description and location of any Improvements installed by Owner, whether installed with or without the Association's approval, to put subsequent Owners on notice of their duties and obligations with respect to such Improvements under this Article.

8.11 **Enforcement.** In addition to other enforcement remedies set forth in this Restated Declaration, the Board shall have enforcement rights with respect to any matters required to be submitted to and approved by the Architectural Committee, and may enforce such architectural control by any proceeding at law or in equity in accordance with this Section.

- 8.11.1 The Board shall have the authority to order an abatement of any construction, alteration or other matter for which approval is required, to the extent that it has not been approved by the Architectural Committee, or if it does not conform to the plans and specifications submitted to the Architectural Committee.
- 8.11.2 The Board may periodically enter any Lot to ensure that construction is proceeding according to any approved plans.
- 8.11.3 If the Owner fails to remedy any noticed noncompliance within the time specified by the Architectural Committee, the Board shall

provide Notice and Hearing regarding the alleged noncompliance.

- 8.11.4 At the hearing, the Owner and, in the Board's discretion, any other interested person may present information relevant to the question of the alleged noncompliance. After considering all such information, the Board shall determine whether there is a noncompliance.
- 8.11.5 If a noncompliance is determined to exist, the Board shall require the Owner to remedy or remove the same within such period or within any extension of such period as the Board, at its discretion, may grant.
- 8.11.6 If the Owner fails to take corrective action after having a reasonable opportunity to do so, the Board at its option, may pursue all legal and equitable remedies available to remedy or remove the non-complying Improvement, and the Owner shall reimburse the Association for all expenses incurred in connection therewith upon demand. If such expenses are not properly repaid by the Owner to the Association, the Board may recover such expenses through the levy of an Individual Assessment against such Owner.
- 8.11.7 The approval by the Architectural Committee of any plans, drawings or specifications for any work or Improvement done or proposed, or for any other matter requiring the approval of the Architectural Committee under this Restated Declaration, or any waiver thereof, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval by the same or some other Owner. Different location for Improvements, the size of the structure, proximity to other Dwellings or the Slopes and other factors may be taken into consideration by the Architectural Committee in reviewing a particular submittal.
- 8.11.8 Notwithstanding any other provisions herein, the Board of Directors shall have the authority to obtain a restraining order or injunction at any time after discovery that work is proceeding without approval of the Architectural Committee or in a manner that is different than that approved by the Architectural Committee if the Board deems such action necessary to protect the Association's interests.

8.12 Noncompliance with Applicable Laws. Neither the Association, the Board, nor the Architectural Committee shall be responsible for any noncompliance with any Applicable Law of any Improvement erected, constructed, installed, placed, altered or maintained in accordance with or pursuant to any plans and specifications approved

by the Architectural Committee or any defect in any conditions or requirements they may have imposed with respect thereto.

8.13 **Governmental Approval.** Prior to commencing any alteration or Improvements approved by the Architectural Committee, the Owner shall comply with all Applicable Laws. The Association shall not be obligated to enforce the provisions of this Section. Approval by the Architectural Committee shall not be considered to satisfy any Applicable Law, nor shall the approval of any governmental entity be considered to satisfy the requirement of Architectural Committee approval. An Owner's failure to comply with any Applicable Law may subject such Owner to certain penalties imposed by the governmental entity, notwithstanding the approval of the Architectural Committee, which penalties shall be the responsibility of such Owner. Each Owner, by accepting a deed to their Lot, agrees to reimburse the Association for any loss resulting from the violation of any Applicable Laws.

8.14 **Conflicts Between Applicable Law and Association.** In the event of any conflict between any Applicable Law and the Association's Governing Documents or other requirements, the more restrictive of such conditions shall be controlling. Further, nothing herein shall limit the Association from imposing conditions of approval of any proposed Improvements which are more restrictive than any Applicable Law.

ARTICLE 9 - INSURANCE

9.1 **General Liability Insurance.** The Association shall obtain and maintain a policy or policies insuring the Association, its Officers, Directors, agents and employees, and the Owners against any liability for bodily injury, death, and property damage arising from the activities of the Association and its Members, with respect to the Slopes and any Lots owned by the Association. Limits of liability under the insurance shall not be less than \$2 Million covering claims for wrongful death, bodily injury, and property damage arising out of a single occurrence.

