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Mission Hills Phase V Property Owners' Association

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SECOND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MISSION HILLS PHASE V PROPERTY OWNERS' ASSOCIATION

A Planned Residential Development

[Cover Page]

# SECOND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MISSION HILLS PHASE V PROPERTY OWNERS' ASSOCIATION

A Planned Residential Development

February 2017

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

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# SECOND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR MISSION HILLS PHASE V PROPERTY OWNERS' ASSOCIATION A Planned Residential Development

THIS RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS is made on the day and year hereinafter written, by Mission Hills Phase V Property Owners' Association, a California Nonprofit Mutual Benefit Corporation ("Declarant"), with reference to the following Recitals.

#### **RECITALS**

A. Declarant is a homeowners association whose Members are the Owners of all the Residential Lots within that certain real property in the City of Rancho Mirage, County of Riverside, State of California, more particularly described as:

That certain real property located in the City of Rancho Mirage, County of Riverside, State of California, more particularly described on the Subdivision Map as follows:

Tract 9535, as shown by map recorded on July 13, 1997 in Book 91, Pages 37 through 43, inclusive, of Maps, Records of Riverside County, California.

(hereinafter "Property").

- B. The Property was developed as a Planned Residential Development, as defined in Section 4175 of the California *Civil Code*, and consists of sixty-two (62) Residential Lots and related Common Areas. The Owners of each Residential Lot shall have an undivided fractional subleasehold interest in and to the Common Area, subject to any exclusive easements and other separate Ownership interests therein, and this Restated Declaration.
- C. Ownership of the Property is currently subject to the covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges set forth in the First Amended and Restated Declaration of Covenants & Conditions for Mission Hills Phase V Property Owners Association, recorded May 7, 2003, as Instrument No. 2003-325726, Official Records of the County Recorder of Riverside County and any amendment thereto (hereinafter "Declaration").
- D. The Property is subject to that certain Business lease No. PSL-121, Contract No. 14-20-0550-1736, which lease was recorded in the Riverside County Recorder's office on April 23, 1970 as Instrument No. 37878 ("Ground Lease"). The Property is further subject to the obligations contained within the Ground Lease and each Owner of a Residential Lot shall receive a subleasehold interest in and to his/her/its Residential Lot as well as an undivided fractional subleasehold interest in and to the Common Area.
- E. Except for Article 2, Section 3 of the existing Declaration, Declarant now desires to amend and restate the Declaration and replace it in its entirety with this Restated Declaration. Article 2, Section 3 related to the prohibition of leasing for less than thirty (30) days is carried forward from the existing Declaration and placed within the Restated Declaration under Section 5.5.1 herein. Declarant further desires that, upon recordation of this Restated Declaration, the Property shall be subject to the covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges contained herein, and that this Restated Declaration take the place of and relate back in time to the recording of the original Declaration.

- F. Article 17, Section 1 of the Declaration provides that it may be amended by the affirmative vote or written consent of seventy-five percent (75%) of all Owners. The undersigned President and Secretary of the Association certify that, to the best of their knowledge, the affirmative vote or written consent of at least the required percentage of Association Members has been obtained.
- G. Declarant hereby declares that all of the Property is and shall continue to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, and improved subject to the declarations, limitations, covenants, conditions, restrictions, reservations, rights, and easements set forth in this Restated Declaration, and as may be amended from time to time, all of which are declared and agreed to be in furtherance of a plan established for the purpose of enhancing and perfecting the value, desirability, and attractiveness of the Property. All provisions of this Restated Declaration shall constitute covenants running with the land and enforceable equitable servitudes upon the Property, and shall be binding on and for the benefit of all of the Property and all parties having or acquiring any right, title, or interest in all or any part of the Property, including the heirs, executors, administrators, and assigns of these parties and all subsequent Owners and lessees of all or any part of the Residential Lot.

#### **ARTICLE 1 — DEFINITIONS**

- 1.1 "Association" and "Declarant" means Mission Hills Phase V Owners' Association, a California Nonprofit Mutual Benefit Corporation, consisting of all Owners of Residential Lots in the project, created for the purpose of managing a common interest development.
  - 1.2 "Board" means the Board of Directors of the Association.
- 1.3 "Bylaws" means the existing Bylaws of the Association or, if adopted by the membership, the Restated Bylaws of the Association, as well as any duly adopted amendments thereto, which are incorporated herein by reference.
  - 1.4 "Common Area" means the entire Property except all Residential Lots.
- 1.5 "Eligible Mortgagee" means a holder, insurer or guarantor of a First Mortgage that provides a written request to the Association stating the name and address of such holder, insurer or guarantor and the lot number, and requesting notice to which such Eligible Mortgagee is due under the Governing Documents.
- 1.6 **"Exclusive Use Common Area"** means those portions of the Common Area designated herein for the exclusive use of one or more, but fewer than all, of the Owners of the separate interests and which are appurtenant to a Residential Lot. "Exclusive Use Common Areas" and "Restricted Common Areas" shall have the same meaning and shall consist of all utility lines, pipes, conduits and wiring designed to serve four Residential Lots or less but located outside the boundaries of the Residential Lot.
- 1.7 "Golf Course" means the Mission Hills Country Club ("Golf Course"), a leasehold estate owned by Mission Hills Property Corporation.
- 1.8 "Governing Documents" means this Restated Declaration and any other documents such as the Articles, Bylaws, Architectural Guidelines, Rules and Regulations, and/or Enforcement Procedures which govern the operation of the Association.
- 1.9 "Member" means every person or entity entitled to membership in the Association as provided in this Restated Declaration.
- 1.10 "Mortgage" means a mortgage or deed of trust encumbering a Residential Lot or any other portion of the Project. "First Mortgage" means a mortgage that has priority over all other mortgages encumbering the same Residential Lot or other portions of the Project.

- 1.11 "Mortgagee" means a Person to whom a Mortgage is made and includes the beneficiary of a deed of trust and any guarantors or insurer of a mortgage. "Institutional Mortgagee" means a mortgagee that is a financial intermediary or depository, such as a bank, savings and loan, or mortgage company, that is chartered under federal or state law and that lends money on the security of real property or invests in such loans, or any insurance company or governmental agency or instrumentality, including the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), and the Government National Mortgage Association (GNMA). "First Mortgagee" means a mortgagee that has priority over all other mortgages or holders of mortgages encumbering the same Residential Lot or other portions of the Project. The term "Beneficiary" shall be synonymous with the term "Mortgagee."
- 1.12 "Mortgagor" means a Person who mortgages his, her, or its property to another (*i.e.*, the maker of a mortgage), and shall include the trustor of a deed of trust. The term "Trustor" shall be synonymous with the term "Mortgagor."
- 1.13 "Owner" means the record owner(s) of a subleasehold interest in a Residential Lot in the Project, and any contract sellers under recorded contracts of sale. "Owner" shall not include any persons or entities who hold an interest in a Residential Lot merely as security for performance of an obligation.
- 1.14 "Party Wall" means a common wall which divides two (2) residential properties and serves as a wall for a building located on each such property. A Party Wall shall also include the walls and fences identified in Section 6.9 of this Restated Declaration. A Party Wall shall be considered to adjoin and abut against the surface from the bottom of the foundation over the full length and height of each such building. Residences within the Properties also share a common roof. The rights and responsibilities of Owners with respect to Party Walls and common roofs shall be governed by this Restated Declaration and the Maintenance Matrix, except where specifically provided otherwise.
- 1.15 "Person" means an individual, a corporation, or any other entity with the legal right to hold title to real property.
- 1.16 "Project" means the common interest development which is a planned residential development, including all improvements thereon, located within the Property.
- 1.17 "Property" means the real property described in Recital A above, which is subject to this Restated Declaration.
- 1.18 "Residential Lot" means any one of Lots 1 to 62, inclusive, within the subdivision. The term Residential Lot shall also mean and include the Residential Unit located thereon. For purposes of this Declaration, the term Residential Unit/Lot may also be used, but shall have the same meaning as Residential Lot.
  - 1.19 "Residential Unit" means the residential structure located on the Residential Lot.
- 1.20 "Restated Declaration" means this Restated Declaration of Restrictions and any amendments thereto.
- 1.21 "Rules and Regulations" means any Rules and Regulations for the Association regulating the use of the Residential Lots, Exclusive Use Common Areas, Common Areas, the Project and any facilities located thereon adopted by the Board pursuant to Subsection 3.5.2 herein.

#### **ARTICLE 2 — THE PROPERTY**

2.1 **Project Subject to Restated Declaration.** The entire Project and Property shall be subject to this Restated Declaration.

- 2.2 Description of Land and Improvements; Ownership of Common Area. The Property consists of all real property described in Recital A herein. The Common Area is owned by Owners of Residential Lots in equal undivided fractional subleasehold interests. The Owners of Residential Lots shall have a nonexclusive easement over the Common Area. Such nonexclusive easements shall be subordinate to any separate Ownership interests and any exclusive easements and/or Exclusive Use Common Area appurtenant to an Owner's Residential Lot.
- 2.3 **Equitable Servitudes**. The covenants and restrictions set forth in this Restated Declaration shall be enforceable equitable servitudes and shall inure to the benefit of and bind all Owners. These servitudes may be enforced by any Owner or by the Association or by both.
- 2.4 **Prohibition Against Partition**. There shall be no judicial partition of the Project or any part of it, nor shall Declarant or any person acquiring an interest in the Project or any part of it seek any judicial partition, except upon showing that such partition is consistent with the requirements of Section 4610 of the California *Civil Code*.
- 2.5 **Presumption Regarding Boundaries of Residential Units.** In interpreting deeds, declarations and plans, the existing physical boundaries of a Residential Unit shall be conclusively presumed to be its boundaries, rather than the description expressed in the deed, Final Tract Map, or this Restated Declaration. This presumption applies regardless of settling or lateral movement of the building and regardless of minor variances between boundaries shown on the Final Tract Map or described in the deed and those of the building as constructed or reconstructed.
- 2.6 **Prohibition Against Severance of Elements.** Any conveyance, judicial sale, or other voluntary or involuntary transfer of a Residential Lot shall include all interests and appurtenances as shown in the original deed of conveyance. Any conveyance, judicial sale, or other voluntary or involuntary transfer of the Owner's entire estate shall also include the Owner's membership interest in the Association, as provided in Article 3 herein. Any transfer that attempts to sever those component interests shall be void.

#### **ARTICLE 3 — ASSOCIATION**

- 3.1 **Organization of the Association**. The Association is incorporated as a nonprofit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. The Association is created for the purpose of managing the Project and is charged with the duties and granted the powers prescribed by law and set forth in the Governing Documents.
- 3.2 **Membership**. Every Owner, upon becoming an Owner, shall automatically become a Member of the Association. Ownership of a Residential Lot is the sole qualification for membership. Each Member shall have the rights, duties, privileges, and obligations as set forth in the Governing Documents. Membership shall automatically cease when the Owner no longer holds an Ownership interest in a Residential Lot. All memberships shall be appurtenant to the Residential Lot conveyed, and cannot be transferred, assigned, conveyed, hypothecated, pledged, or alienated except as part of a transfer of the Owner's entire Ownership interest, and then only to the transferee. Any transfer of the Owner's title to his/her/its Residential Lot shall automatically transfer the appurtenant membership to the transferee.
- 3.3 **Membership Class Voting Rights**. The Association shall have one voting class of membership and the rights, duties, obligations and privileges of the Members shall be as set forth in the Governing Documents. Each Member shall be entitled to cast one (1) vote for each Residential Lot owned, subject to the provisions set forth in the Bylaws.
- 3.4 **Membership Meetings**. Meeting of Members shall be held in accordance with Article 2 of the Bylaws.

- 3.5 General Powers and Authority. The Association shall have all the powers of a nonprofit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law, subject to any limitations set forth in the Governing Documents. In the event of any inconsistency between the provisions of this Restated Declaration, the Bylaws and/or the Articles of the Association, the Restated Declaration shall prevail. In the event of any inconsistency between the provisions of the Bylaws and the Articles, the Articles shall prevail. The Association may perform all acts that may be necessary for or incidental to the performance of the obligations and duties imposed upon it. Its powers shall include, but are not limited to:
- 3.5.1 The power to establish, fix, levy, collect, and enforce the payment of Assessments against the Owners in accordance with the procedures set forth in this Restated Declaration.
- 3.5.2 The power to adopt reasonable Rules and Regulations and Architectural Rules governing the use of the Residential Units/Lots, the Common Area, (including establishing no parking areas in any portion of the Common Areas) any common facilities and Association owned property, and the conduct at Board and Members' meetings ("Use"), in accordance with the following:
- (a) The Rules and Regulations may include, but are not limited to reasonable restrictions on Use by the Owners and their families, guests, employees, tenants and invitees; rules of conduct; the setting of reasonable administrative rules, fees, deposits; and the setting of reasonable hearing procedures and monetary penalties and fines in the event of a violation of any provisions of the Governing Documents, subject to Article 4.14 of the Bylaws.
- (b) Except as noted in Section 3.5.2(c) below, prior to the adoption of a Rule Change, as that term is defined herein, the Board of Directors shall provide Members with written notice and an opportunity to comment on any such Rule Change. The written notice to the Owners shall include all the following information:
  - (i) The text of the proposed rule change; and
  - (ii) A description of the purpose and effect of the proposed Rule Change;
  - (iii) The deadline for submission of a comment on the proposed Rule

Change:

- (iv) For a period of not less than thirty (30) days following delivery of the written notice of the proposed Rule Change, the Board of Directors shall accept written comments from Owners on the proposed Rule Change;
- (v) The Board of Directors shall consider any comments received from the Owners and shall make a decision on the proposed Rule Change at a Board meeting open to the membership. A decision by the Board on whether or not to adopt the Rule Change shall not be made until after the comment submission deadline. The Board of Directors shall deliver notice of any Rule Change to every Association Member. The Notice shall set out the text of the Rule Change and state the date the Rule Change takes effect. The date the Rule Change takes effect shall not be less than fifteen (15) days after Notice of the Rule Change is delivered. For purposes of this paragraph, the term *Rule Change* shall mean an adoption, amendment or repeal of the Association's Rules and Regulations and/or Architectural Rules.
- (c) Prior notice to Members is not required for the following actions of the Board, regardless of whether those actions may be construed as being a Rule Change as defined in the *Civil Code* and/or in Section 3.5.2(b): (i) any Rule Change that the Board adopts to address an imminent threat to public health or safety or imminent risk of substantial economic loss to the Association (such "emergency rules" may be adopted and remain in effect for up to 120 days); (ii) decisions regarding maintenance of the Common Areas; (iii) a decision on a specific matter that is not intended to apply to all Members, generally; (iv)

establishing the amount of an assessment; (v) adoption of a Rule Change that is required by law (if the Board has no discretion regarding the substantive effect of the Rule Change); and (vi) issuance of a document that merely repeats existing law or the governing Documents.

