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**SECOND RESTATED DECLARATION  
OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
OF  
CROSSWOODS**

This Second Restated Declaration of Covenants, Conditions and Restrictions of Crosswoods (the "Declaration") is made by the Crosswoods Homeowners Association, a California nonprofit mutual benefit corporation (the "Association").

**RECITALS**

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A. The Association is an "association", as that term is defined in California Civil Code Section 1351(a), which has been created to manage the common interest development located in the City of Citrus Heights, Sacramento County, California commonly known as Crosswoods and more particularly described in Exhibit "1" attached hereto (the "Development").

B. A document entitled "Amended Declaration of Covenants, Conditions and Restrictions of Crosswoods Homeowners Association", which was Recorded on July 12, 1994, in Book 94-07-12, at Page 1041 et seq., in the Official Records of Sacramento County, California (the "1994 Declaration").

C. The 1994 Declaration was subsequently amended by an instrument entitled "Corrective Amendment to Amended Declaration of Covenants, Conditions and Restrictions of Crosswoods Homeowners Association", which was Recorded on February 9, 1998, as Instrument No. 199802091072, in the Official Records of Sacramento County, California (the "1998 Amendment").

D. The 1994 Declaration was subsequently amended by an instrument entitled "Second Amendment to the Amended Declaration of Covenants, Conditions and Restrictions of Crosswoods Homeowners Association", which was Recorded on December 21, 2000, in Book 20001221, at Page 1206, in the Official Records of Sacramento County, California (the "2000 Amendment").

E. The 1994 Declaration was subsequently amended by an instrument entitled "Third Amendment to the Amended Declaration of Covenants, Conditions and Restrictions of Crosswoods Homeowners Association", which was Recorded on April 29, 2002, in Book 20020429, at Page 2219, in the Official Records of Sacramento County, California (the "2002 Amendment").

F. Members of the Association holding at least a majority of the voting power of the Association desire to amend, restate and supersede the 1994 Declaration, as amended, pursuant to Article 12 of the 1994 Declaration.

**NOW, THEREFORE**, it is hereby declared as follows:

1. The 1994 Declaration is hereby amended, restated and superseded in its entirety to read as set forth in this Declaration.

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

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

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

## **ARTICLE 1                      DEFINITIONS**

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

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

1.3 Arbor. "Arbor" shall mean an open wooden structure over an entry walkway.

1.4 Architectural Rules. "Architectural Rules" shall mean the rules and regulations adopted by the Board pursuant to Section 9.2 of this Declaration.

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

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

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

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

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

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

1.7 Association. "Association" shall mean the Crosswoods Homeowners Association, its successors and assigns.

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

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

1.10 City. "City" shall mean the City of Citrus Heights, County of Sacramento, California.

1.11 Common Area. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners and Residents of the Development including, without limitation, all of the real property more particularly described in Exhibit "2" attached hereto.

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

1.13 County. "County" shall mean the County of Sacramento, California.

1.14 Courtyard. "Courtyard" shall mean an area, other than a deck or Patio, with a gate for access to and from the street or court and which is assigned to a particular Lot. A Courtyard may, or may not, be covered by a Ramada and may be an entrance walkway to the front door of the Residence.

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

1.16 Development. "Development" shall mean all the real property described in Exhibit "1" of this Declaration as well as such other real property as may hereafter be brought within the jurisdiction of the Association.

1.17 Director. "Director" shall mean a member of the Board of Directors.

1.18 Exclusive Use Common Area. "Exclusive Use Common Area" shall mean any portion of the Common Area the exclusive use of which is set aside, allocated, assigned and restricted to the use of the Owners and Residents of a particular Lot. See Section 2.2.

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

1.20 Improvement. "Improvement" shall mean all structures and improvements including without limitation buildings, landscaping (including without limitation trees and bushes), paving, fences, and signs.

1.21 Lot. "Lot" shall mean any plot of land shown upon any subdivision map in the Development, with the exception of the Common Area.

1.22 Member. "Member" shall mean an Owner.

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

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

1.25 Mortgagee. "Mortgagee" shall mean a beneficiary under or holder of, as applicable, a Mortgage. "First Mortgagee" shall mean a Mortgagee holding a First Mortgage.

1.26 Owner. "Owner" shall mean any person, firm, corporation or other entity in which fee title to a Lot is vested as shown by the official records of the office of the County recorder, including Contract Sellers, but excluding Contract Purchasers and excluding those having such interest merely as security for the performance of an obligation. Where the context requires, the term "Owner" shall include the members of the Owner's household and the Owner's guests, tenants/lessees and invitees; provided, however, that such persons are not "Owners" for purposes of exercising voting rights in the Association.

1.27 Party Wall. "Party Wall" shall mean a Residence wall between two adjoining Residences.

1.28 Patio. "Patio" shall mean a completely enclosed and walled area at the front of a Residence. The area is only entered from the interior of the Residence, and has no gate for access to the street.

1.29 Privacy Wall. "Privacy Wall" shall mean an exterior wall built between decks of adjoining Residences.

1.30 Ramada. "Ramada" shall mean an open wooden structure placed over a deck, Courtyard or Patio.

1.31 Record. "Record" shall mean, with respect to any document, the recordation or filing of such document in the office of the County recorder.

1.32 Regular Annual Insurance Assessment. "Regular Annual Insurance Assessment" shall mean an assessment levied against an Owner and his or her Lot in accordance with Article 6, Section 6.5(e) of this Declaration.

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

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

1.35 Rules. "Rules" shall mean the rules and regulations governing the use, occupancy, management, administration, and operation of the Development or any part thereof as adopted and published by the Board of Directors from time to time and shall include, without limitation, the Architectural and Landscaping Rules.

1.36 Simple Majority. "Simple Majority" shall mean a majority of the votes of the Members (i) represented and voting at a meeting at which a quorum is present, or (ii) cast by written ballot (in

conformity with California Corporations Code Section 7513) in which the number of ballots received equals or exceeds the number required to establish a quorum.

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

## **ARTICLE 2                   COMMON AREA**

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2.1 Purpose of Common Area. Subject to the provisions of the Declaration, the Common Area shall be held, maintained, and used to meet the common interests of the Owners, the members of the Owners' households, and the Owners' tenants, resident Contract Purchasers, and guests as provided in the Governing Documents.

2.2 Exclusive Use Common Area. The Owner and Resident of each Lot shall have the exclusive use of the Exclusive Use Common Area assigned to his or her Lot, if any. While such Exclusive Use Common Area may be specifically referred to in the individual grant deed conveying a Lot, the failure of any such deed to make such reference shall not invalidate the exclusive rights set forth in this Declaration. Such Exclusive Use Common Areas shall include the decks, courtyards and entrance areas from the front of the garages to the front doors of each of the Residences. The Board shall have the discretion to establish and delineate the entrance areas which are Exclusive Use Common Areas as referred to in the preceding sentence, which decision shall be final and conclusive.

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

(a) The right of the Owner of a Lot to the exclusive use of the Exclusive Use Common Area assigned to such Lot.

(b) The right of the Board of Directors to establish and enforce Rules governing the use of the Common Area and the facilities thereon including, without limitation, Rules (i) limiting the number of guests of Residents permitted to use the Common Area and the facilities thereon at any one time, (ii) limiting the hours of use of the Common Area and the facilities thereon, (iii) charging fees for the use of the recreational facilities located on the Common Area, (iv) regulating the use of the Common Areas and the facilities thereon for group activities, including without limitation requiring the submission of an application containing such information as the Board deems appropriate, (v) regulating traffic upon the private streets, and (vi) regulating parking within the Common Area.

(c) The right of the Board, as more particularly addressed in the Bylaws, to suspend an Owner's right to use the recreational facilities located on the Common Area for (i) any period during which any Assessment against such Owner's Lot remains unpaid, and/or (ii) for violations of the Governing Documents by an Owner or any person for whom an Owner is responsible.

(d) The right of the Board, as set forth in Section 3.3 of this Declaration, to grant easements and rights of way in, on, over, or under the Common Area.

(e) The right of the Board to dedicate or transfer all or any part of the Common Area, subject to the requirements of Section 5.9 and Section 5.10.

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

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

(h) The existence of cluster mailboxes for use by the United States Postal Service in distributing mail to the Residents.

2.4 Assignment of Rights of Use. Any Owner may assign his rights of use and enjoyment, including easements, in the Development to the members of his household, tenants, Contract Purchasers, guests and invitees, subject to the terms of the Governing Documents. Upon the leasing or renting of a Lot, or upon occupancy of a Lot by a Contract Purchaser, the Owner shall be deemed to have assigned all such rights exclusively to the tenants or Contract Purchasers of such Lot except that such Owner shall continue to have an easement for ingress and egress to such Owner's Lot to the extent necessary to discharge of the Owner's obligations and rights as a landlord. Each Owner shall notify the Secretary of the Association of the names of any tenants or any such Contract Purchasers of such Owner's Lot. Each Owner, tenant, or Contract Purchaser shall also notify the Secretary of the Association of the names of all members of his or her household to whom such Owner, tenant, or Contract Purchaser has assigned any rights of enjoyment in the Development as provided herein and the relationship which each such person bears to such Owner, tenant, or Contract Purchaser. Any rights of enjoyment assigned pursuant to this section are subject to suspension to the same extent that rights of Owners are subject to suspension as provided in the Governing Documents. It is the express purpose and intent of the provisions of this section to limit the right of use and enjoyment of the Common Area to Residents and their guests.