9.2 **Directors and Officers Liability Insurance.** The Association shall obtain and maintain one or more policies of insurance which include coverage for individual liability of Officers and Directors of the Association and for members of the Architectural Committee for negligent acts or omissions of those persons acting in their capacity as Officers and Directors or members of the Architectural Committee or at the direction of Officers and Directors or members of the Architectural Committee. Limits of liability under this insurance shall be determined by the Board at its sole discretion.

9.3 **Fidelity Coverage.** The Association shall purchase and maintain fidelity coverage for any person or entity handling funds of the Association, whether or not such persons or entities are compensated for their services. If an agent handles Association funds, such agent shall be covered by the Association's coverage. The Association's coverage may be in the form of a separate bond, a separate policy (e.g., crime policy), or may be added by endorsement to the general policies carried by the Association. The amount of coverage shall be equal to or more than the combined amount of the reserves plus total assessments for three months. The coverage must include computer fraud and funds transfer fraud. The fidelity coverage must contain a provision that it may not be

cancelled or substantially modified without at least ten (10) days' prior written notice to the Association.

9.4 **Other Association Insurance.** The Association shall purchase and maintain worker's compensation insurance to the extent necessary to comply with any Applicable Laws. The Association may purchase such other insurance that the Board considers necessary or advisable, including earthquake insurance coverage.

9.5 **Separation of Insureds.** Any liability policy obtained by the Association shall provide for a separation of insureds such that the insurance will apply as if each insured were the only insured.

9.6 **Waiver of Subrogation.** The Association and the Owners covenant and agree that all casualty insurance carried by the Association or the Owners shall contain provisions whereby the insurer waives rights of subrogation as to the Association, Directors, Officers and Owners and their respective family members.

9.7 **Review of Insurance; Notice of Cancellation or Modification.** The limits and coverage of insurance carried by the Association shall be reviewed at least annually by the Board and increased or decreased in its discretion. Such policies shall include a provision for at least ten (10) days' prior written notice to the Association, and, if available, to each First Lender which is listed as a scheduled holder of a First Mortgage in the insurance policy, of any cancellation or substantial modification by any party.

9.8 **Qualifications of Insurance Carriers.** The Association shall use generally acceptable insurance carriers from which to purchase and maintain the coverage required herein, preferably from carriers that are admitted to sell insurance in the State of California to the extent such insurance is available at a reasonable premium cost.

9.9 **Failure to Acquire Insurance.** The Association, and its Directors and Officers, shall have no liability to any Owner or Lender if, after a good faith effort, it is unable to obtain any insurance required hereunder, because the insurance is no longer available or, if available, can be obtained only at a cost that the Board in its sole discretion determines is unreasonable under the circumstances, or Association Members fail to approve any Assessment increase needed to fund the insurance premiums. In such event, the Board immediately shall notify each Member and any Lender entitled to notice that the specific insurance will not be obtained or renewed.

The Association, and its Directors and Officers, shall also have no liability to any Owner or Lender if it does not obtain any of the insurance referenced hereunder which is not required but may be obtained at the discretion of the Association. The Board may, in good faith in its sole discretion, determine that obtaining any of the discretionary insurance is unreasonable or unnecessary under the circumstances. In making a determination as to whether to acquire any such discretionary insurance, the Board may, but is not required to, base its decision upon, among other things, a vote of the Owners.

9.10 **Trustee for Policies.** The Association, acting through its Board, is appointed and shall be deemed trustee of the interests of all named insureds under all insurance policies purchased and maintained by the Association. All insurance proceeds

under any of those policies shall be paid to the Board as trustee. If applicable, the Board shall use the proceeds for the repair or replacement of the property for which the insurance was carried. The Board also is authorized to negotiate loss settlements with the appropriate insurance carriers, to compromise and settle any claim or enforce any claim by any lawful action, and to execute loss claim forms and release forms in connection with such settlements.

9.11 **Insurance Premiums.** Insurance premiums for any insurance coverage obtained by the Association shall be a Common Expense.

9.12 **Insurance Policy Deductibles.** The Board of Directors shall have the power, in its sole discretion, to determine the amount of any deductible applicable to any insurance policy carried by the Association.