(d) Members' Right to Challenge Proposed Rule Changes. With respect solely to Rule Changes requiring prior Member notice as described in Section 3.5.2(b) above, Members owning five percent (5%) or more of the Residential Lots in the Development have the right to demand a ballot measure be distributed to the Members to reverse a proposed Rule Change, so long as the request for the ballot measure is delivered to the Association within thirty (30) days after the Members are given notice of the Rule Change. If a proper and timely demand for a ballot measure to vote to rescind a Rule Change is tendered to the Association, the Board shall establish the date and time for return of ballots by the Members consistent with its election rules.

The Rule Change can be reversed on the affirmative vote of a majority of a quorum of the Members, with each Member having one vote on the matter for each Residential Lot owned. If the Members vote to reverse a Rule Change, the Board may not take action to readopt the Rule Change for a period of one (1) year after the date of tabulation of votes on the ballot measure to reverse the Rule Change, provided, however, that this provision is not intended to preclude the Board from adopting a different Rule Change on the same subject as the Rule Change that was successfully reversed. As soon as possible following the close of voting on any proposal to reverse a Rule Change, but not more than fifteen (15) days after the close of voting, the Board shall provide notice to each Member of the results of the Member vote by personal delivery or first-class mail.

(e) A copy of the current Rules and Regulations, if any, and all modifications, revisions and updates shall be distributed to each Owner in a manner consistent with *Civil Code* §4045 or any successor statute. Any and all Owners who provide the Association with their e-mail address hereby agree that the Association can provide Notice of Rule Changes, Notice of Adoption of Rule Changes, and a copy of all current Rules, Regulations, if any, and all modifications, revisions and updates by such e-mail address (and, to the extent California law permits any other disclosures or notices to be sent to the membership by e-mail, the Owner hereby agrees that such other additional notices or disclosures can be provided to such Owner via e-mail).

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

- 3.5.3 The right to institute, defend, settle, or intervene in litigation, arbitration, mediation, or administrative proceedings in its own name as the real party in interest and without joining with it the Owners, in matters pertaining to:
  - (a) Enforcement of the Governing Documents.
  - (b) Damage to the Common Area.
- (c) Damage to any Residential Units/Lots that the Association is obligated to maintain or repair.
- (d) Damage to the Residential Units/Lots that arises out of, or is integrally related to, damage to the Common Area or Residential Units/Lots that the Association is obligated to maintain or repair.
- (e) Enforcement of payment of Assessments in accordance with the provisions of Section 4.11 herein.

- (f) Any other matter(s) in which the Association is a party, including, but not limited to contract disputes.
- 3.5.4 The right to discipline Owners for violation of any of the provisions of the Governing Documents by (i) suspending the Member's membership rights, including the Owner's voting rights and the rights and privileges to use the Common Area and/or facilities appurtenant to the Member's Residential Lot (including cable television), and (ii) by imposing monetary fines, subject to the limitations set forth in Section 4.14 of the Bylaws.
- 3.5.5 The right and easement for its agents and employees to enter any Residential Lot when necessary in connection with any emergency, maintenance, landscaping, inspection for compliance with the Governing Documents, and/or construction work for which the Association is responsible (provided there shall be no access to the inside of any Residence without a court order or permission of the Owner).
- 3.5.6 If, for any reason, an Owner fails to maintain or repair an area required to be maintained by him/her, Association shall have the authority and easement to enter into or upon the Residential Lot for the purpose of maintaining or repairing said area upon at least twenty-four (24) hours' prior written notice to the Owner or such greater notice as may be required by any provision hereof; provided, however, that such entrance shall be permitted without any prior notice whatsoever, in the event of an emergency. This section shall not be construed to permit access inside any Residence without a court order or permission of the Owner.
- 3.5.7 The Board of Directors shall have the authority to grant exclusive use easements over the Common Area for those Residential Lots identified below, consistent with the criteria enumerated below ("Board Authority"). The Board's Authority has been voted on and approved by at least a majority plus one vote of the voting power of the Association and, therefore, such exclusive use easements over portions of the Common Area will require a zero percent (0%) further vote of the Owners. The Residential Lots and the criteria for such exclusive use easements over the Common Area are identified as:
- (a) For Residential Lots with a rear lot line or side lot line adjacent to a Common Area greenbelt lot, the Board of Directors shall have the authority, consistent with the Architectural / Landscape Guidelines approved by the Board of Directors from time to time, to grant an exclusive use easement over such Common Area greenbelt lot up to a maximum of ten feet (10') from the rear or side lot line of said Residential Lot.
- 3.5.8 Notwithstanding any non-exclusive easement rights to the Common Area granted herein or by any deed or other conveyance, any patio extensions and/or any other improvements that encroach into the Common Area (and were approved by the Association prior to September 1, 2015) are hereby grandfathered and granted, retroactively, exclusive use easements over those portions of the Common Area where such patio extensions and/or any other improvements are located ("Easement Area(s)") provided that the Owners of the Units receiving the benefit of the easements ("Easement(s)") are solely responsible for the maintenance, repair and replacement of any improvements located within their respective Easement Area and, further, said Owner and their successors and assigns ("Easement Owner") shall and do hereby indemnify and agree to hold harmless the Association as well as past, present and future directors, officers, volunteers, employees or agents of the Association against any and all liabilities, claims or judgments (including reasonable attorneys' fees and costs incurred in defending any such claim(s)) brought related to the use, maintenance and/or repair of the Easement Area or any improvement thereon by a third party and/or the Easement Owner. Additionally, there shall be no monetary consideration required to be paid by the Easement Owner to the Association for the Easement Area and the Easement Owner shall not be required to provide any insurance coverage to the Association for the exclusive use of the Easement Area. The Easements granted to the Easement Owners as set forth in this Section 3.5.8 are granted by the Association pursuant to a membership vote amending the Restated Declaration and not by any action of the Board of Directors.

- 3.5.9 The Association shall have the power to remove any vehicle within the Project parked in violation of this Restated Declaration or the Rules and Regulations in accordance with the provisions of California Vehicle Code Section 22658, any other powers granted to an association under California law, and any amendments thereto.
- 3.5.10 The Association shall have the power to assign parking spaces in the Common Areas to Owners, to pay taxes and assessments which are or could become a lien on the Common Area and/or the Association Property, or any portion thereof.
- 3.5.11 The Association shall have the right to enter into agreements with Mission Hills Homeowners Committee and to contribute Association funds related to the maintenance of the various gates and gate entries, as well as manning of such gates identified on Exhibit B, attached hereto and made a part hereof by this reference. Additionally, the Association shall also have the right to coordinate maintenance and repair of any Common Area streets with adjacent associations by and through the Mission Hills Homeowners Committee or any other entity or committee formed to facilitate such purpose.
- 3.5.12 The Association shall have the authority to take such action, whether or not expressly authorized by this Restated Declaration, as may reasonably be necessary to enforce the governing documents of the Association.
- 3.6 **Duties of the Association.** In addition to the duties of the Association, its agents and employees set forth elsewhere in the Governing Documents, the Association, acting through the Board of Directors, shall be responsible for the following:
- 3.6.1 The Association shall provide for the maintenance and preservation of those portions of the Common Area and improvements thereon in good order and repair, consistent with Article 6 herein.
- 3.6.2 The Association shall pay all real property taxes and assessments levied upon any portion of the Common Area not assessed to or paid by the owners.
- 3.6.3 The Association shall be responsible for the financial management of the Association as provided in the governing documents.
- 3.6.4 The Association shall operate, maintain, repair, and replace those components described in Section 6.4, or contract for the performance of that work, subject to the provisions of the Governing Documents.
- 3.6.5 The Association shall use the regular assessments described in Article 4 herein to, among other things, acquire and pay for goods and services for the Project, including, but not limited to:
- (a) Water, sewer, refuse, electrical, telephone, gas, and other necessary utility service for the Common Area and, to the extent not separately metered and charged, for the Residential Lots, provided, however, that the Association, acting through the Board of Directors, shall have the right to enter into agreements with public utilities and/or cable service providers to provide bulk services to the Residential Units/Lots.
  - (b) The insurance policies described herein.
- (c) The services of any personnel that the Board determines are necessary or proper for the operation of the Common Area and the Association.
- (d) Legal and accounting services necessary or proper in the operation of the Common Area and the Association or the enforcement of the Governing Document.

- 3.6.6 The Association shall maintain such areas adjacent to the Project as the Board of Directors shall determine from time to time to be desirable in order to enhance the appearance of the Project or as may be required from time to time by the City of Rancho Mirage or other applicable governmental agency.
- 3.7 **Board of Directors.** The affairs of the Association shall be managed and its duties and obligations performed by an elected Board of Directors, as provided in Article 4 of the Bylaws.
- 3.8 Inspection of Accounting Books and Records. The rights of Owners and Directors to obtain and inspect the accounting books and records of the Association shall be in accordance with Article 7 of the Bylaws, governing the duty of the Association to maintain certain accounting books and records and the rights of Owners and Directors to obtain and inspect those accounting books and records.

#### ARTICLE 4 — ASSESSMENTS AND COLLECTION PROCEDURES

- 4.1 Covenant to Pay. Each Owner by acceptance of the deed to the Owner's Residential Lot is deemed to covenant and agree to pay to the Association regular, special, reimbursement, and/or enforcement assessments, and all other charges duly levied by the Association pursuant to the provisions of this Restated Declaration. A regular, special, reimbursement, or enforcement assessment and any late charges, reasonable costs of collection, and interest, as assessed in accordance with the provisions of this Article, shall also be a personal debt of the Owner of the Residential Lot at the time the assessment or other sums are levied. The Owner may not waive or otherwise escape liability for these assessments by nonuse of the Common Area or abandonment of the Owner's Residential Lot.
- 4.2 **Purpose of Assessments**. Except as provided herein, the Association shall levy regular, special, reimbursement, and/or enforcement assessments sufficient to perform its obligations. The assessments levied by the Association shall be used exclusively to promote the recreation and welfare of the Owners, and for the operation, replacement, improvement, and maintenance of the Project, and to discharge any other obligations of the Association under this Restated Declaration.
- Regular Assessments. Concurrently with preparation of the financial documents and budget as required in Article 4.12 of the Bylaws, the Board shall estimate the net charges to be paid during that next fiscal year, including a reasonable provision for contingencies, replacements and reserves, with adjustments made for any expected income and surplus or deficit from the prior year's fund. The resulting amount shall constitute the regular assessments for the budgeted year. Regular assessments shall be allocated among, assessed against and charged to each Owner according to the ratio of the square footage of the floor area of each Residential Unit within the Property owned by the assessed Owner to the total square footage of the floor area of all Residential Units within the Property. Based upon this ratio, the percentage share of the total regular assessment allocable to each Residential Unit within the Property shall be as set forth in Exhibit C, attached hereto and incorporated herein by this reference (hereinafter, "Regular Assessment"). Exhibit C shall also contain the Residential Unit number, the size of Residential Unit in square feet of floor area for each Residential Unit and the percentage of undivided interest in and to the Common Areas for each Residential Unit as well as their allocable proportionate share of the Regular Assessments. Failure of the Board to estimate the net charges within the time period stated herein shall not void any assessment imposed by the Board. Regular Assessments for fractions of any month shall be prorated. Each Owner is obligated to pay assessments to the Association in monthly installments on or before the first day of each month unless the Board adopts an alternative method for payment.
- 4.4 **Special Assessments.** If the Board determines that the amount to be collected from regular assessments will be inadequate to defray the common expenses for the year due to the cost of any construction, unexpected repairs or replacements of capital improvements upon the Common Area, or any other reason, it shall make a special assessment for the additional amount needed, subject to any limitations imposed by law or the Governing Documents allocated among, assessed against, levied and charged to the Owners in the same manner as regular assessment (hereinafter "Special Assessments").

- 4.5 **Reimbursement Assessments**. Subject to the limitations of the Governing Documents and in addition to regular and special assessments, the Board may levy reimbursement assessments against Owners and Residential Lots in accordance with the following:
- 4.5.1 The Board may levy a reimbursement assessment whenever the Association (i) performs any service or accomplishes any item of repair or maintenance which is the duty of any Owner to accomplish, but which has not been accomplished by such Owner, or (ii) incurs any costs which by law or as required by the Governing Documents must be reimbursed by an Owner. Such reimbursement assessment shall include the cost thereof, together with any financing costs and administrative costs incurred by the Association. Prior to levying such a reimbursement assessment, the Board shall provide the Owner with notice and a hearing in accordance with Section 4.14 of the Bylaws. The notice and hearing regarding the levy of a reimbursement assessment may be combined with the notice and hearing regarding the underlying violation.
- 4.5.2 Duly levied reimbursement assessments shall be subject to the provisions in the Governing Documents regarding costs, late charges and interest for delinquent payment, and may become a lien on the Residential Lot. Except as specifically prohibited by law, it is the intent of this Restated Declaration that reimbursement assessments (including without limitation those imposed to recover late payment penalties or to reimburse the Association for the cost of repairing damage to the Common Areas or Association Property for which the assessed Member is responsible), if not paid prior to delinquency, may be collected either in an action at law or by resort to the lien and foreclosure remedies set forth in Section 4.11 below.
- 4.6 Enforcement Assessments. The Board of Directors may levy, subject to the limitations of the Governing Documents, enforcement assessments against an Owner and his/her/its Residential Lot for failure to comply with the Governing Documents. Enforcement Assessments can include all costs, including attorneys' fees, incurred by the Association to bring an Owner (and/or his/her/it/s residence, tenants, occupants and guests) into compliance with the Governing Documents. In the event the Board of Directors imposes an enforcement assessment, that enforcement assessment shall be subject to costs, late charges and interest as described in Article 4 for delinquent payment. Enforcement Assessments imposed to recover monetary penalties for failure of a Member to comply with the Governing Documents may become a lien against the Member's Residential Lot that is subject to foreclosure pursuant to Section 4.11 unless such lien and foreclosure remedies are prohibited by law.
- 4.7 **Limitations on Assessments**. Except in emergency situations, the Board may not, without the approval of Owners constituting a quorum of the Owners and casting a majority of the votes through a ballot measure conducted in accordance with *Civil Code* §5115 or any successor statute, impose a regular assessment per Residential Lot that is more than twenty percent (20%) greater than the regular assessment for the preceding fiscal year, or levy special assessments that in the aggregate exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. For purposes of this Section, a "quorum" means more than fifty percent (50%) of the Owners of the Association. These limitations shall not apply to assessment increases that are necessary for emergency situations. An emergency situation is an extraordinary expense that is:
  - 4.7.1 Required by a court order.
- 4.7.2 Necessary to repair or maintain the Project or any part of it for which the Association is responsible when a threat to personal safety in the Project is discovered.
- 4.7.3 Necessary to repair or maintain the Project or any part of it for which the Association is responsible that could not have been reasonably foreseen by the Board in preparing and distributing the annual budget report. Before the Board may impose or collect an assessment in this emergency situation, it shall pass a resolution containing written findings as to the necessity of the extraordinary expense and why the expense was not or could not have been reasonably foreseen in the budgeting process, and shall distribute the resolution to the Owners with the notice of assessment.