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

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

## **ARTICLE 3                      EASEMENTS**

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3.1     Easements in General. In addition to all easements reserved and granted on the subdivision maps for the Development and the easements specified in Article 2, there are hereby specifically acknowledged, reserved and granted for the benefit of the Lots and the Owners in common and for each Lot and Owner severally, and for the Association, as their respective interests shall exist, the easements and rights of way as particularly identified in this article.

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

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

3.4     General Association Easements for Inspection, Maintenance and Repair. The Association shall have an easement in, on, over or under every Lot as necessary to (i) maintain and repair the Common Area, (ii) maintain and repair those portions of the Lots for which such obligation is assigned to the Association pursuant to Section 8.1, (iii) perform maintenance upon a Lot which is not performed by its Owner as provided by Section 8.4 and Section 8.6, and (iv) otherwise perform its obligations under this Declaration.

3.5     Encroachment Easements. Each Lot within the Development is hereby declared to have an easement over all adjoining Lots and the Common Area for the purpose of accommodating any minor encroachment due to engineering errors, errors in original construction, settlement or shifting of structures, or any other similar cause. There shall be valid easements for the maintenance of such encroachments as long as they shall exist. Notwithstanding the preceding, in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if such encroachment occurred due to the wilful misconduct of such Owner or Owners. In the event a structure is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots or Common Area shall be permitted and that there shall be valid easements for the maintenance of such encroachments so long as they shall exist.

There shall also be, appurtenant to each Lot, an easement for encroachment onto the Common Area for eaves, overhangs, building trim and other building protrusions which may exist or may be erected in the future upon the Lots.

3.6 Party Wall Easements. There shall be reciprocal easements for the mutual benefit of the Lots sharing any party wall for purposes of the maintenance and repair of such party wall as provided in Section 8.2(f).

3.7 Easements for Shared Utility Lines and Connections. Whenever sewer, drainage, water, electricity, gas, cable television or telephone lines or connections (collectively, "Lines") are installed within the Development, and such Lines are located within a Lot or Lots which are not owned by the Owner of the Lot served by such Lines, then the Owners of any Lots served by such Lines shall have the right of reasonable access for themselves or for utility companies to repair, replace and generally maintain such Lines. Whenever Lines serve more than one Lot, the Owner of each Lot served by such Lines shall be entitled to the full use and enjoyment of the portions of such Lines which service his or her Lot.

3.8 Easements. The Board shall have the power to grant and convey to individual Owners easements, licenses for use and rights of way in, over or under the Common Area or any portion thereof, for such purposes as the Board deems to be appropriate and not inconsistent with the purposes and interests of the Association.

#### **ARTICLE 4**                      **USE RESTRICTIONS**

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4.1 Single Family Residential Use. Except as specifically provided in Section 4.3, no Lot, or any portion thereof, shall be occupied or used for other than single-family residential purposes.

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

4.3 Restriction on Businesses. No business of any kind shall be established, maintained, operated, permitted, or conducted within the Development except:

(a) Those professional and administrative occupations as may be permitted by, and which are conducted in conformance with, all applicable governmental ordinances provided that there is no external evidence thereof, and further provided that the Board may, in its complete discretion, prohibit the conduct of any such activities which the Board determines to be incompatible with the nature and character of the Development or which, in the Board's opinion, may or does otherwise negatively impact the quality of life and property values within the Development.

(b) Those other businesses which by law must be permitted to be conducted within the Development.

4.4 Offensive Conduct, Nuisances, Noise. No noxious, harmful, or offensive activities shall be conducted upon or within any part of the Development, nor shall anything be done thereon which may be or become a nuisance, or cause unreasonable embarrassment, disturbance, or annoyance to any Residents of the Development, or which shall in any way interfere with their use of the Common Area and facilities thereon or the use and enjoyment of their Lots or Residences. Without limiting any of the foregoing, no Resident shall permit noise, including but not limited to the barking of dogs or excessively loud music, to emanate from the Resident's Lot, which would unreasonably disturb another Resident's enjoyment of his or her Lot or of the Common Area. Nothing in this section shall be construed to limit the Association's ability to discharge its duties in accordance with the Governing Documents or otherwise manage the Development.



4.5 Use of the Common Area. All use of the Common Area is subject to the Governing Documents. No alterations or additions to the Common Area shall be made except as authorized by the Board pursuant to Section 2.5. Except as provided in Section 4.13 with respect to the parking of vehicles on specific portions of the Common Area, nothing shall be placed, kept, stored, or parked on the Common Area without the prior written consent of the Board. Without limiting the foregoing, no Owner shall place rubbish, debris, or other unsightly or unsanitary materials on the Common Area. Each Owner shall avoid causing damage to the Common Area. Nothing in this section shall be construed to limit the Association in conduct of its activities within the Development.

4.6 Requirement of Architectural Approval. As addressed in greater detail in Article 9, construction, installation, modification, or alteration of buildings, outdoor structures, fences, awnings, exterior shades, outdoor lighting and all other exterior Improvements are subject to approval of the Board.

4.7 Sports Apparatus. Except for sports apparatus maintained by the Association or approved by the Board, no sports apparatus, whether portable or fixed, including without limitation basketball standards, shall be erected, maintained or utilized within the Development. As used in this section, the term "sports apparatus" does not include bicycles, skateboards, roller skates, roller blades or any other similar wheeled equipment, whether powered or unpowered, provided that the Board of Directors shall have the discretion to adopt rules and regulations, which shall be Rules as defined in Section 1.35, governing the use of such equipment.

4.8 Interior Window Coverings. In no event shall aluminum foil, newspaper, bed sheets, cardboard or similar materials be placed in windows. All window coverings shall be maintained in good repair and condition at all times.

4.9 Signs. No sign of any kind shall be displayed to the public view from any portion of the Development except that this restriction shall not apply to (i) signs required by legal proceedings, (ii) signs which by law cannot be prohibited, (iii) a single sign of customary and reasonable dimension and design, complying with the Rules and reasonably located on a Lot advertising the Lot for sale or rent (iv) a single identification sign which has been approved by the Board of Directors located on a Lot identifying the number or address of the Lot and/or the name of the Owner of the Lot, (v) signs approved by the Board located at or near any entrance to the Development identifying the Development, (vi) signs required for traffic control and regulation of streets or open areas within the Development, (vii) signs on the Common Area as approved by the Board for a purpose reasonably related to the affairs of the Association, and (viii) such other signs as the Board, in its discretion, may approve provided that the Board may adopt limitations on such other signs including, without limitation, restrictions on the size of the signs, the duration of their posting, and their location.

4.10 Antennas. No outside mast, tower, pole, antenna, or satellite dish shall be erected, constructed, or maintained on the Common Area or upon any Lot, except (i) those erected, constructed, or maintained by the Association, (ii) those expressly approved by the Architectural Control Committee and the Board of Directors, or (iii) those specifically permitted by law. With respect to those outside masts, towers, poles, antennae and satellite dishes specifically permitted by law, the Association shall have the authority to regulate their installation and maintenance to the greatest extent permitted by law. The Owner of each Lot shall be responsible for the repair and maintenance of any outside mast, tower, pole, antenna or satellite installed on his or her Lot and shall indemnify and reimburse the Association for any and all costs and expenses associated therewith, including without limitation any increased costs incurred by the Association in the performance of its maintenance obligations as specified in Article 8.

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

(a) Except as provided in Section 4.11(b), the containers shall be kept closed and shall be maintained upon each Lot completely out of view from the Common Area or any other Lot.

(b) The containers may be placed for pickup at a reasonable time prior to trash collection and shall be promptly stored as specified in Section 4.11(a) after collection. The Board may adopt Rules regulating trash disposal and the placement of containers for trash collection which Rules may include limitations on the period of time during which containers may be placed for collection and specifications concerning the types of containers which may be used.

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

4.12 Construction Materials, Construction Debris. No portion of the Development shall be used for the storage of building materials other than in connection with construction projects approved in accordance with Article 9. All construction debris shall be picked up and deposited daily in an appropriate container.

4.13 Vehicles and Parking.

(a) Limitations on Types of Vehicles.

(i) No trailer, motor home, recreational vehicle, camper, or boat shall be parked, kept or permitted to remain within the Development unless placed or maintained completely within an enclosed garage. The Board, in its complete discretion and upon such basis and terms as it deems prudent, shall have the power to adopt, modify and repeal Rules permitting the temporary use and parking within the Development of vehicles otherwise prohibited by the provisions of this subsection. The Association owns and maintains a recreational vehicle storage lot at 7048 Auburn Boulevard, Citrus Heights, for the use of residents. The operation and maintenance of the recreational vehicle storage lot shall be self-supporting through monthly rental fees paid by the users. Policies and rules governing the use of the recreational vehicle storage lot and monthly rental fees are established by the Board in its sole discretion.