9.13 **Owner Notification of Insurance.** [Civ. Code §§ 5300 & 5810] The Association shall disclose such information regarding insurance coverage as and when required by any Applicable Law. Failure to disclose such information shall not impose any liability upon the Association or Board other than that provided for in such Applicable Law.

ARTICLE 10 - DAMAGE OR DESTRUCTION

10.1 **Duty to Restore Lot.** If all or any portion of any Lot or Dwelling is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner of such Lot to rebuild, repair, reconstruct, or raze the Dwelling, and repair or reconstruct the landscaping and associated irrigation in a manner which will restore it substantially to its appearance and condition immediately prior to the casualty or as otherwise approved by the Board. The Owner of any damaged Lot or Dwelling and the Board shall be obligated to proceed with all due diligence hereunder, and such Owner shall mitigate any danger presented by such damage or destruction and thereafter cause reconstruction to commence within three (3) months after the damage occurs and be completed within one (1) year after damage occurs, unless prevented by causes beyond their reasonable control.

10.2 **Duty to Restore Association-Maintained Slopes.** If all or any portion of the Association-Maintained Slopes are damaged or destroyed, they must be repaired or replaced promptly by the Association unless:

- 10.2.1 The Community is terminated.
- 10.2.2 Repair or replacement would be illegal under an Applicable Law.
- 10.2.3 The damaged or destroyed portion of the Community is deannexed in accordance with Section 2.3, above.

10.3 **Cost of Repair.** Any cost of repair or replacement of the Association-Maintained Slopes in excess of insurance proceeds and reserves shall be a Common Expense, levied against Lots as a Special Assessment. If Owner approval is required by the Governing Documents or Applicable Law for the Special Assessment and the Owners do not approve the Special Assessment, the Association shall not be obligated to repair

or replace the Association-Maintained Slopes to their original condition and may instead make whatever repairs are possible with the funds available.

10.4 **Repair Plans.** Subject to Section 10.3 above, the Association-Maintained Slopes must be repaired and restored substantially in accordance with the character of other Association-Maintained Slopes within the Community. Significant changes to the landscaping design require the approval of a majority of Owners. Notwithstanding the foregoing, the Association need not replace each individual tree with another tree of the same or similar species, as long as the total number of trees on an Association-Maintained Slope is restored. Updates to conform to currently applicable building codes and current industry standards shall be deemed to be repairs and restoration in accordance with the character of other Association-Maintained Slopes.

10.5 **Insurance Proceeds.** An insurance trustee appointed by the Board or insurance company, or if there is no trustee, then the Board, acting as provided in Section 9.10, shall hold any insurance proceeds in trust for the Association, Owners and Lenders. Subject to the provisions of this Restated Declaration, the proceeds shall be disbursed first for the repair or restoration of the damaged property. The Association shall receive any excess proceeds left after restoration or repair of the damaged property. The Owners and Lenders are not entitled to receive payment of any portion of the excess proceeds unless the Community is terminated.

10.6 **Disbursements to Owners and Lenders for Damages to Lots.** In the event of damage to or destruction of the Improvements on more than one Lot, any insurance proceeds from an Association insurance policy shall be distributed to Owners and Lenders proportionately according to the ratio of the insured loss on each Lot to the total insured loss to all Lots at the time of the destruction as determined by the insurance carrier adjusting the loss. Any insurance proceeds shall be used for repair and restoration of the damaged Lots and Dwellings.

10.7 **Disbursements to Owners and Lenders if Community is Terminated.** If the Community is terminated, any insurance proceeds distributed to Owners and Lenders shall be distributed in proportion to the amount of the insured loss on each Owner's Lot as determined by an independent insurance adjuster. That determination shall be performed by an independent insurance adjuster who shall be selected by the Board and who shall either be a member of, and apply the standards of, a nationally recognized insurance adjusting organization or shall have at least fifteen (15) years of experience in adjusting residential insurance claims.

10.8 **Certificates By Board.** The trustee, if any, may rely on the following certifications in writing made by the Board:

- 10.8.1 Whether or not damaged or destroyed property is to be repaired or restored; and
- 10.8.2 The amount or amounts to be paid for repairs or restoration and the names and addresses of the parties to whom such amounts are to be paid.