- 4.8 Owner Notice of Assessments. The Association shall provide notice by first-class mail to the Owners of any increase in the regular assessments or the imposition of a special assessment not less than thirty (30) nor more than sixty (60) days prior to the increase in the regular assessment or special assessment becoming due.
- 4.9 **Limitation on Assessment Increases.** Any annual increases in regular assessments for any fiscal year, as authorized by Section 4.7, above, shall not be imposed until the Board has sent out the annual budget report in accordance with subdivision (a) of Section 5300 of the California *Civil Code* with respect to that fiscal year, or has obtained the approval of Owners, constituting a quorum, casting a majority of the votes at an election of the Association conducted in accordance with *Civil Code* §5115 or any successor statute. For the purposes of this Section, "quorum" means more than fifty percent (50%) of the Owners of the Association.
- 4.10 Costs, Late Charges and Interest. Late charges may be levied by the Association against an Owner for the delinquent payment of regular, special, reimbursement and enforcement assessments. An assessment, including any installment payment, is delinquent fifteen (15) days after its due date. If an assessment is delinquent the Association may recover all of the following from the Owner.
- 4.10.1 Reasonable costs incurred in collecting the delinquent assessment, including actual attorneys' fees.
- 4.10.2 A late charge not exceeding ten percent (10%) of the delinquent assessment or ten dollars (\$10.00), whichever is greater, or the maximum amount allowed by law.
- 4.10.3 Interest on the foregoing sums, at an annual percentage rate of twelve percent (12%) commencing thirty (30) days after the assessment becomes due.

No late charge may be imposed more than once for the delinquency of the same payment. However, the imposition of a late charge on any delinquent payment shall not eliminate or supersede charges imposed on prior delinquent payments. The amounts delinquent, including the entire unpaid balance and any related costs described herein, may be collected by the Association as provided in Section 4.11 hereinbelow.

4.11 Enforcement of Assessments and Late Charges. Unless California law provides otherwise, a delinquent regular, special, enforcement or reimbursement assessment, and any related late charges, reasonable costs of collection (including actual attorneys' fees), penalties, and interest assessed in accordance with Section 4.7 herein shall become a lien upon the Residential Lot when a Notice of Assessment Lien is duly recorded as provided in Section 5675 of the California Civil Code or applicable statute. The Notice of Assessment Lien shall describe the amount of the delinquent assessment or installment, the related charges authorized by this Restated Declaration, a description of the Residential Lot, the name of the purported Owner, and, if the lien is to be enforced by power of sale under nonjudicial foreclosure proceedings, the name and address of the trustee authorized by the Association to enforce the lien by sale. The Notice may be signed by any officer or director of the Association, or any attorney, employee or agent of the Association authorized to do so by the Board.

The Notice of Assessment Lien may not be recorded until thirty (30) calendar days after the Association has mailed a written demand for payment to the delinquent Owner in accordance with California law. If the delinquent assessment or installment and related charges are paid or otherwise satisfied in accordance with the demand for payment, the Association shall not record the Notice of Assessment Lien.

Any lien described herein may be enforced in any manner permitted by law, including judicial foreclosure or nonjudicial foreclosure, subject to the limitations contained in California *Civil Code* Sections 5720 and 5705 or any successor statute(s) thereto. Any nonjudicial foreclosure shall be conducted by the trustee named in the Notice or by a trustee substituted pursuant to Section 2934(a) of the California

Civil Code, in accordance with the provisions of Sections 2924, 2924(b), and 2924(c) of the California Civil Code.

If all sums specified in the Notice of Assessment Lien are paid before the completion of any judicial or non-judicial foreclosure, the Association shall (i) record a notice of satisfaction and release of lien, and (ii) upon receipt of a written request by the Owner, shall also record a notice of rescission of any recorded notice of default and demand for sale.

The Notice of Assessment Lien is not required to be amended by the Association or Trustee to reflect any partial payments made on the account of the delinquent Owner after its recordation, and any such partial payments received shall not be construed to invalidate the Notice of Assessment Lien and said Notice of Assessment Lien may be foreclosed upon as set forth herein even though the delinquent Owner has made one or more partial payments.

- 4.12 **Priority of Assessment Lien**. As set forth hereinbelow, the assessment lien referred to in Section 4.11 shall be superior to all other liens, except (i) all taxes, bonds and governmental assessments which, by law, would be superior thereto, and (ii) the lien or charge of any First Mortgage of record. Notwithstanding any other provision to the contrary, the following provisions shall govern the priority and obligation for payment of the assessment lien:
- 4.12.1 Only the judicial or non-judicial foreclosure of the First Mortgage shall operate to transfer title free of the assessment lien or obligation for any assessment lien, and then only as to payments which became due prior to the date of sale, and excluding those assessment liens recorded prior to the recording of the First Mortgage.
- 4.12.2 Should any person or entity other than a First Mortgagee foreclose on a Residential Lot, the new Owner shall be personally liable for all unpaid assessments whether or not a lien has been recorded if such new Owner expressly assumed such personal liability. In the event the new Owner assumes such liability, the Association may elect to collect such unpaid assessments, including late charges, interest and other costs, from the new Owner, either personally or against the Residential Lot, upon the transfer of title.
- 4.12.3 Neither the transfer of a Residential Lot pursuant to a foreclosure of any Mortgage, nor an election by the Association to proceed against any new Owner for payment, shall serve to cancel the personal obligation of the prior Owner for payment of the delinquent assessments and charges which accrued during such Owner's period of Ownership. The personal obligation of any Owner for payment of delinquent assessments and charges may only be satisfied, and therefore discharged, by payment of the entire amount of the delinquent assessments and charges, whether or not such Owner remains in possession of his/her/its Residential Lot.
- 4.12.4 No sale or transfer of any Residential Lot shall relieve such Residential Lot or its new Owner from liability for any future assessments which accrue during such Owner's period of Ownership.
- 4.13 **Statement of Delinquent Assessment**. The Association shall provide any Owner, upon written request, with a statement specifying the amounts of any delinquent assessments and related late charges, interest, and costs levied against the Owner's Residential Lot. Association shall have the right to charge a reasonable fee for such statement.

#### ARTICLE 5 — USE RESTRICTIONS AND COVENANTS

General. The use and enjoyment of the Project by Owners and their tenants, guests, invitees or any other person deriving rights from such Owner, shall be subject to the covenants and restrictions contained in the Governing Documents. Each such person shall comply with the provisions hereof and be subject to any enforcement actions in the event of violations. Unless otherwise stated in the Governing Documents, the Association, through the Board of Directors, shall be responsible for the enforcement of these provisions.

- 5.2 **Common Area**. The following provisions govern the use and enjoyment of the Common Area:
- 5.2.1 The Association shall have an easement in, to, and throughout the Common Area and the improvements thereon to perform its duties and exercise its powers.
- 5.2.2 Except as provided in this Restated Declaration, there shall be no judicial partition of the Common Area, nor shall Declarant or any person acquiring an interest in all or any part of the Project seek any judicial partition.
- 5.2.3 Subject to the provisions of this Restated Declaration, each Owner has non-exclusive rights of ingress, egress, and support through the Common Area. These rights shall be appurtenant to any deed of conveyance. However, these rights shall not interfere with, and shall be subordinate to, any exclusive right to use an area and/or any Exclusive Use Common Area appurtenant to a Residential Lot.
- 5.2.4 The Owner's rights of use and enjoyment of the Common Area and/or any Exclusive Use Common Area shall be subject to the restrictions set forth in the Governing Documents, and the right of the Association, subject to the limitations of any laws or the Governing Documents, to:
- (a) Adopt and enforce reasonable Rules and Regulations for the use of the Common Area, as well as all matters impacting the Project.
  - (b) Reasonably limit the number of persons using the Common Area.
- (c) Assign or otherwise control the use of any unassigned parking spaces within the Common Area.
- (d) Remove any vehicle within the Project parked in violation of this Restated Declaration or the Rules and Regulations of the Board in accordance with the provisions of California Vehicle Code Section 22658, any California law, and any amendments thereto.
- (e) Suspend the voting rights of any Owner, cable television service to a Residential Unit/Lot (but only if the Association has entered into a bulk cable and internet agreement for the Property), and the rights of any Owner, and the Persons deriving rights from any Owner, to use and enjoy the Common Area for any period during which the Owner is delinquent in the payment of any Assessment, fine or monetary penalty, or as otherwise provided in the Governing Documents. Additionally, for violations of the governing documents, the Association has the right to require minor children to be accompanied by an adult whenever they utilize the Association's Common Area recreational amenities for a period not to exceed one year.
- (f) Cause the construction of additional improvements in the Common Area, or to cause the alteration or removal of existing improvements on the Common Area.
- (g) Reasonably restrict access to roofs and other maintenance areas of a Residential Unit that the Association is obligated to maintain.
- (h) Approve any proposed alteration of or modification to the Common Area, or the exterior of any Residential Unit/Lot.
- 5.2.5 The Association may grant to third parties easements in, on and over the Common Area for the purpose of constructing, installing, or maintaining necessary utilities and services, or other purposes reasonably related to the operation of the Project, and each Owner, in accepting his/her/its deed to the Residential Lot, expressly consents to these easements. However, no such easement may be granted if it would unreasonably interfere with any exclusive easement, or with any Owner's use, occupancy, or enjoyment of his/her/its Residential Unit/Lot.

- 5.2.6 Notwithstanding the easement rights or other rights contained herein, an Owner who has sold his/her/its Residential Lot to a contract purchaser or who has leased or rented the Residential Unit/Lot shall be deemed to have delegated his/her/its rights to use and enjoy the Common Area to the contract purchaser or tenant who resides in the Owner's Residential Unit/Lot, subject to reasonable regulation by the Board.
- 5.2.7 All utilities designed to serve a Residential Lot, but located outside the boundaries of the Residential Lot, is allocated exclusively to that particular Residential Lot. The Owner of said Residential Lot shall be entitled to reasonable access to the Common Area for the purpose of maintaining these utilities, subject to the Exhibit A "Allocation of Maintenance Responsibilities," and further subject to the consent of the Association and to any other conditions reasonably imposed by the Association. The Association's consent shall not be unreasonably withheld.
- 5.2.8 The Board of Directors shall be authorized to grant exclusive use easements over the common are as identified in section 3.5.7 herein.
- 5.3 **General Restrictions on Use**. In exercising the right to occupy or use a Residential Lot or the Common Area and its improvements, the Owner and the Owner's family, guests, employees, tenants, and invitees:
- 5.3.1 Shall not attempt to further subdivide a Residential Lot without obtaining the prior approval of the Association.
- 5.3.2 Except as permitted in Section 5.4, shall not occupy or use a Residential Unit, or permit all or any part of a Residential Lot to be occupied or used, without Board approval, for any purpose other than as a private residence.
- 5.3.3 Shall not permit anything to obstruct the Common Area or store anything on the Common Area without the prior written consent of the Board, except as otherwise provided in the Governing Documents.
- 5.3.4 Shall not perform any act or keep anything on or in any Residential Unit/Lot or in the Common Area that will increase the rate of insurance for the Project without the Board's prior written consent. Further, no Owner shall permit anything to be done or kept in his/her/its Residential Unit or in the Common Area that would result in the cancellation of insurance on any Residential Unit or on any part of the Common Area or that would violate any law.
- 5.3.5 Shall not disconnect, damage, tamper with or otherwise modify any Protection system, including, but not limited to fire sprinklers, fire alarms and fuse boxes.
- 5.3.6 Shall not store gasoline, kerosene, cleaning solvents, or other flammable liquids or substances, or any toxic or hazardous materials on the Common Area or in any Residential Unit/Lot, provided, however, that reasonable amounts of these liquids, substances or materials may be placed in appropriate containers and properly stored on a Residential Lot. All rubbish, trash, and garbage shall be regularly removed from the Residential Unit/Lot consistent with the Association's Rules and Regulations, and shall not be allowed to accumulate anywhere within the Project. No such rubbish, trash and/or garbage shall be placed or kept on any portion of the Residential Lot except in covered containers of the type, size and style which are approved by the Board. In no event shall such containers be maintained so as to be visible from any adjacent Residential Lot or Common Area except to make the same available for collection, and then only the shortest time reasonably necessary to effect such collection consistent with the Association's Rules and Regulations.