(ii) No truck, van or commercial vehicle shall be permitted within the Development except for such limited times as are necessary for deliveries, the performance of maintenance, repair and replacement of Improvements within the Development and other similar situations, and then subject to any Rules adopted by the Board which may include, without limitation, a limit on the time of day or days of the week when such vehicles may be present within the Development. The term "truck, van or commercial vehicle" shall not include sedans or standard size pickup trucks and vans (with a payload capacity of one ton or less) which are used for both business and personal uses, provided that any signs or markings of a commercial nature on such vehicles shall be unobtrusive and inoffensive as determined by the Board.

(b) Condition of Vehicles. No unreasonably noisy vehicles and no vehicles (including, without limitation, scooters, motorcycles or other motorized devices) emitting foul smelling or

offensive exhaust fumes shall be operated within the Development. No inoperable or abandoned vehicle shall be parked, kept or permitted to remain upon any area within the Development unless completely enclosed within a garage. Each vehicle operated within the Development shall maintain, and the Board shall have the authority to require written evidence of, current registration which permits the vehicle to be legally operated on public streets.

(c) No Vehicle Repairs. Except for the usual and customary washing of vehicles of Residents on paved portions of the Common Area, no maintenance or repairs of any kind may be made to vehicles within the Common Area except such emergency repairs as are necessary to remove the vehicle from the Common Area. When vehicle washing is performed, the Owner of the Lot shall ensure that all detergent, dirt and other byproducts of such washing is completely rinsed and removed from the Common Area and shall ensure that such activity does not obstruct traffic on the private streets. The Board shall have the authority to adopt Rules regulating the washing of vehicles.

(d) Parking of Vehicles of Residents. Except as provided in Section 4.13(c), vehicles of Residents may only be parked wholly within the garage on that Resident's Lot or the Resident's driveway.

(e) Common Area Guest Parking Spaces. Certain portions of the Common Area have been designated for guest vehicle parking. Only the vehicles of guests may be parked in such parking spaces. No vehicle shall be parked in the parking area for more than 72 hours during any period of seven consecutive days provided that the Board may, in its discretion, permit the parking of a vehicle of a guest for such longer period and on such terms as the Board deems advisable. The movement of any vehicle for the purposes of preventing the application of this section shall be ineffective.

(f) No Parking Areas. Except as specified in Section 4.13(c) and Section 4.13(e), no vehicle may be parked on any portion of the Common Area including, without limitation, the driveways. Notwithstanding the preceding, the Board, in its complete discretion and upon such basis and terms as its deems prudent, shall have the power, but not the obligation, to adopt, modify and repeal Rules permitting the short-term parking in the Common Area for specific purposes, such as loading and unloading vehicles.

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

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

(ii) The power and authority to fix and impose fines for violations of this section in accordance with Section 10.5(c) and the Bylaws.

(h) Nothing in this section shall be construed to limit the Association in conduct of its activities within the Development.

4.14 Garages. Each garage door shall remain closed except during the time required for the entry and exit of vehicles and individuals and when and only for as long as reasonably necessary to clean the garage and perform routine washing of vehicles. Each garage shall be kept in a neat, orderly, sanitary, and safe condition. In no event shall any garage be converted to or used as a living area.

4.15 Outbuildings and Temporary Structures. No outbuilding, tent, shack, trailer, shed, cabana, or temporary building of any kind shall be located within the Development, except in strict compliance with the provisions of this Declaration, including Article 9. In no event shall any such structure be used as a living area.

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

4.17 Animals.

(a) Household Pets. No animals, reptiles, rodents, birds, fish, livestock, or poultry shall be raised, bred or kept on any Lot or other portion of the Development except that a reasonable number of domesticated birds, cats, dogs or aquatic animals kept within an aquarium, may be kept, provided that they are not kept, bred, or maintained for any commercial purposes and they are maintained under reasonable control at all times, all in conformance with any County or City ordinances. While in Common Areas each dog must be restrained on a leash held by a responsible person capable of controlling it.

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

(c) Pet Rules. The Board may adopt and enforce pet rules, which shall be Rules as that term is defined in Section 1.35, in addition to the provisions of this section. Such Rules may include, without limitation, regulations regarding the presence of pets on the Common Area and requirements that pets be registered with the Association. The Association shall have the right to prohibit the keeping of any animal which constitutes, in the sole and exclusive opinion of the Board, a nuisance or danger to any other person.

4.18 Rental of Lots. In order to (i) protect the equity in the Lots for the Owners; (ii) carry out the purposes for which the Association was formed by preserving the character of the Development as a homogeneous residential community of owner-occupied Residences; (iii) prevent the Development from assuming the character of a renter-occupied area; (iv) ensure that those who control the Association are committed to the community purposes set forth in this Declaration and with the Association's effective operation and property maintenance of the Common Area; and (v) retain the Development's ability to comply with the eligibility requirements for financing in the secondary mortgage market insofar as such criteria provide that the Development be substantially owner-occupied, the Board of Directors shall have the authority, in its sole discretion, to adopt and enforce Rules restricting or limiting the percentage of Owners who may lease or rent their residence within the Development, as well as adopting Rules to implement such restrictions or limitations. Any Owner who rents or leases their Residence shall comply with the following:

(a) Restriction on Number of Lots Rented. Not more than twenty percent (20%) of Lots shall, at any time, be rented or otherwise occupied by anyone other than an Owner, members of his or her household, or temporary guests, except as provided in this section. For purposes of this section, any Lot which is owned by a revocable living trust, or which is owned by one or more trustees of a revocable living trust, shall be deemed not to be rented or leased when it is occupied by one or more persons who have the power to revoke the revocable living trust.

(b) Implementation. Each Owner renting a Lot shall notify the Association of: (i) the duration of the lease, (ii) the names of the tenants, (iii) the names of the members of the tenants' household, (iv) the tenants' telephone numbers, and (v) such other information as the Board deems appropriate. With respect to any Lot rented at the time of the recordation of this Declaration the information set forth above shall be provided to the Association within 30 days of such recordation. Failure to provide such information may result in the forfeiture of the right to lease.

(c) Exceptions. The Board shall have the right, but not the obligation, to waive some or all of the provisions of this section in cases of deserving and unusual hardship, which circumstances may include: (i) the period of probate following the death of the Owner; (ii) the decision of an employer to relocate an Owner to another community; or (iii) an illness or disability that prevents the Owner from personally occupying the Lot. No waiver shall be granted to an Owner: (1) whose hardship existed or was reasonably foreseeable at the time the Owner purchased his or her Lot or (2) whose hardship is a result of the Owner's failure to obtain and read the Declaration, including this rental restriction.

If permission has been granted by the Board for demonstrated hardship, such exception shall be of relatively short duration, such as until: (A) probate proceedings are concluded; (B) the Owner has relocated to the community of his or her employment and has had a reasonable time to sell his or her Lot; or (C) the Owner has either recovered from the illness or disability or, in the alternative, has had a reasonable time to sell his or her Lot.

Exceptions authorized by the Board shall take precedence over the order of priority established pursuant to subsection (i) and shall be subject to such limitations, requirements and conditions as the Board in its complete discretion deems appropriate.

(d) Grandfather Provision. The restriction on the number of Lots that may be rented as set forth in subsection (a) shall apply prospectively as of the date this Declaration is recorded (the "Effective Date") to all future rentals after such Effective Date. As of the Effective Date, if the number of Lots rented exceeds the limitation, all rentals shall be prohibited until the number of Lots rented is less than the 20% threshold. Only Owners whose Lots are: (i) actually rented as of the Effective Date; (ii) who provide a written application containing all of the information required under

subparagraph (e) below, and (iii) who otherwise comply with all of the provisions of this Section 4.18 shall be entitled to be grandfathered in as an existing rental as of the Effective Date.

(e) Written Application. Any Owner who wants to rent his or her Lot shall submit a written application to the Board. The application shall state: (i) the Owner's name and mailing address and the Lot number and address of the Lot proposed to be rented, (ii) the proposed lease term which term shall be no less than twelve (12) months, and (iii) such other information as the Board may from time to time require. Each Owner shall have the right, upon written request delivered to the Association, to appear in person before the Board and to discuss the request to rent his or her Lot.

(f) Board Review of Application. Within fifteen (15) days after receipt of an application to rent, the Board shall review the application, and approve or disapprove it in a written notice sent to the requesting Owner. If the application is disapproved, the notice shall specify the reason for disapproval. The Board shall approve the application unless doing so will: (i) increase the number of Lots rented within the Development to more than that allowed under subsection (a), or (ii) otherwise result in the violation of any provision of this Section 4.18.

(g) Board Decision Final. Decisions of the Board pursuant to this section shall be final and conclusive

(h) List of Rented Lots. The Board shall keep a list of all Owners currently leasing or renting a Lot, which list shall include the Owner's name, mailing address, Lot address and term of lease.