10.9 **Certificates by Attorneys or Title Insurance Companies.** If payments are to be made to Owners or Lenders, then the Board and the trustee, if any, shall obtain and may rely on a title insurance company's or attorney's title certificate or a title insurance policy based on a search of the Official Records of the County Recorder, stating the names of the Owners and the Lenders.

ARTICLE 11 - DELETED.

ARTICLE 12 - RIGHTS OF LENDERS

12.1 **General.** No breach of any of the covenants, conditions and restrictions herein contained, nor the enforcement of any lien provisions herein, shall render invalid the lien of any First Lender on any Lot made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise.

12.2 **No Right of First Refusal.** This Restated Declaration neither contains nor shall be amended to contain any provision creating a "right of first refusal" to the Association before a Lot can be sold. Should any such rights nevertheless be created in the future, such rights shall not impair the rights of any First Lender to: (1) foreclose or take title to a Lot pursuant to the remedies provided in the mortgage, (2) accept a deed (or assignment) in lieu of foreclosure in the event of a default by a Borrower, or (3) sell or lease a Lot acquired by the Lender.

12.3 **Unpaid Dues or Charges.** Where the Lender of a First Mortgage of record or other purchaser of a Lot obtains title to the same pursuant to the remedies in the Mortgage or as a result of foreclosure, such acquirer of title, their successors and assigns, shall not be liable for the share of the Common Expenses or Assessments made by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such acquirer. Such unpaid share of Common Expenses or Assessments shall be deemed to be Common Expenses collectible from all of the Lots, including such acquirer, their successors and assigns.

12.4 **Priority of Distribution of Proceeds or Awards.** Any other provision herein contained to the contrary notwithstanding, no provision of the Governing Documents shall give an Owner, or any other party, priority over any rights of the First Lender pursuant to its Mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation awards.

12.5 **Notification of Lender.** Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the Lot number or address, any Eligible Lender will be entitled to timely written notice of:

- 12.5.1 Any default in the performance by an Owner of any obligation under the Governing Documents not cured within sixty (60) days; and
- 12.5.2 Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

12.6 **Inspection of Documents, Books and Records.** The Association shall make available to Eligible Lenders current copies of the Governing Documents and the accounting books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

12.7 **Non-Curable Breach.** Any Lender who acquires title to a Lot by foreclosure or by deed in lieu of foreclosure or assignment in lieu of foreclosure shall not be obligated to cure any breach of this Restated Declaration that is non-curable or of a type that is not practical or feasible to cure.

12.8 **Loan to Facilitate.** Any First Mortgage given to secure a loan to facilitate the resale of a Lot after acquisition by foreclosure or by a deed in lieu of foreclosure or by an assignment in lieu of foreclosure shall be deemed to be a loan made in good faith and for value and entitled to all of the rights and protections of this Article.

12.9 **Lenders Furnishing Information.** Any Lender shall be entitled and authorized to furnish information to the Board concerning the status of any Mortgage.

12.10 **Financial Statement.** Any First Lender shall be entitled, on written request therefor, to have the Association provide a review of the financial statement for the immediately preceding fiscal year, which statement shall be furnished within a reasonable time following such request.

ARTICLE 13 - ENFORCEMENT

13.1 **Right to Enforce; Remedies.** [Corp. Code § 7231] 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 by the Governing Documents. Each remedy provided in this Article, this Restated Declaration and under Applicable Law shall be considered cumulative and not exclusive.

13.2 **Board Discretion Whether to Enforce.** [Corp. Code § 7231] In deciding whether to take any action to enforce the restrictions, conditions, covenants, reservations, liens and changes in the Governing Documents, the Board may exercise its discretion using the business judgment rule of Corporations Code section 7231.

13.3 **Nuisance.** [Civ. Code § 3479] The result of every act or omission, whereby any provision, condition, restriction, covenant, easement, or reservation contained in the Governing Documents is violated in whole or in part, is declared to be and constitute a nuisance, and every remedy allowed by Applicable Law or equity against a nuisance, either public or private, shall be applicable against every act or omission or incident resulting in a nuisance and may be exercised by any Owner and the Association.

13.4 **Failure to Enforce.** Failure by the Association or any Owner to enforce any provisions of the Governing Documents shall in no event be deemed a waiver of the right to do so thereafter.