- 5.3.7 Shall not erect or display any for sale/for lease sign on or from any Residential Unit/Lot except as allowed by Sections 712 and 713 of the California *Civil Code*. Shall not erect or display any sign on the Common Area, Residential Unit/Lot, and/or Exclusive Use Common Area, except as permitted in the Rules and Regulations and/or required by California law.
- 5.3.8 Except as otherwise permitted by federal or state law, shall not erect or display any radio or television antenna, satellite dish or other equipment or apparatus for transmitting or receiving transmissions which is visible from any street, Residential Unit/Lot, or the Common Area, unless otherwise permitted by the Architectural Committee of the Association.
- 5.3.9 Shall not keep animals, reptiles, rodents, birds, fish, livestock or poultry within any Residential Lot/Unit or elsewhere within the Project, except that domesticated dogs, cats, aquatic animals kept within an aquarium, and birds inside bird cages may be kept as household pets within any Residential Lot/Unit, if they are confined or kept on leash and not kept, bred or raised for commercial purposes or in unreasonable quantities. As used in this Restated Declaration, "unreasonable quantities" shall be deemed to limit the total number of all dogs, cats and birds to two (2) per Residential Lot/Unit. The Board can prohibit the keeping of any pet or other animal that, in the sole and exclusive opinion of the Board, constitutes a nuisance to any other Owner and any decision rendered by the Board shall be enforceable as other restrictions contained herein. Each person bringing, keeping or permitting another person to bring or keep a pet or other animal upon the Project shall be liable to the other Owners, their family members, guests, invitees for any damage to persons or property proximately caused by the pet brought upon or kept upon the Project. The Association, its Board, officers, employees and agents shall have no liability (whether by virtue of this Restated Declaration or otherwise) to any Owners, their family members, guests, invitees, tenants and contract purchasers for any damage or injury to persons or property caused by any pet or other animal. Unless approved by the Architectural Committee, no structures for the care, housing or confinement of pet or other animal in any Residential Lot/Unit shall be maintained so as to be visible from a neighboring Residential Lot/Unit. No pets or other animals shall be permitted upon the Common Area except as controlled on a leash or similar device held by its Owner or his agent. No pet or other animal shall be left chained or otherwise tethered outdoors within a Residential Lot/Unit or in the Common Area. Pet or other animal owners shall be responsible for the prompt removal and disposal of animal wastes deposited by their animals in the Project. Each person bringing or keeping a pet or other animal within the Project shall be solely responsible for the conduct of the Owner's pet or other animal.
- 5.3.10 Shall not engage in any illegal, noxious or offensive activity in any part of the Project, or do any act which unreasonably threatens the health, safety and welfare of other residents of the Project. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any property within the subdivision, and no odor shall be permitted to arise therefrom, so as to render any such property or portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or its occupants. No nuisance shall be permitted to exist or operate upon any such property so as to be offensive or detrimental to any one property in the vicinity thereof or to its occupants. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices, except for security devices used exclusively for security purposes, shall be located, used or placed on any such Residential Lots.
- 5.3.11 Shall not alter, attach, construct, or remove anything on or from the Common Area, except upon the written consent of the Board.
- 5.3.12 Shall not keep or maintain any fixture, personal property or other object upon any courtyard or patio which interferes with the quiet enjoyment of adjacent Residential Lots, courtyards or patios and/or which may be in violation of any Rules duly adopted by the Board.

- 5.3.13 Shall not conduct, maintain, or permit on any part of the Project any industry, business, trade, occupation or profession of any kind, whether commercial, religious, educational, or otherwise, except for home occupation use in compliance with this Restated Declaration and in particular, Section 5.4.
- 5.3.14 Shall not permit windows be covered in whole or in part with paper, newspaper, aluminum foil, or other materials not specifically intended for such purpose. Each Owner shall install permanent draperies or other suitable window treatments in all exterior windows of his/her/its Residential Unit within sixty (60) days after initial occupancy of the Residential Unit.
- 5.3.15 Shall not allow his/her/its Residential Unit/Lot to 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 time-share project, time-share estate, and/or time-share use (as those terms are defined under *Business and Professions Code* §11003.5 or any successor statute thereto); any qualified resort vacation club (as those terms are used under *Business and Professions Code* §10260, *et seq.*); or any agreement, plan, program or arrangement under which the right to, use, occupy, or possess the Residential Unit in the Project 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; provided, this section shall not be construed to limit the personal use of any Residential Unit in the Project by any Owner or his/her social or familial guests or his tenants under leases created in accordance with this Restated Declaration.
- 5.4 **Home Occupation.** Owner or his/her/its tenant may operate a business within the Residential Lot (hereinafter "home occupation"), provided that the home occupation is specifically limited to the use of the Residential Unit through the means of telephone, internet use and reasonable mail as described below and for no other purpose. Any activity conducted in compliance with Owner's home occupation shall not be visible from the exterior of the Residential Unit, through any modification to the Residential Unit, or through the operation of any business activity.
- 5.4.1 All home occupations shall comply with the Rules and Regulations adopted by the Board of Directors, but shall include at a minimum the following:
- (a) All employees shall be members of the resident family and shall reside on the premises;
  - (b) There shall be no direct sales of products or merchandise;
- (c) There shall be no displays, inordinate amount of delivery of mail or merchandise;
- (d) There shall be no advertising (including in any telephone book or website) which identifies the home occupation by street address;
- (e) Pedestrian and vehicular traffic will be limited to that normally associated with residential districts;
- (f) The home occupation shall not involve the use of commercial vehicles for the delivery of materials to or from the premises beyond those commercial vehicles normally associated with residential uses;
- (g) There shall be no outdoor storage of materials or equipment, nor shall merchandise be visible from outside the home;

- (h) The home occupation shall be confined within the main building of the Residential Unit. Garages shall not be used for home occupation;
- (i) The home occupation shall not be visible from the street or any other Residential Lot;
- (j) No use shall create or cause noise, dust, vibration, odor, smoke, glare, or electrical interference or other hazards or nuisances;
- (k) Activities conducted and equipment or material used shall not change the fire safety or occupancy classifications of the premises; and
- 5.4.2 A home occupation approval may be prohibited upon thirty (30) days' written notice by the Association if a majority of the Board of Directors, at its discretion, determine any one of the following findings can be made:
- (a) That the use has become detrimental to the quiet enjoyment of any homeowner within the Project and/or constitutes a nuisance;
- (b) That the use has become detrimental to the Association and/or any homeowner based on any health or safety concern;
- (c) That the home occupation is generating pedestrian or vehicular traffic and/or parking concerns;
- (d) That the applicant is advertising the home occupation by identification of the street address either in a telephone book or any other form;
  - (e) That the use is in violation of any statute, ordinance, law or regulation.

#### 5.5 Leases.

- 5.5.1 All leases or rental agreements must be in writing and be for a minimum of thirty (30) days (except for the month of February which can be leased for 28 days). No owner may advertise for lease/rent any Residential Unit/Lot for a period of less than 30 days (except February which can be advertised for lease/rent for 28 days) on the internet, on any hardcopy, magazine, newspaper, website, email, flyer, television, radio ad or any other form or offering.
- 5.5.2 All leases or rentals must be for the entire Residential Unit/Lot and not merely parts thereof, unless the Owner remains in occupancy.
- 5.5.3 All leases or rentals shall be subject in all respects to the Governing Documents, and shall provide that failure to comply with the requirements of the Governing Documents shall constitute a default under the lease which may be cured by eviction of the tenant either by the Owner or the Association.
- 5.5.4 An Owner who leases or rents his/her/its Residential Unit/Lot shall promptly notify the Association in writing of the names of all tenants and members of a tenant's family occupying such Residential Unit/Lot and furnish the Association with a copy of any lease or rental agreement.
- 5.5.5 All Owners leasing or renting their Residential Unit/Lot shall promptly notify the Association of the address and telephone number where such Owner can be reached.

- 5.5.6 Each Owner assigns to the Association, absolutely and regardless of possession of the property, all money now due or to become due under any agreement for the use or occupation of any part of any Unit, now existing or hereafter made, for the purpose of collecting all Assessments and costs and expenses due to the Association which are delinquent. The Association confers on each Owner the authority to collect and retain money due under any agreement for the use or occupation of any part of any Unit, provided that the Association may revoke the authority at any time, by written notice, of a default in the payment of any Assessments. Upon revocation the Association may collect and retain the money until the delinquent Assessments and related charges are satisfied, whether the money is past due and unpaid or current. The Association's rights under this provision are subordinate to the rights of any first mortgagee.
- 5.6 **Residential Unit/Lot Modification**. Subject to other applicable restrictions contained in the Governing Documents, Owners may modify their Residential Units/Lots subject to the following:
- 5.6.1 Modifications or alterations of the exterior of any Residential Unit/Lot must have the prior written consent of the Board or duly appointed Architectural Committee, including any modifications to facilitate handicapped access as provided by Section 4760 of the California *Civil Code*. Any approval of such handicapped access modification may be conditioned on such modification's removal, by the Owner at his/her/its sole expense, once the handicapped access is no longer necessary for the Residential Unit/Lot.
- 5.6.2 No Owner may install any exterior shutter, screen or other appurtenance in or on any window or door (which can be seen from the exterior of the Residential Unit) except those items which are approved by the Association.
- 5.6.3 No Owner may enclose his/her/its Residential Unit/Lot's patio, courtyard, and/or atrium without the prior written consent of the Board.
- 5.6.4 Except as provided by the Governing Documents, Owners shall not have the right to paint, decorate, remodel or alter any Exclusive Use Common Area or the Common Area without the prior written consent of the Architectural Committee and, as it relates to the Common Area, the written consent of the Board.
- 5.7 **Damage Liability**. Each Owner shall be liable to the Association for any damage to the Common Area or to Association-owned property if the damage is sustained because of conduct by the Owner or the Owner's family, guests, tenants, contract purchasers, or invitees. In the case of joint Ownership of a Residential Unit/Lot, the liability of the co-Owners shall be joint and several, unless the co-Owners and the Association have agreed in writing to an alternative allocation of liability.
- 5.8 **Parking and Vehicle Restrictions.** The Board of Directors shall have the right to promulgate Rules and Regulations related to vehicle and parking as it deems necessary from time to time. Unless otherwise expressly permitted by the Board:
- 5.8.1 Only "conventional passenger vehicles" are permitted to park within the Property. Except for temporary parking as defined in this Section, no commercial vehicles shall be permitted to remain within any area of the Property, including, without limitation, streets, driveways, Common Area, or the Residential Lot side and rear yards unless parked within the enclosed garage of the Residential Lot Owner. The Association shall have the power, but not the obligation, to have any vehicle which is parked in violation of the Association's Governing Documents towed from the Property at the expense of the owner of such vehicle. Nothing contained in this Section 5.8.1 shall preclude the parking of an operable vehicle within the enclosed garage of a Residential Lot.
- 5.8.2 Camping and/or overnight living in any recreational vehicle, commercial vehicle, conventional passenger vehicle, truck, boat, trailer, van, or garage is strictly prohibited.

- 5.8.3 Recreational vehicles and boats owned or rented by an Owner, guest and invitees, and/or tenant may be parked in front of said Owner's/tenant's Residential Lot (and not in front of any other Residential Lot) for the sole purpose of loading and/or unloading such recreational vehicle or boat immediately prior to or after the use of such recreational vehicle or boat for recreational purposes, subject to time limitations and other Rules and Regulations established from time to time by the Board of Directors.
- 5.8.4 Except as otherwise provided in this Section 5.8, in order to maintain the aesthetic environment of the Property, no conventional passenger vehicle, or any other motorized vehicle of an Owner, Tenant and/or other residents may be parked upon any street or driveway within the Property overnight. Vehicles of all Owners, their guests and invitees shall be kept in garages and designated parking areas; provided, however, this Section shall not be construed to permit the parking in the above described areas of any vehicle whose parking in the Property is otherwise prohibited or the parking of any inoperable vehicle.
- 5.8.5 No conventional passenger vehicle, recreational vehicle or equipment or commercial vehicle or any other motorized vehicle may be dismantled, rebuilt, repaired, abandoned, disabled, serviced or repainted within the Property. The foregoing restrictions shall not be deemed to prevent temporary parking for loading or unloading of vehicles or washing and polishing and those activities normally incident to washing and polishing of vehicles.
- 5.8.6 There shall be no loud noises or noxious odors from motor vehicles (including motorcycles, off-road vehicles, conventional passenger vehicle or commercial vehicles), which may unreasonably interfere with the quiet enjoyment of the Property.
- 5.8.7 As used in this Section, "conventional passenger vehicles" shall be defined to be station wagons, family sedans, compacts, sport utility vehicles, subcompacts, and similar passenger vehicles, as well as pick-up trucks having a manufacturer's rating or payload capacity of 1.5 ton or less, and passenger vans designed to accommodate eight (8) or fewer people.
- 5.8.8 As used in this Section, "recreational vehicles" shall include without limitation, trailers, boats, campers, trailer coaches, buses, house camp cars, motor homes, or any other similar type of equipment or vehicle.
- 5.8.9 As used in this Section, "commercial vehicle" shall be defined as a truck having a manufacturer's rating or payload capacity of greater than 1.5 ton, passenger vans designed to accommodate nine (9) or more people, and/or any vehicle with a sign displayed on any part thereof advertising any kind of business or on which trucks, materials, and/or tools are visible, or with a body type normally employed as a business vehicle whether or not a sign is displayed on any part thereof. The type of motor vehicle license plate shall not be material to the foregoing definition.
- 5.8.10 "Temporary parking" shall mean parking for a short period of time for the purposes of furnishing services to an Owner or for loading and unloading purposes related to the Owner(s)' Residential Lot. Temporary parking shall only be permitted during normal business and construction hours as may be identified by the Association from time to time. There shall be no temporary parking overnight within any portion of the Property.
- 5.8.11 The Board may adopt rules for the regulation of the admission of vehicles (including but not limited to motorcycles, mopeds, motor scooters, and other motorized vehicles with less than four wheels) and parking of vehicles within the Property, including the assessment of charges to Owners who violate or whose invitees violate, such rules. Any charges so assessed shall be Enforcement Assessments.
- 5.8.12 Garages shall be used for storage and parking purposes only, and shall not be converted for living or recreational purposes. Each Owner shall ensure that his/her garage or carport is maintained so as to be capable of accommodating at least one full-sized vehicle.