(i) Priority of Applicants. The Board shall establish and maintain a priority list, identifying the Owner name, mailing address, Lot address and date the written application or request of each Owner to rent his or her Lot was submitted to the Board. When the number of Lots rented in the Development is less than the number allowed under subsection (a), the Board shall authorize the Owner who submitted the earliest application to rent his or her Lot. A right to rent hereunder is a right as to a particular written application and may not be transferred to successive renters without reapplying to the Board. The Board may in its complete discretion (but shall not in any circumstances be required to) grant variances with respect to the requirements of the preceding sentence on such terms as its deems appropriate.

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

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

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

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

(n) No Hotel-Like Services. No lease or rental of a Lot shall be permitted which contemplates or results in the provision of those services typically provided by a hotel or motel.

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

4.19 Clotheslines. No exterior clotheslines or other outside clothes drying or airing facility shall be erected or maintained upon any Lot or the Common Area.

4.20 Mailboxes and Exterior Newspaper Tubes. There shall be no exterior newspaper tubes within the Development. There shall be no freestanding mailboxes within the Development except for the United States Postal Service cluster mailboxes located in the Common Area.

4.21 Activities Affecting Insurance. Nothing shall be done or kept within the Development which will increase the rate of insurance maintained by the Association without the prior written consent of the Association.

4.22 Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon any Lot, except machinery and equipment which is normally used in connection with the occupancy and maintenance of a Residence.

4.23 Subdivision or Merger of Lots. No Lot may be further subdivided, nor may more than one Lot be combined into a single parcel of land, without the approval of the Board.

4.24 Variances. The Board shall be authorized to grant reasonable variances from the provisions of Article 4 of this Declaration upon written application from any Owner provided that the Board determines,

in its sole discretion, that the specific application of the restriction to such Owner will (i) cause substantial undue hardship to the Owner, or (ii) fail to further or accomplish the common plan for the Development as contemplated by this Declaration. The Board shall have the power to limit any variance granted in scope or duration or otherwise impose such specific requirements as the Board may, in its complete discretion, see fit to require. The Board shall follow the following procedures in acting on any request for a variance:

(a) The Board, in its sole discretion, shall make an initial determination of whether or not the variance request on its face meets the requirements set forth in this section. Where the Board deems it appropriate, the Board may, but shall not be required to, obtain the input of the Architectural Control or Landscape Committees in considering the variance request. If the Board determines that the variance request does not meet the requirements set forth in this section, the variance request shall be denied and the Board shall so notify the applicant within 30 days of the Board's decision. If the Board determines that the variance request does on its face meet the requirements set forth in this section, the procedures set forth in the remainder of this section shall be followed.

(b) Provided the Board determines that the variance request does on its face meet the requirements set forth in this section, the Board shall conduct a hearing on the variance within 60 days of the receipt of the written request for a variance. Notice shall be given to all Members not less than 10 days prior to the date of the hearing. Members may submit comments in writing prior to the hearing and/or appear at the hearing. The Board shall establish a reasonable time limit for Member comments during the hearing. No decision regarding the request for variance shall be made until the conclusion of the hearing.

(c) After the conclusion of the hearing, the Board shall, in its sole discretion, either grant or deny the request for variance in accordance with the standards set forth in this section. As more fully discussed above, if the Board grants the variance request, the Board may impose such conditions as the Board deems appropriate and shall so notify the applicant within 30 days of the Board's decision.

4.25 Woodpiles & Storage Piles. No woodpiles shall be kept upon or under any wood decks within the Development. No wood shall be stacked anywhere upon a Lot in such a manner as to be unsightly or likely to breed rodents or other pests or result in damage to any structures. No storage piles or boxes or containers of any kind shall be kept or maintained for storage purposes on any Lot in such a manner as to be visible from the Common Area or from any other Lot or in any manner that is likely to cause damage to any structure or to any portion of a Lot which the association is obligated to maintain. In no event shall any resident stack wood or keep or maintain woodpiles, storage piles or any other items on any portion of the Common Area without the prior written consent of the Board. The Board shall have absolute discretion to determine when any woodpile, storage pile or any other item is stored on a Lot in a manner that is unsightly or is likely to breed rodents or other pests or to cause damage to any portion of the Development.

The Association shall have the right to establish and maintain in the Development appropriate storage yards and storage buildings for the maintenance and retention of materials and equipment needed for the proper discharge of the Association's maintenance obligations with respect to the planting, building, repair, maintenance and preservation of the structures, gardens and other improvements of the Lots and the Common Areas.

4.26 Garage Sales. Garage sales, estate sales, moving sales, or similarly named sales of any kind whatsoever shall be prohibited in the Development.



## **ARTICLE 5                      HOMEOWNERS ASSOCIATION**

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

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

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

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

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

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

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

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

5.9     Sale or Transfer of Association Property. Subject to Section 5.10, the Board of Directors shall have the power to sell, transfer, lease or otherwise dispose of the Association's property, provided that

the Board shall not, in any fiscal year, sell, transfer or otherwise dispose of real property owned by the Association having an aggregate value in excess of twenty percent (20%) of the budgeted gross expenses of the Association for that fiscal year without approval of at least a Simple Majority.

5.10 Sale, Transfer or Dedication of Common Area to Public Agency or Utility. The Board of Directors shall have the power to dedicate, sell or transfer all or any part of the Common Area to a public agency, authority or utility. Except for easements and rights-of-way granted pursuant to Section 3.3, any such dedication, sale or transfer must be approved by at least a Simple Majority.

5.11 Borrow Money. The Board of Directors shall have the power to borrow money in the name of the Association.

5.12 Mortgage of Association Property. The Board of Directors shall have the power and authority to mortgage, pledge, encumber, or otherwise hypothecate the real and personal property of the Association for money borrowed or debts incurred by the Association.

5.13 Mergers and Consolidations. The Association may (i) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes as the Association, or (ii) annex additional property to the Development, provided that the approval of an Absolute Majority is obtained.

5.14 Dissolution. So long as there is any Lot, parcel or area for which the Association is obligated to provide management, maintenance, preservation or control, the consent of all Members must be obtained for the Association to (i) transfer all or substantially all of its assets, or (ii) file a certificate of dissolution.

5.15 Limitation of Liability. Neither the Association nor its Directors, officers, employees, agents or committee members (collectively and individually referred to as the "Released Party") shall be personally liable for damages or in equity to any of the Members, or to any other person, for any error or omission in the discharge of their duties and responsibilities or for their failure to provided any service required hereunder or pursuant to the Bylaws, even if such Released Party is negligent, provided that such Released Party has not acted in bad faith. This standard of care and limitation of liability shall extend, without limitation, to matters such as (i) the establishment of the Association's annual financial budget, (ii) the funding of Association reserve accounts, (iii) the discharge of the Association's maintenance, repair and replacement obligations, (iv) the enforcement of the Governing Documents, and (v) to any other fiduciary duties or responsibilities imposed by law or the Governing Documents.

## **ARTICLE 6                      ASSESSMENTS AND LIENS**

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

Each Assessment levied by the Association under this article, together with all Additional Charges, shall be a separate, distinct, and personal debt and obligation of the Owner against whom it is assessed, and shall bind his or her heirs, devisees, personal representatives, successors, and assigns. Such obligation to pay

Assessments and Additional Charges and the right and power of the Association to initiate all actions and procedures for collection shall run with the land, so that each successive Owner or Owners of Record of any Lot shall, in turn, become liable to pay all such Assessments and Additional Charges assessed during the time he or she is Record Owner of such Lot. After an Owner transfers of Record any Lot he or she owns, he or she shall not be liable for any Assessments levied thereafter with respect to such Lot. Such Owner shall remain personally liable, however, for all unpaid amounts due and owing at the time of transfer, together with Additional Charges accruing until time of collection. A Contract Seller of any Lot shall continue to be liable for all Assessments and Additional Charges until a conveyance by deed of such Lot is Recorded.

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

6.3 Purpose of Assessments. The Assessments levied by the Board shall be used exclusively for (i) managing and operating the Development, (ii) conducting the business and affairs of the Association, (iii) promoting the recreation, health, safety, welfare, benefit, and interests of the Owners in relationship to the Development, (iv) improving and maintaining the Common Area and, to the extent provided for in the Governing Documents or by law, the Lots situated within the Development, (v) enforcing the Governing Documents, and/or (vi) otherwise benefitting the Owners.

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

6.5 Annual Assessment.

(a) Calculation of Estimated Required Funds. Not less than 30 days nor more than 90 days prior to the beginning of each fiscal year, the Board shall complete and distribute to all Owners an estimate of the funds required by the Association for such fiscal year to (i) manage, administer, operate, and maintain the Development, (ii) to conduct the affairs of the Association, and (iii) to perform all of the Association's duties in accordance with this Declaration. Such estimate shall include a reasonable amount allocated to contingencies and to a reserve fund for the restoration, repair, and/or replacement of those components for which the Association is responsible and which must be repaired or replaced on a periodic basis.