13.5 **Nonwaiver of Remedies.** Each remedy provided for in this Restated Declaration is separate, distinct, and nonexclusive. Failure to exercise a particular remedy shall not be construed as a waiver of the remedy.

13.6 **Violation of Applicable Law.** Any violation of any Applicable Law pertaining to the ownership, occupancy or use of any Lot within the Community is declared to be a violation of this Restated Declaration and subject to any or all of the enforcement procedures herein set forth.

13.7 **Compliance with Applicable Law.** [Corp. Code § 7231] All activities to enforce the provisions of the Governing Documents shall be conducted in accordance with all Applicable Laws. This Section shall apply to both the Association and to all Owners.

13.8 **Attorneys' Fees.** In the event an attorney is engaged by the Board to enforce the Governing Documents, the Association shall be entitled to recover from the adverse party to the controversy its attorneys' fees and costs so incurred, whether or not such controversy proceeds to litigation. In the event litigation is commenced to enforce the Governing Documents, the prevailing party shall be entitled to its attorneys' fees and costs. Said costs and attorneys' fees shall constitute a lien on the Lot which is enforceable as an Assessment pursuant to the Governing Documents. This Section shall also apply to attorneys' fees incurred to collect any post-judgment costs.

ARTICLE 14 - AMENDMENTS

14.1 **Owner Approval of Amendments.**

14.1.1 Subject to this Article, this Restated Declaration may be amended by the following procedure or as otherwise specified in Section 14.2 herein.

14.1.2 First, the vote will be conducted by a secret ballot in accordance with the requirements of Applicable Law. Second, the total number of ballots returned must come from at least a quorum of the Voting Power. For purposes of this Article, a quorum shall be at least two-thirds (2/3) of the Voting Power. Third, the vote must remain open for at least thirty (30) days after the date the ballots are mailed, but the initial deadline may be extended periodically after that date, if a quorum of ballots has not been received by the initial deadline, and may be extended automatically for additional periods of time until a quorum of ballots has been returned. Fourth, the amendment must be approved by the affirmative vote of at least three-fourths (3/4) of the ballots cast.

14.1.3 An amendment becomes effective after (1) the approval of the required percentage of Owners has been given, (2) that fact has been certified in the form of a written document executed and acknowledged by an Officer designated by the Association for that purpose or, if no such designation is made, by the President

of the Association and (3) the document has been recorded in San Diego County.

- 14.1.4 An amendment may change this Restated Declaration in any manner, including adding or deleting restrictions or increasing or decreasing the burdens on the Lots as long as the amendment is approved as specified in this Article or pursuant to the Corporations Code.

14.2 *Amendment of Restated Declaration or Bylaws by Board Vote.*

- 14.2.1 The Board of Directors shall have the power to amend this Restated Declaration or the Bylaws, as the case may be, but only as this Section permits. By a majority vote of the full Board, the Board shall have the power to prepare and adopt or, in the case of the Restated Declaration, to record an amendment for the following purposes:

- (a) To correct any printing or grammatical error or omission in this Restated Declaration or the Bylaws.
- (b) To make any change in the Restated Declaration or Bylaws required by a change in any Applicable Law, including court decisions, which obligate Association, the Board or the Owners to conform their conduct to the terms of the Applicable Law.
- (c) To make any change in the Restated Declaration or Bylaws needed to comply with any requirements of an Institutional Lender.

- 14.2.2 If the Board approves an amendment using the procedure in this Section, the amendment shall not be recorded or filed until the following procedure is implemented. The Board shall first send notice of such action to the Owners, which notice shall include the text of the proposed amendment and an opinion from legal counsel that the proposed change in the Governing Documents falls within one of the purposes listed above.

- 14.2.3 An amendment shall be considered ratified, unless within thirty (30) days after the date such notice is sent to the Owners, the Owners entitled to cast twenty percent (20%) of the votes in the Association sign a written petition to reconsider the Board's action and file it with the Board. If such a petition is filed, the Board shall call a special meeting of the Members to reconsider the Board's action. At the meeting, unless a majority of the Voting Power of the Association rejects the proposed amendment, the amendment shall be considered ratified, whether or not a quorum is present at the special meeting.