#### ARTICLE 6 — REPAIR AND MAINTENANCE

- General. The Association and all Owners have a shared responsibility to fulfill the maintenance requirements imposed by the Governing Documents. For purposes of this Article "maintenance" shall include without limitation, painting, weatherproofing and cleaning to keep a clean, safe and sanitary condition necessary to preserve the attractive appearance of each Residential Unit/Lot and the Project and protect the values thereof. The Board shall have the power to determine the standards of such maintenance. Attached hereto as Exhibit A, and incorporated herein by reference, is a listing of the allocation of responsibility for maintenance, repair and replacement of the various components in the Project. In the event of any inconsistency between the general provisions of this Article and the specific provisions of Exhibit A, the provisions of Exhibit A shall prevail. Provided any item is not listed in Exhibit A, the responsibility for its maintenance shall be determined in accordance with the provisions of this Article and, if no such allocation is made by this Article, then as otherwise provided by statute or law. Except as otherwise provided in the Governing Documents, the costs of maintenance, repair and replacement shall be borne by the party responsible for the maintenance, repair and replacement.
- 6.2 **Failure to Maintain**. In the event an Owner fails to maintain the areas (required to be maintained by the Owner as described herein) pursuant to the standards set by the Board, the Board may notify the Owner of the work required and request that the same be done within a reasonable time from the giving of such Notice. In the event the Owner fails to carry out such maintenance within said time period, the Board may, following notice and a hearing, cause such work to be done and the cost thereof shall immediately be paid by such Owner to the Association and until paid shall bear interest at the rate of twelve percent (12%) per annum (but no greater than the maximum rate authorized by law).
- Maintenance by Owner. Except as specifically allocated as a maintenance and repair responsibility of the Association pursuant to Exhibit A, each Owner shall be responsible for the maintenance, repair and replacement of those items allocated to the Owners pursuant to the Exhibit A Maintenance Allocation or, if there is no such allocation in Exhibit A, all portions of the Residential Unit/Lot as well as the Exclusive Use Common Areas (as those terms are defined under this Restated Declaration or under California law) in a clean manner, consistent with the surrounding properties, and to ensure that such area does not pose a threat to the health, safety or welfare of other Owners. The replacement of exterior items shall be subject to the requirements of Article 7 herein.
- 6.4 **Maintenance by Association**. Except as specifically allocated as a maintenance and repair responsibility of the Owner pursuant to Exhibit A, the Association shall be responsible for the maintenance, repair and replacement of those items allocated to the Association pursuant to Exhibit A, or, if there is no such allocation in Exhibit A, all Common Area items which do not constitute Exclusive Use Common Area under this Restated Declaration or under California law, including the following:
  - 6.4.1 All Association amenities, including any pools, spas, and related facilities.
- 6.4.2 Except for landscaping located within the Exclusive Use Common areas, all Common Area landscaping, including trees, shrubs, lawns, drainage facilities and the irrigation system.
- 6.4.3 All furnishings, equipment and property that is owned by, or may be acquired by the Association.
- 6.4.4 The maintenance and repair of all Common Area pavement, whether concrete, asphalt or otherwise, and all unassigned parking areas.
- 6.5 **Termite Control**. The responsibility for control of wood destroying pests or organisms shall be as follows:

- 6.5.1 Notwithstanding the means by which termites have entered an Owner's Residential Unit (i.e., regardless whether they are subterranean or otherwise), each Owner shall be responsible for the maintenance and repair of his/her Residential Unit/Lot and his/her/its personal property, as well as improvements and betterments within the Residential Unit (e.g., floor tile, wall treatments, carpet, mirrors), as required to control the presence of or damage caused by wood-destroying pests or organisms or repairs for same.
- 6.5.2 Owner shall be responsible for the cost of termite treatment by the pest control company. The responsibility for the cost to repair or replace any item which has been damaged by the presence of wood-destroying pests or organisms and/or which requires repair because of the access needed to facilitate termite treatment (hereinafter "termite damage and repair costs") shall be allocated as set forth herein. Association shall be responsible for the payment of termite damage and repair costs related only to those items allocated as Association's maintenance responsibility under Exhibit A. Similarly, Owner shall be responsible for the payment of termite damage and repair costs related only to those items allocated as Owner's maintenance responsibility under Exhibit A. The Board shall have the power to levy a reimbursement assessment against any Owner and his/her/its Residential Lot upon failure to pay the Association any costs of said Owner's allocable share of costs and expenses attendant for the termite control.
- 6.5.3 The Association shall have the power to temporarily remove any Residential Unit occupant for such periods and at such times as may be necessary for prompt, effective treatment of such pests or organisms. The costs of any temporary relocation during such maintenance or repair shall be paid by the Residential Lot Owner affected. The Association shall give notice of the need to temporarily vacate a Residential Unit to the record Owners and occupants not less than fifteen (15) days nor more than thirty (30) days prior to the date of the temporary relocation. The notice shall state the reason for the relocation, the date and time of the beginning of treatment, the anticipated date and time of termination of treatment and that the occupants will be responsible for all necessary accommodations during the relocation.
- 6.5.4 Neither the Association, the Board, officers, agents and employees shall have any liability, absent willful or wanton negligence, to any Owner, family member, guest, invitee or tenant for any damage caused by the treatment.
- 6.5.5 The costs and expenses of all termite inspections requested by the Association shall be paid by the Association. (This shall relate only to the cost of inspection and not to the cost/expenses of any repair or treatment recommended by any such inspection, which costs shall be allocated in accordance with Section 6.5.2 above.) If any Owner requests a termite inspection for his/her/its Residential Unit/Lot, the cost of said inspection shall be paid solely by the Owner. Notwithstanding anything else herein, in the event that an Owner wishes to obtain a termite clearance certificate for any purpose, the Owner shall be solely responsible for the cost of the inspection.
- Damage Caused by Owner or Item Under Control of Owner. Should any damage to the Building Common Area, Exclusive Use Common Area, Community Area, any Residential Unit and/or exterior of any building within a Building Area result from the willful or negligent act or neglect of any Owner, or such Owner's tenants, guests, invitees, pets or other person or entity deriving any interest through such Owner, or from any item the maintenance, repair or replacement of which an Owner is responsible (hereinafter "Culpable Owner"), including any damage from any irrigation system, planting, or watering for which the Owner is responsible, the cost of all repairs shall be borne solely by the Culpable Owner and not the Association.

The Association shall be responsible for performing the repair of any damage to the Building Common Area, Community Area or items over which the Association is responsible to maintain at the Culpable Owner's expense. The Culpable Owner shall be responsible for performing the repair of any damage to his/her/its Residential Unit and/or Exclusive Use Common Area for which such Owner has control. The Owner of any other Residential Unit which sustained damage shall be responsible for performing the repair of any such damage, and may charge the cost thereof to the Culpable Owner.

If the Culpable Owner disputes or refuses to pay the costs of repair, the Association, after reasonable notice and hearing procedures as provided for the imposition of enforcement assessments or suspensions, may charge the cost of such repair to such Owner as an reimbursement or special assessment, with the full authority to lien on such amount in the event of non-payment. If the damage is such as may be covered by any insurance carried by the Association, the Board may, in its sole discretion, elect to submit the claim for the cost of repairs to its insurance carrier. Provided the submitted claim is covered by the Association's insurance, the Culpable Owner shall be responsible for the cost of any deductible applicable to the covered claim. If the submitted claim is not covered by the Association's insurance, the Culpable Owner shall be responsible for the total cost of repair.

All repairs performed to correct any damage shall be sufficient to return the damaged property only to its condition prior to the damage, with upgrades as may be required to conform with any applicable building codes in effect at the time the damage is repaired.

- Water Intrusion Damage. Notwithstanding any other provision in the Governing Documents, each Owner shall be solely responsible for causing the repair or replacement of any damage (including but not limited to mold rehabilitation and remediation) to any and all interior items of his/her/its Residential Unit/Lot and the cost thereof, including, but not limited to, any personal property, decorations, interior surfaces, floor and wall coverings, appliances, fixtures or other items therein, caused by water intrusion from whatever source. An Owner may obtain and maintain such insurance, at his/her/its sole expense, to protect against any damage or loss of property due to water intrusion, or the cost of repair or replacement of damaged items for which such Owner is responsible. The Association shall not be liable for damage to property in the Project resulting from water which may leak or flow from outside of any Residential Unit/Lot or from any part of the building, or from any pipes, drains, conduits, appliances or equipment or from any other place or cause, unless caused by the gross negligence of the Association, its Board, officers, agents or employees.
- 6.8 **Rights of Disabled**. Subject to Architectural Committee approval, each Owner may modify his/her/its Residence and the route leading to the front door of his Residence, at his/her/its sole expense to facilitate access to his Residence by persons who are blind, visually impaired, deaf or physically disabled or to alter conditions which could be hazardous to such persons, in accordance with California *Civil Code* Section 4760 or any other applicable law.

#### 6.9 Party Walls.

- 6.9.1 General Rules of Law to Apply. Certain Residential Units within the Properties have garages which share a common wall and roof. Other Residential Lots share yard fences along common property lines. This article is intended to address the respective responsibilities of adjoining Owners with respect to such shared improvements. Each wall and fence which is built as a part of the original construction of the Residential Unit upon the Property and placed on the dividing line between the Residential Lots shall constitute a Party Wall (this the term "Party Walls" refers to both shared walls and fences). To the extent not inconsistent with the provisions of this Article, the general rules of law regarding Party Walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.
- 6.9.2 Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a Party Wall shall be shared by the Owners who make use of the wall in proportion to such use.
- 6.9.3 Destruction by Fire or Other Casualty. If a Party Wall is destroyed or damaged by fire or other casualty, then, to the extent that such damage is not covered by insurance and repaired out of the proceeds of same, any Owner who has used the wall may restore it, and if the other Owner thereafter makes 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 wilful acts or omissions.

- 6.9.4 Weatherproofing. Notwithstanding any other provisions of this Section, to the extent that such damage is not covered and paid by the insurance provided for herein, an Owner who by his/her/its negligent or wilful act causes the Party Wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.
- 6.9.5 Right to Contribution Runs With Land. The right of any Owner to contribution from any other owner under this Section shall be appurtenant to the land and shall pass to such Owner's successor in title.
- 6.9.6 Party Wall Easements. Each Owner of a Residential Unit shares a Party Wall with an adjoining Residential Unit is hereby declared to have an easement appurtenant, and the same is hereby granted on, over and upon such adjoining Residential Unit for such Party Wall. Each Owner shall be responsible for the maintenance, repair and reconstruction of that portion of any Party Wall which is located within the Owner's Residential Unit and to share the expense of repair or reconstruction of the Party Wall if such be required and, in the opinion of the Board, such repair or reconstruction is caused by deterioration, weather or other events beyond the reasonable control of the Owners sharing such Party Wall. In the event either of the Owners of a Party Wall damages the Party Wall, and fails to correct the damage, or neglects or refuses to maintain, repair or reconstruct the Party Wall after written notice to do so from the Board, the other Owner or the Association can perform the maintenance, repair or restoration and may recover the expense thereof and any incidental expense or consequential damages from the neglecting or refusing Owner. No Owner shall alter the shape, size or construction of a Party Wall, or repair or replace the Party Wall using materials different than those used in the original construction of the Party Wall, without the written consent of the Board.
- 6.9.7 Arbitration. In the event of any dispute between Owners concerning a Party Wall, or sharing the cost of repair or replacement of any Party Wall, then upon written request of one (1) of such Owner addressed to the Association, the matter shall be submitted to the Board of Directors who shall be empowered to decide the dispute in accordance with the hearing procedures specified in this Declaration. The Board's decision on the matter shall be conclusive and binding on the parties.
- 6.10 Rodent or Insect Damage. Except as provided in Section 6.5 related to Termite Control, each Owner shall be solely responsible for causing the eradication of all rodents and insects from his/her/its Dwelling Unit, the repair or replacement of any damage to any and all interior items of his/her/its Dwelling Unit, and the cost thereof, including, but not limited to, any personal property, decorations, interior surfaces, floor and wall coverings, appliances, fixtures or other items therein, caused by rodent or insect damage from whatever source. Association shall not be liable for damage to personal property, wall coverings floor treatment or any other fixtures or furnishings within the interior of the Dwelling Unit, resulting from rodents or insects which may damage the inside or outside of any Dwelling Unit or from any part of the building, or from any pipes, drains, conduits, appliances or equipment or from any other place or cause, unless caused by the gross negligence of the Association, its Board, officers, agents and/or employees.

#### ARTICLE 7 — ARCHITECTURAL AND DESIGN CONTROL

General. Any change or improvement to the exterior of a Residential Unit/Lot, any exclusive use common area, or any mechanical or service systems (HVAC systems, gas, water or electrical pipes or wires, etc.), which affects the exterior of the Residential Unit/Lot or the structural integrity of any building, shall be governed by this Article. Changes or improvements to the Common Area by the Association do not need to comply with the requirements of this Article. The powers and duties set forth in this Article shall be vested in, and exercised by, the Board or, if so designated, the Architectural Committee. The Board may establish an Architectural Committee as provided herein to assist the Board in reviewing architectural submittals, and to provide recommendations to the Board with regard to approval or disapproval of any submittal. The foregoing notwithstanding, if the Board has delegated architectural review to the Architectural Committee, the Architectural Committee shall be responsible for approving or rejecting any architectural submittal in

conformance with the Architectural Rules. Any architectural submission which does not conform to and is a variance of the Association's Architectural Rules shall require approval by the Board of Directors.