(b) Allocation of Annual Assessment. The Board shall allocate and assess the amount of estimated required funds equally among the Lots by dividing the amount by the number of Lots.

(c) Payment of Annual Assessments. Unless the Board shall designate otherwise, Annual Assessments shall be levied on an annual basis and shall be paid in 12 equal monthly installments during the fiscal year, and each installment shall be due and payable on the first day of each month.

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

(e) Regular Annual Insurance Assessment. The Board shall establish the amount of the Regular Annual Insurance Assessment required to obtain and maintain insurance policies pursuant to Article 8, Section 8.2.15 of the Bylaws. Such assessment made against each Owner shall be due and payable in such frequency as may be established by the Board, in its sole discretion, and each installment shall be delinquent if not received by the Association by the 15<sup>th</sup> day after the due date established by the Board.

#### 6.6 Special Assessments.

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

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

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

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

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

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

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

6.11 Delinquent Assessments. Any installment or other portion of an Assessment not paid within 15 days after its due date shall be delinquent and shall be subject to interest and late charges not to exceed the maximum rate permitted by law, as well as all other Additional Charges. The Board, on behalf of the Association, may enforce the payment of any delinquent Assessment plus Additional Charges by bringing an action at law against any Owner personally obligated to pay the same, or by foreclosing the lien against the Owner's Lot by judicial or non-judicial foreclosure, except as prohibited by law. Except as prohibited by law, upon any delinquency in payment, the Association may, at its option, declare the entire balance of all sums then due or to become due from the Owner, immediately due and payable, which total sum may then be included in any suit, action, or other procedure initiated to collect such sums, including all Additional Charges. The Board may commence any procedure for the collection of delinquent Assessments upon its own decision. The remedies provided in this Declaration for collection of delinquent Assessments shall be cumulative and not exclusive.

6.12 Power of Sale. Each Owner does hereby appoint the Association as trustee to enforce and to foreclose any lien which is established pursuant to the terms of this Declaration, by private power of sale, as provided in Division III, Part 4, Title 14, Chapter 2, Article 1, of the California Civil Code, and does further grant to the Board of Directors, on behalf of the Association, the authority and power to sell the Lot of such Owner in the event of any default in payment of any Assessments or Additional Charges levied against such Lot, for lawful money of the United States, to the highest bidder, to satisfy such lien, except as prohibited by law. The Association or any Owner may purchase the Lot at the sale.

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

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

6.15 Association Funds. All Association accounts shall be maintained in one or more banks or other depositories selected by the Board, which accounts shall be clearly designated as belonging to the

Association. The Assessments collected by the Association shall be properly deposited into such accounts. The Assessments collected by the Association shall be used for the purposes set forth in Section 6.3.

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

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

- (a) All property dedicated to and accepted by the County, City or other local public authority and devoted to public use.
- (b) Any Lot which is owned by the Association as a result of the Association having acquired such Lot through foreclosure. Such exemption shall be applicable only during the period in which the Association is Record Owner of such Lot.
- (c) All Common Area.

6.18 Owner Assignment of Rents. Each Owner hereby presently assigns to the Association, absolutely and regardless of possession of the Lot, all rents and other monies now due or which may hereafter become due under any lease, agreement or otherwise for the use of occupation of any or all parts of any Lot owned by the Owner, now existing or hereafter made, for the purpose of collecting all Assessments due the Association pursuant to this Declaration which are in default. The Association hereby confers on each Owner the authority to collect and retain the rents and other monies derived from any such lease or 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 Assessment due hereunder. Upon revocation of such authority the Association may, pursuant to court order or by court-appointed receiver, collect and retain such monies, whether past due and unpaid or current.

## **ARTICLE 7                      DAMAGE OR DESTRUCTION; CONDEMNATION**

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7.1 Replacement or Repair of Association Property. In the event of damage to or destruction of the Common Area or other real property of the Association or any part thereof, the Association shall repair or replace the same from the insurance proceeds payable to it by reason of such damage or destruction. If any such damage or destruction was insured against and the insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may levy a Special Assessment against the Members of the Association as provided in this Declaration to cover the additional cost of the repair or replacement not covered by the insurance proceeds. The Members may elect not to proceed with such repair or replacement by the vote or written consent of at least seventy-five percent (75%) of the Total Voting Power. If there is an election not to rebuild or repair, the applicable insurance proceeds shall be used in the manner determined by the Board, provided that such use shall not be inconsistent with the purposes of the Association.

7.2 Rebuilding or Repair of Improvements on Lots.

- (a) Damage to a Lot. If a Lot is damaged or destroyed by fire or other casualty, the Owner shall contract to repair or rebuild the damaged portions of the Lot to its condition prior to the damage or destruction, or to such other condition as shall have been approved in advance by the

Board pursuant to Article 9. The available insurance proceeds shall be paid to the Association for disbursement to the Owner, but made payable jointly to the Owner and contractor, upon a schedule approved by the Board in its sole discretion to ensure completion of the repair work. The Board may require that appropriate mechanic's lien releases are provided prior to or in conjunction with disbursements of insurance proceeds. In the event the insurance proceeds are insufficient to complete such work, the Owner of the Lot shall pay such additional sums as may be necessary to complete such rebuilding and repair. Repair or rebuilding shall be commenced within a reasonable time, which shall in no event exceed one year after the occurrence of the damage or destruction.

(b) In the event that an Owner fails, in the Board's sole discretion, to diligently initiate or complete such repairs, the Board may contract to repair or rebuild the damaged portions of the Lot. In the event the insurance proceeds are insufficient to pay all of the costs of repairing or rebuilding, the Board shall levy a Reimbursement Assessment solely against the damaged Lot in an amount sufficient to pay all such costs in excess of insurance proceeds.

(c) Insurance Deductible. The Association shall have no responsibility whatsoever for the insurance deductible with respect to any loss to which this Section 7.2 applies. Such deductible shall be borne solely by the Owner involved where one Lot is damaged and by the Owners in proportion to their loss where more than one Lot is damaged.

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

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

## **ARTICLE 8                      MAINTENANCE OF PROPERTY**

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### **8.1      Association Responsibilities.**

(a) Association Maintenance of Common Area. The Association shall maintain, repair, and replace the Common Area (excluding the Exclusive Use Common Areas) and all facilities, Improvements and landscaping thereon, except for those utility facilities which are maintained by public or private utility companies or agencies, and all other real and personal property that may be acquired by the Association, keeping such property in good condition and repair.

(b) Association Maintenance of Lots and Exclusive Use Common Areas. Subject to the provisions of Section 8.2(c) and Section 8.2(d), the Association shall have the following limited maintenance, repair and replacement responsibilities with respect to the Lots and the Exclusive Use Common Areas:

- (i) The Association shall maintain, repair and, when necessary, replace:
  - (A) The roof coverings of the Residences, but excluding any of the underlying roof sheathing or other structural elements of the walls, floor, or foundation of the Residence.
  - (B) The rear wood deck areas including the railings and gates, and Association installed or approved ramadas on decks, courtyard areas, and balconies.

(ii) The Association shall paint or stain, repair and replace the exterior building surfaces including the siding, trim, fences, gutters, downspouts, and brick walls of the Residences, when such work is necessitated because of normal wear and tear. The Association shall not be responsible for any foundation walls of a Residence, or cinder-block walls which sit on top of a foundation wall. The Association shall be responsible for painting garage doors. Owners shall be responsible for repairing or replacing garage doors and all other exterior doors, and shall be responsible for the cost of painting such garage and other doors if such doors were not scheduled to be painted because of normal wear and tear. The Association shall have no other responsibility for the maintenance, repair or replacement of such items.

(iii) The Association painting obligation pursuant to this Section 8.1 shall be pursuant to the Association's maintenance plan or schedule. The Association shall have no responsibility to pay for or reimburse any Owner for any painting work which the Owner requests at any time different from the Association's overall maintenance plan or schedule. Any painting requested by an Owner outside of the maintenance schedule shall be paid for by the Owner.

(iv) The Association shall maintain the underground sewer, water, natural gas, and electrical lines located within the Common Area up to the point where such utility services bisect the vertical plane of the Residence footprint, except that the Association shall only maintain the water line up to the main shutoff for the Residence. All other utility maintenance shall be the responsibility of the Residence Owner. Whether or not a utility is maintained by the Association, the Owner shall reimburse the Association for any maintenance necessitated by the Owner or his or her guests or invitees actions. For purposes of this paragraph "footprint" shall mean the physical foundation of the Residence and any Owner-maintained courtyard, patio, or deck.

(v) The Association shall only be responsible for the cost of maintenance, repair and replacement of the items listed in Section 8.1(b) to the extent that such maintenance, repair or replacement is necessitated by normal use, wear and tear. In all other circumstances, the Owner of the affected Residence shall be responsible for the cost incurred by the Association for such maintenance, repair or replacement, and the Board shall levy a Reimbursement Assessment to reimburse the Association for such costs.