14.2.4 This Section shall not restrict the powers of the Owners to amend this Restated Declaration or the Bylaws by any other method, but is intended to authorize a simple process for amendment where the property rights of Owners are not materially or adversely affected.

14.2.5 All Lenders who record Mortgages after the recordation of this Declaration shall automatically be deemed, with each such recording, to have subordinated their respective interests to any subsequently recorded amendment or restatement to this Declaration.

14.3 **Restatement of Declaration.** Upon obtaining any approvals required by this Article 14, the Board has the right, by resolution without the necessity of consent by the Owners, to restate this Declaration rather than recording only an amendment. Such restatement shall be effective upon execution of the restatement by any two (2) officers of the Association and its recordation. The restatement shall replace the prior Declaration and its amendments in their entirety, without affecting the priority of the Declaration in the chain of title to all properties that are subject to the Declaration as established by the Declaration on its initial date of recordation.

14.4 **Deadline to Challenge Amendments.** No action to challenge the terms or validity of any amendment to this Restated Declaration or to the Bylaws may be made more than one (1) year after the recording date in the case of an amendment to the Restated Declaration, or more than one (1) year after the official tally of the vote in the case of an amendment to the Bylaws.

ARTICLE 15 - GENERAL PROVISIONS

15.1 **Term.** The provisions of this Restated Declaration shall continue in effect for a term of fifty (50) years from the date of recordation. Thereafter, it shall be automatically extended for successive periods of ten (10) years, until the membership of the Association decides to terminate it. This Section shall not preclude amending this Restated Declaration during the term of its existence.

15.2 **Severability.** The provisions of this Restated Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision shall not affect the validity or enforceability of any other provision. If for any reason this Restated Declaration is declared completely invalid in its entirety, the Original Declaration shall be deemed to have survived and thereafter become effective without any further action.

15.3 **Binding.** This Restated Declaration, as well as any amendment thereto and any valid action or directive made pursuant to it, shall be binding on the Owners and their heirs, grantees, tenants, successors, and assigns.

15.4 **Interpretation.** The provisions of this Restated Declaration shall be liberally construed and interpreted to effectuate its purpose of creating a uniform plan for the development and operation of the Community. All questions of interpretation or

construction of any of the terms or conditions herein shall be resolved by the Board, and its decision shall be final, binding and conclusive on all of the parties affected.

15.5 **Limitation of Liability.** The liability of any Owner for performance of any of the provisions of this Restated Declaration shall terminate upon sale, transfer, assignment, or other divestment of the Owner's entire interest in their Lot but only with respect to obligations arising from and after the date of the divestment.

15.6 **Fair Housing.** [Gov. Code § 12956.1] Neither the Association nor any Owner shall, either directly or indirectly, forbid the conveyance, encumbrance, renting, leasing, or occupancy of the Owner's Lot to any person on the basis of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, military or veteran status, genetic information, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry or any other classification prohibited by Applicable Law.

15.7 **Number and Headings.** As used in this Restated Declaration, the singular shall include the plural, unless the context requires the contrary. The headings are not a part of this Restated Declaration, and shall not affect the interpretation of any provision.

15.8 **Variances.** The Board may authorize variances from compliance with any of the architectural or use provisions of this Restated Declaration as follows:

- 15.8.1 Variances may be granted, without limitation, to restrictions upon use, restrictions on repair and maintenance, and architectural restrictions, when circumstances such as topography, location, engineering, economy, hardship, aesthetic or environmental considerations warrant.
- 15.8.2 Variances shall be in writing and shall become effective upon final approval by the Board.
- 15.8.3 When a variance is granted, no violation of the Restated Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of a variance shall not operate to waive any of the terms and provisions of this Restated Declaration for any purpose except as to the particular property and particular provision covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all Applicable Laws affecting the use of the premises, including, but not limited to, zoning ordinances and Lot set back lines or requirements imposed by the City of Solana Beach or any other governmental authority.
- 15.8.4 The Members may enact additional Rules regarding the variance approval process, the circumstances under which a variance may be granted, and may require the execution of indemnity or other agreements by the Owner as a condition to issuance of a variance.

15.9 **Governing Document Priorities.** In the event of a conflict among the Governing Documents, or any provision thereof, the following documents shall take precedence in the order given: (1) this Restated Declaration, (2) the Articles, (3) the Bylaws, and (4) the Rules.