- 7.2 Architectural Changes Not Requiring Prior Approval. Nothing contained herein shall be construed to limit the right of an Owner to (1) make minor landscaping changes which do not alter the exterior aesthetics of the Residential Unit/Lot; (2) paint the interior of his or her Residential Unit any color desired; or (3) improve or alter any improvements within the interior of the Residential Unit, provided such improvement or alteration does not impair or alter the Common Area, any utilities, or other systems servicing the Common Area or other Residential Lots.
- 7.3 Architectural Changes Requiring Prior Approval. Except as noted in Section 7.2, nothing may be erected, placed or planted on the exterior of any Residential Unit/Lot or on the Common Area by any Owner, including any building, fence, wall, pool, spa, obstruction, outside or exterior wiring, balcony, screen, patio, patio cover, tent, awning, atrium cover, courtyard cover, trellis, tree, grass, shrub or other landscaping, any improvement or structure of any kind without the prior written approval of the Board or the Architectural Committee, if such authority is so delegated. Additionally, prior written approval by the Architectural Committee and/or, if appropriate, the Board shall be required for any alteration, modification, painting or other change or addition to any existing exterior improvement or landscaping.
- 7.4 **Procedure for Obtaining Approval of Architectural Changes.** The procedure for obtaining approval of any architectural change shall be as follows:
- 7.4.1 Complete plans and specifications showing the nature, kind, shape, color, size, height, materials to be used and location of any proposed improvements, alterations or landscaping, as well as the proposed contractor and any other information as required by the Board, shall be prepared by the requesting Owner and submitted to the Architectural Committee.
- 7.4.2 The Architectural Committee shall review the submission and provide a written approval or disapproval of any such submission, including the reasons for any decision, to the requesting Owner within sixty (60) days of receipt of such submission.
- 7.4.3 In the event the Architectural Committee fails to provide a written response to the requesting Owner within sixty (60) days of receipt of a completed application (or any extension thereof as provided below), the requesting Owner may submit his/her application to the Board of Directors for review. Such failure by the Architectural Committee shall not be deemed approval of the architectural application / submission. The Architectural Committee shall have the right to extend this sixty-day time line for an additional sixty (60) days upon written notice to the Owner. In considering any architectural submittal in conformance with the Architectural Guidelines, if the Architectural Committee denies an Owner's architectural request, the requesting Owner shall have a period of fifteen (15) days to appeal the denial by the Architectural Committee to the Board of Directors, in which case the Board of Directors shall review the requesting Owner's architectural submission at an open Board meeting and render a decision within sixty (60) days of receipt of the request. Any architectural submission which is a variance from the Association's Architectural Rules shall require approval by both the Architectural Committee and Board of Directors in accordance with Section 7.8 below. All approvals by the Architectural Committee or Board of Directors must be in writing. Oral approvals shall not be deemed effective.
- 7.4.4 Once an Owner has obtained approval for an architectural submittal, work on such approved submittal shall promptly commence and shall be completed within a reasonable time.
- 7.4.5 Once an Owner has obtained approval for an architectural submittal, work on such approved submittal shall promptly commence and shall be completed within a reasonable time.

- 7.5 **Inspection of Work**. The Board may require that final approval of an architectural submittal be conditioned upon an inspection of the completed work. Provided a final inspection is required, the Owner shall be responsible for the costs associated therewith. After such inspection, the Board shall provide the Owner with written notice of either a letter of completion or a letter of noncompliance, setting forth either: (a) all improvements made and other work completed by said Owner complies with the Governing Documents, or (b) such improvements or work do not so comply, in which event the notice shall identify the noncompliance improvements or work and set forth with particularity the basis of such non-compliance. In the event the work is found not to comply with the Governing Documents, the Owner shall promptly correct such deficiency and reapply for another inspection, or shall remove the proposed improvement and return the area to its original condition.
- 7.6 **Standard of Architectural Review**. An architectural submittal made by an Owner shall be reviewed for conformity with the Architectural Rules. Additional factors to be considered include, but are not limited to, the quality of proposed workmanship, the design and harmony of the improvement with existing structures, the location of the improvement in relation to surrounding structures, topography, and finish grade elevation, Owner and contractor insurance coverage, compliance with governmental permit requirements and contractor license status.
- 7.7 Architectural Rules. The Board may, in its sole discretion, adopt, amend and repeal, as it deems necessary and by majority vote, Rules and Regulations to be known as "Architectural Rules." Said Architectural Rules shall interpret and implement the provisions of this Article by setting forth the standards for review by the Board and Architectural Committee and guidelines for architectural design, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features which are recommended for use in the Project, provided, however, that said Architectural Rules shall not be in derogation of the standards required by this Restated Declaration. The Architectural Rules may also address the information which is required to be presented in connection with an architectural submittal.
- Variances from Architectural Rules. The Board of Directors may authorize variances from compliance with any of the architectural provisions of this Restated Declaration, including restrictions upon height, size, floor area or placement of structures, or similar restrictions, which circumstances such as topography, natural obstructions, hardship, aesthetic or environmental consideration may require. Such variances must be evidenced in writing, and must be approved by a majority of all directors. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Restated Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance shall not operate to waive any of the terms and provisions of this Restated Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the use of his/her/its Residence.
- 7.9 **Architectural Committee**. The Architectural Committee shall consist of three (3) to seven (7) members, formed as follows:
- 7.9.1 The Board shall have the right and the duty to appoint all of the members of the Committee.
- 7.9.2 Members appointed to the Committee by the Board shall be Members of the Association.
- 7.9.3 Members shall be appointed for terms as prescribed by the Board, provided that no term may be less than one (1) year. Notwithstanding the foregoing, all members of the Committee may be removed by the Board at any time with or without cause.
- 7.9.4 The Committee shall meet as often as it deems necessary to properly carry out the obligations imposed upon it, unless otherwise directed by the Board.

- 7.9.5 The Architectural Committee's approval or disapproval of matters required by this Restated Declaration must be decided by a majority vote of the Committee in attendance, provided, however, that if the Committee has only five members, at least two members must approve the proposed decision, and if the Committee consists of more than five members, at least three members must approve the proposed decision. (These are the minimal votes necessary and would still require a majority of the members in attendance of the Committee to approve the action.) If the Committee determines to take action through written consent, at least a majority of the entire Committee shall be required to execute the written consent before the Committee's decision shall be effective.
- 7.10 **Compensation**. The members of the Board and Architectural Committee shall receive no compensation for services rendered, other than reimbursement by the Association for expenses incurred by them in the performance of their duties hereunder.
- 7.11 **Liability.** Neither the Board, the Architectural Committee nor any member thereof shall be liable to the Association or to any Owner for any damage, loss or prejudice suffered or claimed on account of: (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications, (c) the development of any property within the neighborhood, or (d) the execution and filing of a certificate, pursuant to Section 9.5 below, whether or not the facts therein are correct, provided, however, that such member has acted in good faith on the basis of such information as may be possessed by him or her.
- 7.12 **Enforcement**. In addition to other enforcement remedies set forth in this Restated Declaration, the Board or Architectural Committee shall have enforcement rights with respect to any matters required to be submitted to and approved by it, and may enforce such architectural control by any proceeding at law or in equity in accordance with this Section.
- 7.12.1 No work for which approval is required shall be deemed to be approved simply because it has been completed without a complaint, notice of violation or commencement of a suit to enjoin such work.
- 7.12.2 The Board or Committee shall have the authority to order an abatement of any construction, alteration or other matter for which approval is required to the extent that it has not been approved by the Board or Committee or if it does not conform to the plans and specifications submitted to the Board or Committee.
- 7.12.3 If the Owner fails to remedy any noticed noncompliance within the time frame identified by the Association, the Board shall then set a date on which a hearing before the Board shall be held regarding the alleged noncompliance. The hearing date shall not be less than ten (10) days after the notice of the noncompliance is issued by the Board to the Owner, to the Architectural Committee, and to any other interested party.
- 7.12.4 At the hearing, the Owner, a representative(s) of the Committee and, in the Board's discretion, any other interested person may present information relevant to the question of the alleged noncompliance. After considering all such information, the Board shall determine whether there is a noncompliance.
- 7.12.5 If a noncompliance is determined to exist, the Board shall require the Owner to remedy or remove the same within such period or within any extension of such period as the Board, at its discretion, may grant.
- 7.12.6 If the Owner fails to take corrective action after having a reasonable opportunity to do so, the Board at its option, may pursue all legal and equitable remedies available to remedy or remove the noncomplying improvement and the Owner shall reimburse the Association for all expenses incurred in connection therewith upon demand. If such expenses are not properly repaid by the Owner to the Association,

the Board shall recover such expenses through the levy of an enforcement assessment against such Owner. In addition to all of the remedies available to the Association and to the extent permitted by California law, the Association has the right to record in the office of the Riverside County Recorder a Notice of Non-Compliance against the Residential Lot of the Owner who fails to take the corrective action as described above. This Notice shall remain against the Residential Lot until the corrective action has been taken, as determined by the Board of Directors, at which time the Association will record a Release of said Notice.

- 7.12.7 The approval by the Architectural Committee of any plans, drawings or specifications for any work of improvement done or proposed, or for any other matter requiring the approval of the Architectural Committee under this Restated Declaration, or any waiver thereof, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval by the same or some other Owner. Different location for improvements, the size of the structure, proximity to other residences or the Common Area and other factors may be taken into consideration by the Board or Committee in reviewing a particular submittal.
- 7.12.8 If any legal proceeding is initiated to enforce any of the provisions hereof, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to the costs of such proceeding.
- 7.13 **Non-Compliance with Laws**. Neither the Association, the Board nor the Architectural Committee shall be responsible for any non-compliance with any governmental law, rule or regulation of any building or other structure erected, constructed, installed, placed, altered or maintained in accordance with or pursuant to any plans and specifications approved by the Architectural Committee and/or Board or any defect in any conditions or requirements they may have imposed with respect thereto.
- Approval by City. Prior to commencing any alteration or improvements approved by the Association, the Owner shall comply with all appropriate governmental laws and regulations. The Association shall not be obligated to enforce the provisions of this Section. Approval by the Association shall not be considered to satisfy the appropriate approvals that may be required by any governmental entity with appropriate jurisdiction, nor shall the approval of any governmental entity be considered to completely satisfy the requirement of Association approval. An Owner's failure to obtain such governmental approval may subject such Owner to certain penalties imposed by the governmental entity, notwithstanding the approval of the Association, which penalties shall be the responsibility of such Owner.

#### ARTICLE 8 — LANDSCAPE CONTROL

- 8.1 General. Any change or improvement to the plant material at the exterior of a Residential Unit/Lot, as well as landscape elements, such as water features, trellis, tree, grass, shrub, ground cover, hedges, irrigation systems, and other landscape features, shall be governed by this Article. Changes or landscape improvements to the Common Area by the Association do not need to comply with the requirements of this Article. The powers and duties set forth in this Article shall be vested in, and exercised by, the Board or, if so designated, the Landscape Committee. The Board may establish a landscape committee as provided herein to assist the Board in reviewing landscape submittals, and to provide recommendations to the Board with regard to approval or disapproval of any submittal. The foregoing notwithstanding, if the Board has delegated landscape review to the Landscape Committee, the Landscape Committee shall be solely responsible for approving or rejecting any landscape submittal in conformance with the plant pallette which is a part of the Architectural Guidelines. Any landscape submission which does not conform to the Association's Landscape Guidelines shall require approval by the Board of Directors.
- 8.2 Landscape Changes Requiring Prior Approval. Prior to commencement of work, all landscaping additions and changes must be approved by the Association. Specifications on landscape material shall include type, light and water requirements, as more particularly described in the Association's Landscape Guidelines.

- 8.3 Landscape Changes Not Requiring Prior Approval. Nothing contained herein shall be construed to limit the right of an Owner to add, change, or remove any landscape elements in any enclosed courtyard, enclosed side yard, and/or rear yard areas of his/her/its Residential Unit, provided such landscape improvement or alteration cannot be seen from the exterior of the courtyard, side yard and/or rear yard at full maturity and does not impair or alter the Common Area, the structural integrity of adjacent improvements, any utilities, or other systems servicing the Common Area, or other Residential Units.
- 8.4 **Procedure for Obtaining Approval of Landscape Changes**. The procedure for obtaining approval of any landscape change shall be as follows:
- 8.4.1 Complete plans and specifications showing the nature, kind, shape, color, size, height, materials to be used and location of any proposed landscape improvements or alterations, as well as the proposed landscape contractor and any other information as required by the Board, shall be prepared by the requesting Owner and submitted to the Association.
- 8.4.2 The Landscape Committee shall review the submission and provide a written approval or disapproval of any such submission, including the reasons for any decision, to the requesting Owner within sixty (60) days of receipt of such submission. If an application requires more documentation and/or information as determined in the sole discretion of the Landscape Committee, the application shall not be deemed "complete" or "submitted."
- 8.4.3 In the event the Landscape Committee fails to provide a written response to the requesting Owner within sixty (60) days of receipt of a completed application (or any extension thereof as provided below), the requesting Owner may submit his/her application to the Board of Directors for review. Such failure by the Landscape Committee shall not be deemed approval of the landscape application / submission. The Landscape Committee shall have the right to extend this sixty-day time line for an additional sixty (60) days upon written notice to the Owner. If the Landscape Committee denies an Owner's landscape request, the requesting Owner shall have a period of fifteen (15) days to appeal the denial by the Landscape Committee to the Board of Directors, in which case the Board of Directors shall review the requesting Owner's landscape submission within sixty (60) days of receipt of the request. Any landscape submission which is a non-conforming use from the Association's Landscape Guidelines shall require approval by the Board of Directors in accordance with Section 8.8 below. All approvals by the Landscape Committee or Board of Directors must be in writing. Oral approvals shall not be deemed effective.
- 8.4.4 Once an Owner has obtained approval for a landscape submittal, work on such approved submittal shall promptly commence and shall be completed within the specified time.
- Inspection of Work. The Board may require that final approval of a landscape submittal be conditioned upon an inspection of the completed work. Provided a final inspection is required, the Owner shall be responsible for the costs associated therewith. After such inspection, the Board shall provide the Owner with written notice of either a letter of completion or a letter of noncompliance, setting forth either: (a) all landscape improvements made and other work completed by said Owner complies with the Governing Documents, or (b) such landscape improvements or work do not so comply, in which event the notice shall identify the non-compliant improvements or work and set forth with particularity the basis of such noncompliance. In the event the work is found not to comply with the Governing Documents, the Owner shall promptly correct such deficiency and reapply for another inspection, or shall remove the proposed landscape improvement and return the area to its original condition.

Any purchaser from the Owner, or from anyone deriving any interest in said Residential Lot/Unit through him/her/it, shall be entitled to rely on the written approval issued by the Board, with respect to the matters therein set forth, such matters being conclusive as between the Association, the Owners and such persons deriving any interest through them.