(c) Association Maintenance of Fences. The Association shall maintain, repair and replace all fences around the Common Area facilities or bordering any property located outside the Development consistent with maintenance plan or schedule in the Association's currently adopted reserve study.

## 8.2 Owner Responsibilities.

(a) Owner Maintenance of Lots. Except to the extent that specific maintenance, repair or replacement responsibilities with respect to the Lots are expressly and clearly made the responsibility of the Association by this Declaration, each Owner shall be responsible for the maintenance, repair and replacement of his or her Lot, the Exclusive Use Common Areas assigned thereto, the Residence and all other Improvements thereon. Each Owner's responsibility shall include, without limitation, the maintenance, repair and replacement of:

(i) The components and structural elements of the walls, floor, foundation, and courtyards of the Residence.

(ii) All portions of the fireplace, including without limitation the flue, chute, chimney and structural components.

(iii) Except as provided in Section 8.1(b)(i)(B), the exterior light fixtures on the Owner's Lot.

(iv) Solar devices and skylights.

(v) Heating and air conditioning equipment.

(vi) The window panes, frames and hardware and doors and door frames including the garage door and the garage door frame.

(vii) The interior of the garage including without limitation the automatic garage door opener.

(viii) Window and door screens.

(ix) All trees, shrubs and all other landscaping located on the Owner's deck or courtyard, or planted in the Common Area with the Association approval. The Association may remove any trees, shrubs or other landscaping planted in the Common Area by an Owner, even when such landscaping was approved by the Association.

(x) Those portions of the sewer, water, electrical, cable television and other utility lines located on the Lot, except for those which are maintained by public or private utility companies or agencies.

(xi) All personal property, appliances and fixtures located within the Lot or Residence.

(b) Exclusive Use Common Areas. Except to the extent specifically set forth in Section 8.1(b) above, the Owner of each Lot shall maintain, repair and replace the Exclusive Use Common Area assigned to his or her Lot, keeping the same in good and attractive condition and repair.

(c) Wood-Destroying Pests and Organisms. Where any maintenance or repair of a Lot or Exclusive Use Common Area assigned to such Lot, including the Residence and other Improvements thereon, is made necessary by the presence of wood-destroying pests or organisms, the Owner of the Lot shall be solely responsible for such maintenance or repair, including the cost thereof, notwithstanding the fact that such maintenance or repair would otherwise be the responsibility of the Association pursuant to Section 8.1.

(d) Alterations to Original Construction. Notwithstanding the fact that such maintenance, repair or replacement would otherwise be the responsibility of the Association pursuant to Section 8.1 or the fact that any such modification, addition or alteration was approved by the Association, the Owner of each Lot shall be solely responsible for the maintenance, repair and replacement of any portion of the Lot or Exclusive Use Common Area assigned to such Lot, or the Improvements thereon, which were modified, added to or otherwise altered by other than the Association from its original construction when the Residence on the Lot was first built.

(e) Maintenance of Fences. Each Owner shall be responsible for the maintenance, repair, and replacement of all fences serving an Owner's Residence or courtyard area.

(f) Owner Maintenance of Party Walls. Each Owner shall maintain, repair and replace all party walls in accordance with the following provisions:

(i) General Rules of Law to Apply. Each Residence wall which is built as a part of the original construction of the Residences within the Development and placed on the dividing line between the Lots shall constitute a party wall. The general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

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

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

(iv) Weatherproofing. Notwithstanding any other provision of this section, an Owner who by his or her negligent or willful act causes a party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

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

(g) Owner Responsibility for Unscheduled Painting. An Owner shall be responsible for the cost of any painting work which the Owner requests at any time different from the Association's overall maintenance plan or schedule, as provided in Section 8.1(b)(iii) above.

(h) Owner Responsibility for Consequential Damage. Except as provided by Article 7 above, an Owner is responsible for the cost of repair of those portions of the Owner's Residence which are required to be maintained by the Owner, those portions of Common Area which are to be maintained by the Owner, and the fixtures and personal property located on the Owner's Lot, Residence, and within any Exclusive Use Common Areas, even if the cause of the damage originates from an element maintained by the Association, unless the cause is the gross negligence of the Association or its agents.

8.3 Compliance With Architectural Provisions. An Owner's right and responsibility for maintaining, repairing or replacing any portions of his or her Lot, including landscaping, shall be subject to any applicable provisions of the Governing Documents relating to landscaping and architectural control, including Article 9.

8.4 Owner Failure to Maintain. The Board shall have the absolute discretion to determine whether any maintenance, repair, or replacement which is the responsibility of an Owner, including without limitation the treatment of and the maintenance, repair or replacement resulting from the presence of wood destroying pests and organisms as specified in Section 8.2(c), is necessary to preserve the appearance and value of the property comprising the Development, or any portion thereof, and may notify an Owner of the work the Board deems necessary. Subject to the authority of the Board to authorize immediate emergency repairs as specified in Section 8.6, in the event an Owner fails to perform such work within thirty days after notification by the Board to the Owner, the Board may, after written notice to the Owner and the right of a hearing before the Board, cause such work to be done and charge the cost thereof to the Owner as a Reimbursement Assessment.

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

8.6 Authority for Entry of Lot. The Association or its agents may enter any Lot, whenever such entry is necessary, in the Board's sole discretion, in connection with the performance of any maintenance, repair, construction, or replacement for which the Association is responsible or which it is authorized to perform, including without limitation the authorization provided in Section 8.4. Although under no obligation to do so, the Board, in its complete and sole discretion, may enter or may authorize the Association's agents to enter any Lot to effect emergency repairs where such repairs are necessary for safety reasons or to prevent or discontinue damage to the entered Lot, any other Lot or the Common Area. The cost of performing any such emergency repairs shall be charged to the Owner as a Reimbursement Assessment. Such entry shall be made with as little inconvenience to the Residents as practicable and only upon reasonable advance written notice of not less than 24 hours, except in emergency situations, or in response to a request or work order submitted by an Owner.

8.7 Association Liability. Except as specifically provided in Section 8.1, the Association shall not be responsible or liable for any maintenance, repair, or replacement of a Lot or any Improvement thereon, except to the extent that the need for such maintenance, repair, or replacement results from the gross negligence of the Association, its employees, contractors, or agents.

8.8 Board Discretion. The Board shall have the discretion to determine the manner, method, extent and timing of the performance of any and all maintenance, repair and replacement obligations imposed upon the Association by this article.

8.9 Cooperative Maintenance Obligations. To the extent necessary or desirable to accomplish the Association's maintenance and repair obligations hereunder, individual Owners shall cooperate with the Association and its agents and maintenance personnel in the prosecution of its work.

## **ARTICLE 9                      ARCHITECTURAL AND LANDSCAPING CONTROL**

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9.1 Submission of Plans and Specifications. Except for Improvements made or constructed by or on behalf of the Association, no Improvement including without limitation buildings, fences, walls, obstructions, balconies, screens, courtyard covers, ramadas, tents, awnings, carport covers, or other structures of any kind or any landscaping, shall be commenced, erected, painted, or maintained within the Development, nor shall any exterior addition to or change or alteration therein be made, until the plans and specifications showing the nature, kind, shape, color, height, size, materials, and location of the same shall have been submitted to and approved in writing by the Board as to (i) quality of workmanship and design, (ii) harmony of external design in relation the nature and character of the Development and the Improvements thereon, and (iii) location in relation to surrounding structures, topography, finished grade elevation. The Board may appoint, in its discretion, advisory committees to make recommendations regarding applications for approval, to assist in the development of Architectural and Landscaping Rules as discussed below and to otherwise perform such duties and functions as the Board may determine, provided that in no event shall such committee have the power to approve or deny applications for approval under this article, which power shall be exercised solely by the Board.

9.2 Architectural and Landscaping Rules. The Board may, from time to time, adopt, amend, and repeal rules and regulations to be known as "Architectural Rules" or "Landscaping Rules" which shall be Rules as defined in Section 1.35. These Rules may interpret and implement the provisions of this article by setting forth the standards and procedures for Board review of approval requests and provide guidelines for architectural design, color schemes, exterior finishes and materials, and similar features which are recommended for use in the Development. The Rules shall not be in derogation of the minimum standards required by this Declaration. The Rules may also impose limits on the days and hours of construction and impose any other restrictions and regulations which the Board deems appropriate to limit the impact of construction activities on the Residents. In its discretion, the Board may grant variances from specific Rules subject to such terms and conditions as it deems appropriate.

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

9.4 Fees. The Board may charge a reasonable fee or fees for its review of architectural or landscaping approval applications, drawings, plans, and specifications which may include the cost of retaining outside consultants including but not limited to architects, engineers, soils experts, or contractors.

9.5 Grant of Approval. The Board shall grant the requested approval only if:

- (a) The Owner has complied with the provisions of Section 9.1 above;
- (b) The Board finds that the plans and specifications conform to this Declaration in effect at the time such plans were submitted to the Board;
- (c) The Board finds that the plans and specifications conform to the Architectural or Landscaping Rules in effect at the time such plans were submitted to the Board, unless a variance is granted pursuant to Section 9.2; and

(d) The Board shall determine that the proposed Improvements would be consistent with the standards of the Development and the purposes of this Declaration as to (i) quality of workmanship and design, (ii) harmony of external design in relation the nature and character of the Development and the Improvements thereon, and (iii) location in relation to surrounding structures, topography, finished grade elevation.