15.10 **Conflict with Applicable Laws.** Provided any Applicable Law is inconsistent with any provision or provisions of the Governing Documents, and compliance with that Applicable Law is mandatory, neither the Association, the Board, nor any member thereof shall have any liability for complying with the Applicable Law and not with the inconsistent provision or provisions of the Governing Documents.

15.11 **References to Code Sections.** Statutes or administrative regulations that are shown in brackets at the beginning of a section or paragraph in this Restated Declaration are intended to show that the respective section or paragraph is based on the particular statute or administrative regulation referred to in the brackets. Unless otherwise noted, all references are to statutes and administrative regulations of the State of California. Any issues not addressed expressly by the Governing Documents shall be controlled by relevant provisions of the California Corporations Code and by judicial interpretations of these statutes, whether the Association is incorporated or not. In the event any of the Applicable Laws referenced herein are amended, modified, or otherwise changed, the references herein shall be deemed to refer to the Applicable Laws as amended, modified or otherwise changed. If an Applicable Law is deleted, any reference herein shall be deemed to refer to any successor Applicable Law.

IN WITNESS WHEREOF, the undersigned has executed this Amended and Restated Declaration of Protective Covenants and Restrictions this 27 day of October, 2021.

ASSOCIATION:

San Elijo Hills Homeowners Association, Inc.
a California nonprofit mutual benefit corporation

By: Phillip Klein
President

Phillip Klein
(Print Name)

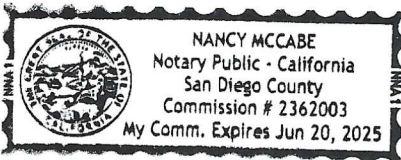
By: Paul Basore
Secretary

Paul Basore
(Print Name)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIV. CODE § 1189

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

State of California		On this <u>27th</u> Day of <u>October</u> 20 <u>21</u>	
County of	<u>San Diego</u>	Here Insert Name and Title of Officer	
On	<u>10/27/2021</u>	Before me,	<u>Nancy McCabe, Notary Public</u>
	Date		
Personally appeared	<u>Phillip Klein</u> <u>Paul Basore</u>		
	Name(s) of Signer(s)		
Who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.			
		I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.	
		Signature	Signature of Notary Public
		<u>Nancy McCabe</u>	
Place Notary Seal Above			

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document of fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document:	<u>PC and R</u>	Document Date:	<u>10/27/2021</u>
Number of Pages:	<u>- 48 -</u>	Signer(s) Other Than Named Above:	<u>NONE</u>

Capacity(ies) Claimed by Signer(s)

Signer's Name: <u>Phillip Klein</u> <input checked="" type="checkbox"/> Corporate Officer- <u>Pres</u> <input type="checkbox"/> Partner <input type="checkbox"/> Limited <input type="checkbox"/> General <input type="checkbox"/> Individual <input type="checkbox"/> Attorney in Fact <input type="checkbox"/> Trustee <input type="checkbox"/> Guardian or Conservator Other: _____ Signer is Representing: _____	Signer's Name: <u>Paul Basore</u> <input checked="" type="checkbox"/> Corporate Officer- <u>Secretary</u> <input type="checkbox"/> Partner <input type="checkbox"/> Limited <input type="checkbox"/> General <input type="checkbox"/> Individual <input type="checkbox"/> Attorney in Fact <input type="checkbox"/> Trustee <input type="checkbox"/> Guardian or Conservator Other: _____ Signer is Representing: _____
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EXHIBIT "A" - COMMUNITY LEGAL DESCRIPTION

The real property situated in the City of Solana Beach, County of San Diego, State of California, more particularly described as follows:

Lots 1 through 192, inclusive of "San Elijo Hills", in the County of San Diego, State of California, according to Map thereof No. 7670, filed in the office of the County Recorder of San Diego County, June 20, 1973.

Assessor's Parcel Numbers: 263-571-01 through 263-571-43; 263-572-01 through 263-572-42; 263-581-01 through 263-581-26; 263-582-01 through 263-582-36; 263-583-01 through 263-583-45.

EXHIBIT "B" – DESCRIPTION OF SLOPES