- 8.6 **Standard of Landscape Review.** A landscape submittal made by an Owner shall be reviewed for conformity with the Landscape Guidelines. Additional factors to be considered include, but are not limited to, the quality of proposed workmanship, the design and harmony of the landscape improvement with existing structures, the location of the landscape improvement in relation to surrounding structures, topography, and finish grade elevation, Owner and contractor insurance coverage, compliance with governmental permit requirements and contractor license status.
- 8.7 **Landscape Guidelines**. The Board may, in its sole discretion, adopt, amend and repeal, as it deems necessary and by majority vote, rules and regulations to be known as "Landscape Guidelines", which are incorporated and made a part of the Association's *Landscape Guidelines*. Said Landscape Guidelines shall interpret and implement the provisions of this Article by setting forth the standards for review by the Board and Landscape Committee and guidelines for landscape design, placement of irrigation systems and ground cover, and height / location of plant materials which are recommended for use in the Project, provided, however, that said Landscape Guidelines shall not be in derogation of the standards required by this Restated Declaration. The Landscape Guidelines may also address the information which is required to be presented in connection with a landscape submittal.
- 8.8 **Non-Conforming Use from Landscape Guidelines**. Upon application by an affected Owner, the Board may grant exceptions from the requirements of the Landscape Guidelines provided that such non-conforming use is reasonably necessary in order to carry out the general purpose and intent of the Governing Documents, or is necessary to avoid extensive hardship, expense or impossibility of conformance. Any non-conforming usage shall be in writing and shall not constitute a waiver of any Landscape Guideline or hinder the enforcement thereof.
- 8.9 **Landscape Committee**. The Landscape Committee shall consist of at least three (3) and no more than five (5) members, formed as follows:
- 8.9.1 The Board shall have the right and the duty to appoint all of the members of the committee.
- 8.9.2 Members appointed to the committee by the Board shall be Members of the Association.
- 8.9.3 Members shall be appointed for terms as prescribed by the Board. Notwithstanding the foregoing, all members of the Committee may be removed by the Board at any time with or without cause.
- 8.9.4 The Committee shall meet as often as it deems necessary to properly carry out the obligations imposed upon it, unless otherwise directed by the Board.
- 8.9.5 The Landscape Committee's approval or disapproval of matters required by this Restated Declaration must be decided by a majority vote of the Committee in attendance. If the Committee determines to take action through written consent, at least a majority of the entire Committee shall be required to execute the written consent before the Committee's decision shall be effective.
- 8.10 **Compensation**. The members of the Board and Landscape Committee shall receive no compensation for services rendered, other than reimbursement by the Association for expenses incurred by them in the performance of their duties hereunder after securing prior Board approval.
- 8.11 **Enforcement**. In addition to other enforcement remedies set forth in this Restated Declaration, the Board or Landscape Committee shall have enforcement rights with respect to any matters required to be submitted to and approved by it, and may enforce such landscape control by any proceeding at law or in equity in accordance with this Section.

- 8.11.1 No work for which approval is required shall be deemed to be approved simply because it has been completed without a complaint, notice of violation or commencement of a suit to enjoin such work.
- 8.11.2 The Board or Committee shall have the authority to order an abatement of any construction, alteration or other matter for which approval is required to the extent that it has not been approved by the Board or Committee or if it does not conform to the plans and specifications submitted to the Board or Committee.
- 8.11.3 If the Owner fails to remedy any noticed noncompliance within thirty (30) days from the date of such notification, the Committee shall notify the Board in writing of such failure.
- 8.11.4 The Board shall then set a date on which a hearing before the Board shall be held regarding the alleged noncompliance. The hearing date shall not be more than thirty (30) days nor less than ten (10) days after the notice of the noncompliance is issued by the Board to the Owner, to the Landscape Committee, and to any other interested party.
- 8.11.5 At the hearing, the Owner, a representative(s) of the Committee and, in the Board's discretion, any other interested person may present information relevant to the question of the alleged noncompliance. After considering all such information, the Board shall determine whether there is a noncompliance.
- 8.11.6 If a noncompliance is determined to exist, the Board shall require the Owner to remedy or remove the same within such period or within any extension of such period as the Board, at its discretion, may grant.
- 8.11.7 If the Owner fails to take corrective action after having a reasonable opportunity to do so, the Board at its option, may pursue all legal and equitable remedies available to remedy or remove the noncomplying landscape improvement and the Owner shall reimburse the Association for all expenses incurred in connection therewith upon demand. If such expenses are not properly repaid by the Owner to the Association, the Board shall recover such expenses through the levy of a reimbursement and/or enforcement assessment against such Owner. In addition to all of the remedies available to the Association and to the extent permitted by California law, the Association has the right to record in the office of the Riverside County Recorder a Notice of Non-Compliance against the Residential Lot/Unit of the Owner who fails to take the corrective action as described above. This Notice shall remain against the Residential Lot/Unit until the corrective action has been taken, as determined by the Board of Directors, at which time the Association will record a Release of said Notice.
- 8.11.8 The approval by the Landscape Committee of any plans, drawings or specifications for any work of landscape improvement done or proposed, or for any other matter requiring the approval of the Landscape Committee under this Restated Declaration, or any waiver thereof, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval by the same or some other Owner. Different location for landscape improvements, the size of the structure, proximity to other residences or the Common Area / Association Property and other factors may be taken into consideration by the Board or Committee in reviewing a particular submittal.
- 8.11.9 If any legal proceeding is initiated to enforce any of the provisions hereof, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to the costs of such proceeding.

8.12 **Non-Compliance with Laws**. Neither the Association, the Board nor the Landscape Committee shall be responsible for any non-compliance with any governmental law, rule or regulation of any building or other structure erected, constructed, installed, placed, altered or maintained in accordance with or pursuant to any plans and specifications approved by the Landscape Committee and/or Board or any defect in any conditions or requirements they may have imposed with respect thereto.

#### **ARTICLE 9 — INSURANCE**

- 9.1 **Property Insurance.** The Association shall obtain and maintain a master or blanket property insurance policy that shall provide coverage against losses caused by fire and all other hazards normally covered by a "special form" policy or its equivalent for the insurable replacement value of all of the buildings containing the Residential Units, as well as all other improvements within the common area ("Master Property Insurance"). The Master Property Insurance shall be, at a minimum, a "bare walls policy," provided, however, that the Association has the right, but not the obligation, to include within the Master Property Insurance additional items, such as floor and wall treatments, cabinets, built-in appliances and other fixtures. The amount of any deductible shall be determined by the Board. This insurance shall be maintained for the benefit of the Association, the Owners, and their Mortgagees, as their interests may appear as named insured, subject, however, to any loss payment requirements set forth in this Restated Declaration. If required by any First Mortgagee who notifies the Association of its requirement, and if economically feasible and available, such policies shall contain an agreed amount endorsement, an inflation guard endorsement, and a construction code endorsement.
- 9.2 **General Liability Insurance**. The Association shall obtain and maintain a policy or policies insuring the Association, its officers, directors, agents and employees, the Owners, and the Owner's invitees, guests, employees, and their agents against any liability for bodily injury, death, and property damage arising from the activities of the Association and its Members, with respect to the Common Area and any property owned by the Association, including but not limited to General Liability Insurance. Limits of liability under the insurance shall not be less than two million dollars covering all claims for death, personal injury, and property damage arising out of a single occurrence.

The limits and coverage shall be reviewed at least annually by the Board and increased or decreased in its discretion. Such policies shall include a provision for at least ten (10) days' prior written notice to the Association of any cancellation or substantial modification.

- 9.3 Officers and Directors Liability Insurance. The Association shall obtain and maintain one or more policies of insurance which include coverage for individual liability of officers and directors of the Association for negligent acts or omissions of those persons acting in their capacity as officers and directors. Limits of liability under this insurance shall be determined by the Board at its sole discretion, provided, however, that said limits shall not be less than two million dollars.
- 9.4 **Fidelity Bond Coverage**. The Association shall also purchase and maintain fidelity bond coverage which names the Association as an obligee, for any person or entity handling funds of the Association, whether or not such persons or entities are compensated for their services. If there is a management agent who handles Association funds, such agent shall also be covered by a fidelity bond. As long as commercially available for a reasonable price, the Association should require coverage equal to the estimated maximum amount of funds in the custody of the Association or its managing agent at any given time during the term of each bond; provided, however, that there shall be no requirement to obtain any fidelity bond in excess of One Million Dollars (\$1,000,000.00). The bonds must contain a provision that they may not be canceled or substantially modified without at least ten (10) days prior written notice to the Association.
- 9.5 Other Association Insurance. The Association shall purchase and maintain workers' compensation insurance to the extent necessary to comply with any applicable laws. The Association also may purchase and maintain a blanket policy of flood insurance, and demolition insurance in an amount that is sufficient to cover any demolition that occurs following the total or partial destruction of the Project and a

decision not to rebuild. The Association may purchase such other insurance the Board considers necessary or advisable, including earthquake insurance coverage. The Association shall have the authority, but not the obligation, to obtain earthquake insurance coverage for the Insured Property. Any earthquake insurance coverage provided shall be in an amount recommended by one or more reputable insurance brokers or consultants. Additionally, the Board of Directors must have the prior approval of a majority of a quorum of the members before choosing to cancel or not renew any existing earthquake insurance policy for the insured Property.

- 9.6 **Qualifications of Insurance Carriers**. All insurance provided under Section 9.1, 9.2, and 9.3 of this Article must be written by an insurance carrier with an A.M. Best Company rating of A or better (or a similar rating from another rating service company).
- 9.7 Failure to Acquire Insurance. The Association, and its directors and officers, shall have no liability to any Owner or Mortgagee if, after a good faith effort, it is unable to obtain any insurance required hereunder, because the insurance is no longer available or, if available, can be obtained only at a cost that the Board in its sole discretion determines is unreasonable under the circumstances, or the Members fail to approve any assessment increase needed to fund the insurance premiums. In such event, the Board immediately shall notify each Member entitled to notice that the specific insurance will not be obtained or renewed.
- 9.8 Trustee for Policies. The Association, acting through its Board, is appointed and shall be deemed trustee of the interests of all named insured under all insurance policies purchased and maintained by the Association. All insurance proceeds under any of those policies shall be paid to the Board as trustee. The Board shall use the proceeds for the repair or replacement of the property for which the insurance was carried or for the purposes described in Article 10 herein. The Board also is authorized to negotiate loss settlements with the appropriate insurance carriers, to compromise and settle any claim or enforce any claim by any lawful action, and to execute loss claim forms and release forms in connection with such settlements.
- 9.9 **Individual Insurance**. An Owner should separately insure his/her/its real and personal property, and should obtain and maintain personal liability and property damage liability insurance for his/her/its Residential Lot. Each Owner is responsible for integrating his/her/its personal insurance with the Association's insurance to confirm that such Owner's property will be protected in the event of a loss.
- 9.10 **Insurance Premiums**. Insurance premiums for any insurance coverage obtained by the Association shall be included in the regular or special assessments.
- 9.11 **Insurance Policy Deductibles**. As provided in this Article, the Board of Directors shall have the power, in its sole discretion, to determine the amount of any deductible applicable to any insurance policy carried by the Association. In the event of a loss for which Association insurance coverage is used, the responsibility for payment of any deductible shall be as follows:
- 9.11.1 Owners shall be responsible for the cost of any deductible if the damage or loss occurs to an item of his/her/its personal property and/or any damage to any portion of his/her/its Residential Unit, as well as any property damage which is based upon an occurrence located in an area for which the Owner is responsible to maintain.
- 9.11.2 The Association shall be responsible for the cost of any deductible if the damage or loss occurs to any item owned by the Association, or for any property damage located within that portion of the Common Area which is within the Association's maintenance responsibility.
- 9.11.3 The foregoing notwithstanding, if the damage or loss is caused by the negligence or misconduct of any Owner, or resident, guest, tenant or invitee of an Owner, the responsible Owner shall be liable for the cost of the deductible.

9.12 **Owner Notification of Insurance.** In accordance with Section 5300(b) of the California *Civil Code*, or any successor statute or law, the Association shall, upon issuance or renewal of insurance, but no less than annually, notify the Owners as to the amount and type of insurance carried by the Association. The notice shall include a statement regarding whether the Association is or is not insured to the levels specified by California *Civil Code* Section 5805, and that if not so insured, Owners may be individually liable for the entire amount of a judgment, and if the Association is insured to the levels specified, then Owners may be individually liable only for their proportional share of assessments levied to pay the amount of any judgment which exceeds the limits of the Association's insurance. The Association shall be required to comply with the provisions of this Section to the extent it is required by California *Civil Code* Section 5805 or any successor statute or law.

#### ARTICLE 10 — DAMAGE OR DESTRUCTION

- 10.1 **Duty to Restore**. A portion of the Project for which insurance carried by the Association is in effect, that is damaged or destroyed, must be repaired or replaced promptly by the Association unless:
  - 10.1.1 The Project is terminated.
  - 10.1.2 Repair or replacement would be illegal under a state statute or municipal ordinance.
- 10.1.3 Seventy-five percent (75%) of Owners, including each Owner of a Residential Lot that will not be rebuilt, vote not to rebuild.
- 10.2 **Cost of Repair.** Except as otherwise provided in this Restated Declaration, any cost of repair or replacement in excess of insurance proceeds and any applicable reserve for the building component to be rebuilt shall be a common expense, levied against Residential Lots in the same proportion as regular assessments are levied.
- 10.3 **Repair Plans**. The Project must be repaired and restored in accordance with either (a) the original plans and specifications, updated as required to reflect applicable building codes, or (b) other plans and specifications which have been approved in writing by the Board and a majority of Owners.

# 10.4 Replacement of Less Than Entire Project.

- 10.4.1 The insurance proceeds attributable to the damaged Common Area shall be used to restore the damaged area to a condition compatible with the remainder of the Project.
  - 10.4.2 Except to the extent that other persons or entities will be distributees:
- (a) The insurance proceeds attributable to a Residential Unit/Lot that is not rebuilt must be distributed to the Owner of that Residential Lot or to lien holders, as their interests may appear.
- (b) The remainder of the proceeds must be distributed to each Residential Lot Owner or lien holder, as their interests may appear, in proportion to the interests of all the Residential Lots.
- (c) If the Owners vote not to rebuild a Residential Unit/Lot, the common interest portions of the Residential Lot shall be reallocated among all other Residential Lots, and the Association shall prepare, execute and record an amendment to the Declaration reflecting the reallocations.
- 10.5 Uninsured Loss. The Board shall have the duty to repair and reconstruct all Common Areas without the consent of Members in all cases of partial destruction, unless the amount of any uninsured loss exceeds One Hundred Thousand Dollars (\$100,000). In such cases wherein the uninsured loss exceeds One Hundred Thousand Dollars (\$100,000), the Board shall have the duty to repair and reconstruct only those portions of the Common Areas related to the uninsured loss if a majority of a quorum of the members

approves such reconstruction for the uninsured loss areas. In the case of such uninsured loss for which members approve such reconstruction or repair, all Residential Lots shall be assessed a special assessment for their equal portion of any such uninsured loss. The Board may waive this absolute duty to repair by a unanimous vote, which shall be duly noted in the minutes of the meeting at which the vote was taken, and shall be communicated to Owners.