9.6 Form of Approval. All approvals and denials of requests for approval shall be in writing except as provided in Section 9.7. The Board may approve a request for approval subject to the Owner's consent to any modifications made by the Board. If the Owner does not consent to the modifications, the request for approval shall be deemed denied in its entirety.

9.7 Time for Board Action. Any request for approval which has not been acted upon within 45 days from the date of receipt thereof by the Board shall be deemed denied. If the time frame lapses, the applicant shall have the right to resubmit the request.

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

9.9 Completion. The Owner shall, in any event, complete the installation, construction, reconstruction, refinishing, or alteration of any Improvement within one year after commencing construction thereof (or in the case of projects under construction when this Declaration is Recorded, within one year after the date of Recordation), except and for as long as such completion is rendered impossible or would result in great hardship to the Owner due to strikes, fires, national emergencies, natural calamities, or other supervening forces beyond the control of the Owner or his agents. If an Owner fails to comply with this section, the Board shall proceed in accordance with the provisions of Section 9.10, below, as though the failure to complete the Improvements was a non-compliance with approved plans.

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

(a) Upon the completion of any construction, reconstruction, alteration, refinishing or other project for which the Board's approval is required under this article, the Owner shall give written notice of such completion to the Board.

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

(c) If the Owner fails to remedy the non-compliance upon the expiration of 30 days from the date of notification, the Board shall set a date on which a hearing before the Board shall be held regarding the alleged non-compliance in accordance with Section 8.1.4 of the Bylaws.

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

(e) If the Board fails to notify the Owner of any non-compliance within 60 days after receipt of a notice of completion from the Owner, the project shall be deemed to have been completed in accordance with the approved plans. The Owner shall have the burden of establishing the date of receipt on the notice of completion by the Board.

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

9.12 Estoppel Certificate. The Association may from time to time, but shall not be required to, Record an estoppel certificate, if permitted by the County, certifying (with respect to any Lot of such Owner) that as of the date thereof, either: (i) all Improvements made and other work completed by such Owner comply with this Declaration, or (ii) such Improvements or work do not so comply, in which event the certificate shall also identify the non-complying Improvements or work and set forth with particularity the basis of such non-compliance. Any purchaser from the Owner, or from anyone deriving any interest in a Lot through him, shall be entitled to rely on such certificate with respect to the matters therein set forth, such matters being conclusive as between the Association and all Owners and such persons deriving any interest through them. The decision to Record an estoppel certificate as set forth above shall be in the complete discretion of the Board.

9.13 Notice of Noncompliance. If any Improvements are installed within the Development that are not in conformance with this Declaration, the Association is authorized to Record a Notice of Noncompliance, if permitted by the County. The Notice of Noncompliance shall provide: (i) a legal description of the Lot affected, (ii) the name of the record Owner as most recently reported to the Association, and (iii) a description of the general nature of the noncompliance. If and when such Lot is brought into compliance with this Declaration, as determined by the Board, the Association shall, if permitted by the County, Record an estoppel certificate in accordance with Section 9.12.

9.14 Liability. Neither the Board nor any member or representative thereof shall be liable to the Association or to any Owner for any damage, loss, or prejudice suffered or claimed on account of: (i) the approval or disapproval of any plans, drawings, and specifications, whether or not defective; (ii) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications; (iii) the development of any property within the Development; (iv) the execution and filing of an estoppel certificate pursuant to Section 9.12, whether or not the facts therein are correct; provided, however, that the Board or any member or representative thereof has acted in good faith on the basis of such information as may be possessed by it or him; or (v) the execution and filing of a notice of noncompliance pursuant to Section 9.13, whether or not the facts therein are correct; provided, however, the Board or any member or representative thereof has acted in good faith on the basis of such information as may be possessed by it or him. Without in any way limiting the generality of the foregoing, the Board or any member or

representative thereof, may, but is not required to, consult with or hear the views of the Association or any Owner with respect to any plans, drawings, specifications, or any other proposal submitted to the Board. Every purchaser, by acquiring title to a Lot or portion thereof agrees not to bring any action or suit against the Board or its members or representatives seeking to recover any such damages.

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

## **ARTICLE 10                    ENFORCEMENT**

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10.1 Violations as Nuisance. Every act or omission constituting or resulting in a violation of any of the provisions of the Governing Documents shall be deemed to constitute a nuisance. In addition to any other remedies which may be available, such nuisance may be abated or enjoined by the Association, its officers, the Board or by any Owner. The Board shall not be obligated to take action to abate or enjoin a particular violation if, in the exercise of its discretion, the Board determines that acting to abate or enjoin such violation is not likely to foster or protect the interests of the Association and its Members as a whole.

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

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

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

### 10.5 Rights and Remedies of the Association.

(a) Enforcement Rights. The Association, its Directors, officers, or agents, and any Owner shall have the right to enforce any and all provisions of the Governing Documents by any proceeding at law or in equity, or through the use of such other remedies as are available and deemed appropriate by the Board. Each remedy provided is cumulative and not exclusive. The Board shall not be obligated to take action to enforce a provision of the Governing Documents if, in the exercise of its discretion, the Board determines that acting to enforce the provision is not likely to foster or protect the interests of the Association and its Members as a whole.

(b) Member Not In Good Standing. Upon a determination by the Board of Directors, after prior notice to the affected Member and an opportunity for a hearing, that such Member has violated any provision of the Governing Documents including a failure to pay any Assessment when due, the Board shall give notice in writing to such Member that he or she is deemed not to be a

Member in Good Standing. Such Member shall be deemed to remain in that status until such time as the Board shall determine in writing that the violation which resulted in the Board's determination has been cured or remedied or, on some other basis as in the judgment of the Board is just and proper, that such Member shall again be deemed to be a Member in Good Standing of the Association. Such Member shall be so notified in writing with a copy given to the Secretary.

(c) Imposition of Sanctions. In the event of a breach or infraction of any provision of the Governing Documents by an Owner, members of an Owner's household, or his or her tenants, Contract Purchasers, contractors, guests or invitees, the Board shall have the power to impose sanctions against the Owner. Such sanctions may include, without limitation, the imposition of fines and/or the suspension of an Owner's rights as a Member, including an Owner's voting rights or an Owner's right to use the recreational or community facilities on the Common Area. Except as provided in Section 10.7 below, imposition of sanctions shall be effective only after notice and an opportunity for hearing as provided in Section 8.1.4 of the Bylaws. The payment of any such fine may be enforced as an Enforcement Assessment as provided in Section 6.8 of this Declaration as well as in any manner permitted by law. Further, each Owner shall be obligated to pay Reimbursement Assessments levied by the Board for reimbursement of any costs incurred by the Association relating to violation of any provisions of the Governing Documents by the members of such Owner's household and such Owner's tenants, Contract Purchasers, guests, pets, or other invitees.

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

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

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

10.7 Emergency Situations. The following shall constitute emergency situations: (i) an immediate and unreasonable threat to the safety of Residents of the Development, (ii) a traffic or fire hazard, or (iii) a threat of material damage to or destruction of the Development or any portion thereof. Notwithstanding any other provisions of the Governing Documents, under circumstances involving conduct that constitutes an



emergency situation, the Association may undertake immediate corrective or disciplinary action. Hearings with respect to such corrective or disciplinary action shall be in accordance with Section 8.1.4(e) of the Bylaws.

10.8 Alternative Dispute Resolution. Compliance with California Civil Code Sections 1369.510 through 1369.590 and Civil Code Sections 1363.810 through 1363.850 shall be required with respect to any dispute subject to such sections.

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

10.10 Notices. Any notices required or given under this article shall, at a minimum, set forth the date, time, and location of any hearing, a brief description of the act or omission constituting the alleged violation of the Governing Documents, a reference to the specific Governing Document provision or provisions alleged to have been violated, and the sanction, disciplinary action, or other enforcement action being contemplated by the Board, if any. The notice shall be in writing and may be given by any method reasonably calculated to give actual notice to the affected Member; provided, however, that if notice is given by mail, it shall be sent by first-class mail, postage prepaid, sent to the most recent address for the affected Member as shown on the records of the Association.

10.11 Costs and Attorneys' Fees. In the event the Association shall take any action to enforce any of the provisions of the Governing Documents or shall determine that any Member or members of his or her household or his or her tenants, Contract Purchasers, guests, invitees or household pets have violated any provision of the Governing Documents, and whether or not legal or judicial proceedings are initiated, the prevailing party shall be entitled to recover the full amount of all costs incurred, including attorneys' fees, in responding to such a violation and/or in enforcing any Governing Document provision. The remedies of the Association to recover the amount of such costs and attorneys' fees shall include, without limitation, the imposition of a Reimbursement Assessment as provided in Section 6.7 of this Declaration.

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

## **ARTICLE 11                    AMENDMENT**

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11.1 Amendment by Members. This Declaration may be amended or revoked by the affirmative vote of Members representing an Absolute Majority of the voting power of Members of the Association. The percentage of the voting power necessary to amend a specific clause or provision of this Declaration shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause or provision.

11.2 Amendment by Board of Directors. Certain provisions of this Declaration reflect legal requirements prescribed by Federal law, California law, and other governmental statutes and regulations. In the event that any such laws, statutes or regulations are amended, revoked, or supplemented, the Board of Directors may, by the affirmative vote of a majority of the directors present at a meeting at which a quorum

has been established, amend the Declaration to reflect the underlying law, statute or regulation. The purpose of this provision is to provide the Members with notice of current legal requirements which affect their rights and obligations as they pertain to their Lot and membership within the Association.

11.3 Restatements of Declaration. The Board of Directors may, by the affirmative vote of a majority of the directors present at a meeting at which a quorum has been established, restate the Declaration when it has been properly amended pursuant to Sections 11.1 or 11.2 above. Any such restatement shall supercede any prior declarations and amendments in their entirety, but shall not affect the priority of any previous declarations or amendments in the chain of title to all Properties within the Development as established by the initial date of recordation of the original declaration for the Development. Such restatement may also:

- a. Add, delete, or rearrange the text of the Declaration to maintain consistency with any amendments including, but not limited to, altering the title and numbering of the restatement;
- b. Delete material that is no longer legally effective; and
- c. Add text which indicates that the Board of Directors has authorized the restatement and otherwise describes the background of the Development and the restatement process.

11.4 Recordation. Any amendment or restatement must be recorded and shall become effective only upon being recorded in the County Recorder's Office.

## **ARTICLE 12                      GENERAL PROVISIONS**

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

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

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

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

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

12.6 Term. The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges, and equitable servitudes contained in this Declaration shall run with and shall benefit and burden all of the real property subject to this Declaration, including without limitation the Lots and the Common Area, and shall inure to the benefit of and be binding upon the Owners, the Association, its Board of Directors and officers, and their respective agents and successors in interest, for a term of 30 years from the date of Recordation of this Declaration. Thereafter the term shall be automatically

extended for successive periods of 10 years each, unless within the six months prior to the expiration of the initial thirty year term or any ten year extension period a written instrument, approved by at least an Absolute Majority, terminating the effectiveness of this Declaration is Recorded.

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IN WITNESS WHEREOF, the Members of the Crosswoods Homeowners Association holding at least a majority of the voting power of the Association affirm, approve, and adopt this Second Restated Declaration of Covenants, Conditions and Restrictions of Crosswoods pursuant to Article 12 of the 1994 Declaration by means of the signatures of the President and Secretary of the Association.

DATED: \_\_\_\_\_, 2008.

**CROSSWOODS HOMEOWNERS ASSOCIATION,**  
a California nonprofit mutual benefit corporation

---

\_\_\_\_\_, President  
[type or print name]

---

\_\_\_\_\_, Secretary  
[type or print name]

**EXHIBIT "1"**  
**Legal Description of the Development**

All that real property situate in the County of Sacramento, State of California, described as follows:

Lots 1 through 31 as said lots are shown and so designated on the official "Plat of Crosswoods, Unit No. 1," recorded in the office of the Recorder of said County in Book 88 of Maps, Map No. 21.

Lots 32 through 76 as said lots are shown and so designated on the official "Plat of Crosswoods Unit No. 2," recorded in the office of the Recorder of said County in Book 91 of Maps, Map No. 2.

Lots 77 through 121 as said lots are shown and so designated on the official "Plat of Crosswoods Unit No. 3," recorded in the office of the recorder of said County in Book 92, Map No. 9.

Lots 122 to 201 inclusive, as shown on the official "Plat of Crosswoods Unit No. 4", recorded in the office of the County Recorder of Sacramento County on August 14, 1973, in Book 94 of Maps, Map No. 19.

Lots 202 to 222, inclusive as shown on the Official "Plat of Crosswoods Unit No. 5", recorded in the office of the County Recorder of Sacramento County, State of California, on December 10, 1974, in Book 98 of Maps, Map No. 13.

Lots 223 to 273, inclusive, as shown on the Official "Plat of Crosswoods Unit No. 6", recorded in the office of the County Recorder of Sacramento County, State of California, on May 14, 1976, in Book 103 of Maps, Map No. 15.

Lots 1 through 178, inclusive, as shown on the "Revised Plat of Crosswoods Unit No. 8," filed for record November 23, 1979, in Book 137 of Maps, Map No. 1, records of Sacramento County.

Lot "A" as said lot is shown and so designated on the official "Plat of Crosswoods Unit No. 1," recorded in the office of the Recorder of said County in Book 88 of Maps, Map No. 21.

Lot "A" and Lot "B" as said lots are shown and so designated on the official "Plat of Crosswoods Unit No. 2," recorded in the office of the Recorder of said County in Book 91 of Maps, Map No. 2.

Lots "A" and "B" as said Lots are shown and so designated on the official "Plat of Crosswoods Unit No. 3", recorded in the office of the Recorder of said County in Book 92 of Maps, Map No. 9.

Lots "A" and "B", as shown on the official "Plat of Crosswoods Unit No. 4", recorded in the office of the County Recorder of Sacramento County on August 14, 1973, in Book 94 of Maps, Map No. 19.

Lot "A" as shown on the official "Plat of Crosswoods Unit No. 5", recorded in the office of the County Recorder of Sacramento County, State of California, on December 10, 1974, in Book 98 of Maps, Map No. 13.

Lot "A" as shown on the official "Plat of Crosswoods Unit No. 6", recorded in the office of the County Recorder of Sacramento County, State of California, on May 14, 1976 in Book 103 of Maps, Map No. 15.

Lots "C" and "D" as shown on the Official Plat of "REVISED MAP OF CROSSWOODS, UNIT NO. #8, AKA CROSSWOODS PHASE 8," filed for record in the Office of the Sacramento County Recorder on the 23rd day of November, 1979, in Book 137 of Maps, at Map No. 1.

PARCEL 1, as shown and designated on that certain Parcel Map entitled "A portion of the S.E. ¼ of Sec. 27, T.10N., R.6E., M.D.B.&M.", recorded in the office of the County Recorder of Sacramento County on December 26, 1974 in Book 20 of Parcel Maps, at Page 45.

All that portion of the Northeast one-quarter of Section 34, Township 10 North, Range 6 East, M. D. B. & M., more particularly described as follows:

Beginning at the most Northerly corner of Lot "A", as said lot is shown on that certain "Plat of Crosswood Unit No. 5", filed in the office of the Recorder of Sacramento County in Book 98 of Maps, Map No. 13; thence from said point of beginning North 48° 17' 56" West 80.00 feet; thence North 41° 42' 04" East 87.00 feet; thence South 86° 43' 30" East 114.08 feet; thence South 17° 11' 20" East 142.00 feet; thence North 81° 08' 30" West 155.86 feet to the point of beginning. Containing 0.462 Acres more or less.

**EXHIBIT "2"**  
**Common Area**

All that real property situate in the County of Sacramento, State of California, described as follows:

Lot "A" as said lot is shown and so designated on the official "Plat of Crosswoods Unit No. 1," recorded in the office of the Recorder of said County in Book 88 of Maps, Map No. 21.

Lot "A" and Lot "B" as said lots are shown and so designated on the official "Plat of Crosswoods Unit No. 2," recorded in the office of the Recorder of said County in Book 91 of Maps, Map No. 2.

Lots "A" and "B" as said Lots are shown and so designated on the official "Plat of Crosswoods Unit No. 3", recorded in the office of the Recorder of said County in Book 92 of Maps, Map No. 9.

Lots "A" and "B", as shown on the official "Plat of Crosswoods Unit No. 4", recorded in the office of the County Recorder of Sacramento County on August 14, 1973, in Book 94 of Maps, Map No. 19.

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Lot "A" as shown on the official "Plat of Crosswoods Unit No. 6", recorded in the office of the County Recorder of Sacramento County, State of California, on May 14, 1976 in Book 103 of Maps, Map No. 15.

Lots "C" and "D" as shown on the Official Plat of "REVISED MAP OF CROSSWOODS, UNIT NO. #8, AKA CROSSWOODS PHASE 8," filed for record in the Office of the Sacramento County Recorder on the 23rd day of November, 1979, in Book 137 of Maps, at Map No. 1.

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**RECORDING REQUESTED BY, AND  
WHEN RECORDED, RETURN TO:**

**CROSSWOODS HOMEOWNERS ASSOCIATION**  
% BAYDALINE & JACOBSEN LLP  
895 University Avenue  
Sacramento, CA 95825  
Attn: Rod A. Baydaline, Esq.

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(Space Above For Recorder's Use)

**SECOND RESTATED DECLARATION**

**OF**

**COVENANTS, CONDITIONS AND RESTRICTIONS**

**OF**

**CROSSWOODS**