Residence on a Residential Lot thereon is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner of such Residential Lot to rebuild, repair or reconstruct the Residence on such Residential Lot in a manner which will restore them substantially to their appearance and condition immediately prior to the casualty or as otherwise approved by the Architectural Committee. The Owner of any damaged Residence on a Residential Lot shall be obligated to proceed with all due diligence hereunder, and such Owner shall cause reconstruction to commerce within three (3) months after the damage occurs and to be completed within nine (9) months after damage occurs, unless prevented by causes beyond his/her/its reasonable control. A transferee of title to the Residential Lot which is damaged or upon which is located a damaged Residence shall commence and have complete reconstruction in the respective periods which would have remained for the performance of such obligations if the Owner of the Residential Lot at the time of the damage still held title to the Residential Lot. However, in no event shall such transferee of title be required to commence or complete such reconstruction in less than thirty (30) days from the date such transferee acquired title to the Residential Lot.

#### **ARTICLE 11 — EMINENT DOMAIN**

- 11.1 Common Area Taking. In the event of a taking by eminent domain of any part of the Common Area, the Association shall participate in the negotiations, and shall propose the method of division of the proceeds of condemnation, where Residential Lots are not valued separately by the condemning authority or by the court. Proceeds of condemnation, less any costs and fees incurred in collection thereof, shall be distributed among Owners of Residential Lot and their respective Mortgagees according to the relative values of the Residential Lots affected by the condemnation.
- 11.2 **Substantial Taking**. If there is a substantial taking of the Project (more than fifty percent (50%)), the Owners may terminate the legal status of the Project and, if necessary, bring a partition action under California *Civil Code* Section 4610 or any successor statute, on the election to terminate by fifty-one percent (51%) of the total voting power of the Association. The proceeds from the partition sale, less any costs or fees incurred in collection thereof, shall be distributed to the Owners and their respective Mortgagees in proportion to the fair market values of the Residential Lots.

# ARTICLE 12 — RIGHTS OF MORTGAGEES

- 12.1 **General.** No breach of any of the covenants, conditions and restrictions herein contained, nor the enforcement of any lien provisions herein, shall render invalid the lien of any first Mortgage on any Residential Lot made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise.
- 12.2 No Right of First Refusal. This Restated Declaration neither contains nor shall be amended to contain any provision creating a "right of first refusal" to the Association before a Residential Lot can be sold. Should any such rights nevertheless be created in the future, such rights shall not impair the rights of any First Mortgagee to: (a) foreclose or take title to a Residential Lot pursuant to the remedies provided in the mortgage, (b) accept a deed (or assignment) in lieu of foreclosure in the event of a default by a mortgagor, or (c) sell or lease a Residential Lot acquired by the Mortgagee.

- 12.3 Unpaid Dues or Charges. Except as otherwise provided by statute, where the Mortgagee of a first Mortgage of record or other purchaser of a Residential Lot obtains title to the same pursuant to the remedies in the Mortgage or as a result of foreclosure, such acquirer of title, his successors and assigns, shall not be liable for the share of the Common Expenses or Assessments made by the Association chargeable to such Residential Lot which became due prior to the acquisition of title to such Residential Lot by such acquirer.
- 12.4 **Action Requiring Mortgagee Approval**. Except as provided by statute in case of condemnation or substantial loss to the Residential Lot and Common Area, unless at least fifty-one percent (51%) of the First Mortgagees (based upon one (1) vote for each mortgage owned) have given their prior written approval (as defined in Section 14.3), the Association and/or the Owners shall not be entitled to:
- 12.4.1 By act or omission seek to abandon, or terminate the Project as a planned unit development (except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain).
- 12.4.2 Change the pro rata interest or obligations of any individual Residential Lot for the purpose of (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rata share of Ownership of each Residential Lot in the Common Area, provided that no Owner's undivided interest in the Common Area may be changed without the consent of that Owner.
  - 12.4.3 Partition or subdivide any Residential Lot.
- 12.4.4 By act or omission seek to abandon or partition the Common Area, or any property owned, directly or indirectly, by the Association (the granting of easements by the Association is not a transfer in the meaning of this clause).
- 12.4.5 Use hazard insurance proceeds for losses to any of the Project (whether to Residential Lots or to Common Area) for other than the repair, replacement or reconstruction of such property.
- 12.5 **Mortgagees Furnishing Information**. Any Mortgagee can furnish information to the Board concerning the status of any Mortgage.
- 12.6 **Financial Statement**. Any First Mortgagee shall be entitled, on written request therefor, to have the Association provide an audited financial statement for the immediately preceding fiscal year, which statement shall be furnished within a reasonable time following such request.

#### ARTICLE 13 — ENFORCEMENT

- 13.1 **Right to Enforce**. The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the Governing Documents. Each Owner of a Residential Lot shall have a right of action against the Association or any Owner for failure to comply with the provisions of the Governing Documents.
- Nuisance. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement, or reservation contained in the Governing Documents is violated in whole or in part, is declared to be and constitute a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result and may be exercised by any Owner and the Association. Each remedy provided herein shall be cumulative and not exclusive.
- 13.3 **Failure to Enforce**. Failure by the Association or any Owner to enforce any provisions of the Governing Documents shall in no event be deemed a waiver of the right to do so thereafter.

- 13.4 **Violation of Law**. Any violation of any state, municipal or local law, ordinance or regulation pertaining to the Ownership, occupation or use of any Residential Unit/Lot within the Project is declared to be a violation of the Governing Documents and subject to any or all of the enforcement procedures herein set forth.
- 13.5 **Compliance with Statute**. All activities to enforce the provisions of the governing documents shall be conducted in accordance with all applicable laws, statutes and ordinances. This Section shall apply to both the Association and to all Owners.

#### **ARTICLE 14 — AMENDMENTS**

14.1 Owner Approval of Amendments. Except as provided in Section 14.2 below, this Restated Declaration may be amended by the vote or written consent of an affirmative vote of at least fifty percent (50%) plus one vote of the voting power of the Association. Notwithstanding any contrary provision in this Section, the percentage of the voting power necessary to amend a specific clause or provision of this Restated Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that specific clause or provision.

An amendment becomes effective after (a) the approval of the required percentage of Owners has been given, (b) that fact has been certified in the form of a written document executed and acknowledged by an officer designated by the Association for that purpose or, if no such designation is made, by the President of the Association and (c) the document has been recorded in Riverside County.

Notwithstanding the above, if this Restated Declaration includes a reference to a *Civil Code* or *Corporations Code* section that has been renumbered by the Legislature, then the Board of Directors may adopt a Board resolution to amend this Restated Declaration to correct the technical statutory cross reference within the Association's Restated Declaration and, thereafter, distribute a corrected Restated Declaration to the membership.

- 14.2 Owner Approval of Amendments Related to Allocation of Assessments. Notwithstanding anything contained herein and to the contrary, any amendment related to the allocation to assessments as more particularly identified in Section 4.3 and 4.4, shall only be amended by the vote or written consent of an affirmative vote of at least seventy-five percent (75%) of the voting power of the Association.
- 14.3 **Eligible Mortgagee Approval**. Except as provided by statute or by other provision of the Governing Documents in case of substantial destruction or condemnation of the Project, the approval of fifty-one percent (51%) of Eligible Mortgagees shall be required to add or amend any material provisions of this Restated Declaration which establish, provide for, govern or regulate:
  - 14.3.1 Assessments, assessment liens or subordination of such liens.
  - 14.3.2 Reserves for maintenance, repair and replacement of the Common Area.
  - 14.3.3 Insurance or fidelity bonds.
  - 14.3.4 An Owner's interest in the Common Area.
- 14.3.5 Convertibility of Residential Lots into Common Area, or Common Area into Residential Lots.
- 14.3.6 Imposition of any rights of first refusal or similar restriction on the right of an Owner to sell, transfer or otherwise convey his/her/its Residential Lot.

14.4 **Eligible Mortgagee Approval Response Time**. An Eligible Mortgagee who receives a written request to approve additions or amendments by certified or registered mail, return receipt requested, addressed to the address provided by such Eligible Mortgagee, who does not deliver or post to the requesting party a negative response within thirty (30) days after the notice of the proposed addition or amendment, shall be deemed to have approved such request.

#### **ARTICLE 15 — GENERAL PROVISIONS**

- 15.1 **Term**. The provisions of this Restated Declaration shall continue in effect for a term of fifty (50) years from the date of execution. Thereafter, it shall be automatically extended for successive periods of ten (10) years, until the membership of the Association decides to terminate it.
- 15.2 **Nonwaiver of Remedies**. Each remedy provided for in this Restated Declaration is separate, distinct, and nonexclusive. Failure to exercise a particular remedy shall not be construed as a waiver of the remedy.
- 15.3 **Severability.** The provisions of this Restated Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one (1) provision shall not affect the validity or enforceability of any other provision.
- 15.4 **Binding**. This Restated Declaration, as well as any amendment thereto and any valid action or directive made pursuant to it, shall be binding on the Owners and their heirs, grantees, tenants, successors, and assigns.
- 15.5 **Interpretation**. The provisions of this Restated Declaration shall be liberally construed and interpreted to effectuate its purpose of creating a uniform plan for the development and operation of a planned unit development. Failure to enforce any provision of this Restated Declaration shall not constitute a waiver of the right to enforce that provision or any other provision of this Restated Declaration.
- 15.6 **Limitation of Liability.** The liability of any Owner for performance of any of the provisions of this Restated Declaration shall terminate upon sale, transfer, assignment, or other divestment of the Owner's entire interest in his/her/its Residential Lot with respect to obligations arising from and after the date of the divestment.
- 15.7 **Fair Housing**. Neither Association nor any Owner shall, either directly or indirectly, forbid the conveyance, encumbrance, renting, leasing, or occupancy of the Owner's Residential Unit/Lot to any person on the basis of race, color, sex, sexual-orientation, religion, ancestry, national origin, age, marital status or physical handicap.
- 15.8 **Order of Priority.** If there is any inconsistency between any of the following documents, then, in such an event, the order of priority and supersession of any such conflicting and inconsistent language shall be in the order of priority listed below with Subpart (a) having the highest priority and Subpart (d) having the lowest priority:
  - (a) This Restated Declaration
  - (b) Articles of Incorporation
  - (c) Restated Bylaws
  - (d) Rules & Regulations, Architectural Guidelines, and Enforcement Procedure
- 15.9 **Number and Headings**. As used in this Restated Declaration, the singular shall include the plural, unless the context requires the contrary. The headings are not a part of this Restated Declaration, and shall not affect the interpretation of any provision.

15.10 Attorneys' Fees. In the event an attorney is engaged by the Board to enforce the Governing Documents, the Association shall be entitled to recover from the adverse party to the controversy its actual attorneys' fees and costs so incurred. In the event litigation and/or Alternative Dispute Resolution is commenced to enforce the Governing Documents, the prevailing party shall be entitled to its attorneys' fees and costs. Said costs and attorneys' fees shall constitute a lien on the Residential Lot which is enforceable pursuant to Article 4 herein. This Section shall also apply to actual attorneys' fees incurred to collect any post-judgment costs.

**IN WITNESS WHEREOF**, the undersigned has executed this Restated Declaration of Covenants, Conditions and Restrictions this 14<sup>th</sup> day of February, 2018.

MISSION HILLS PHASE V PROPERTY OWNERS' ASSOCIATION, a California Nonprofit Mutual Benefit Corporation

| By: | William a. Reid   |  |
|-----|---|--|
| •   | (signature) Print Name: William A Reid Office: Vice President |  |
|     | Office: Vice President  |  |
|     | ^ -   |  |
| Ву: | Jeanne Mc Culloch   |  |
| ·   | (signature) Print Name: Joanne Mc Culloch                     |  |
|     | Office: Transcure   |  |

# **EXHIBIT A — ALLOCATION OF MAINTENANCE RESPONSIBILITIES**

Notwithstanding any allocation of maintenance responsibilities contained in this Exhibit A, the express provisions under the Restated Declaration, or under California Law, the following general principles shall apply in determining the maintenance responsibilities between the Association and the Owner:

- 1. Painting of the Exterior of the Residential Unit. Any painting responsibility by Association for the exterior of the Residential Unit shall be limited to the painting and minor repair of the exterior surface of such Residential Units, as more particularly identified in the Maintenance Matrix attached as part of this Exhibit A and made a part hereof by this reference. The term *minor repair of such exterior surfaces* shall mean incidental repairs of the stucco and trim, as determined from time to time in the sole discretion of the Board of Directors. Except for such minor repair, the painting of the exterior of the Residential Units shall not include maintenance, repair, replacement of any stucco, trim, interior walls, party walls or any structural elements within the Residential Unit.
- 2. Schedule of Exterior Painting of Residential Unit. Association shall have the responsibility for the exterior painting of each Residential Unit in accordance with regular maintenance schedule as recommended by consultants and experts, and shall provide painting for such areas indicated on the attached Maintenance Matrix on the basis of regular wear and tear. Any Owner who wishes to facilitate painting of a Residential Unit outside the Association's regular maintenance schedule may do so, subject to the Association's architectural guidelines, obtaining architectural approval and at Owner's sole cost and expense.
- 3. Damage to Any Landscaping in the Course of Painting of the Exterior Residential Unit. Association shall not be responsible for any damage or loss of plant material that is caused by the Association's access to the exterior surfaces of the Residential Units in the normal course of painting as described in this Exhibit A. Any plant material that must be removed and/or is damaged in the course of securing access to the exterior surface of the Residential Unit shall be the sole responsibility of the Owner and not the Association and/or its vendor and any replacement of such plant material shall be at the sole cost of the Owner.
- 4. Removal of Fixtures and Other Improvements to Facilitate Access to Painting Exterior Surfaces of the Residential Units. Owners will be provided at least ten (10) days' written notice to remove any fixtures or any other improvement that will need to be removed by the Owner in order to provide the Association access to the exterior surfaces of the Residential Unit to facilitate the painting identified in this Exhibit A. To the extent that an Owner fails to remove such fixtures or improvements, the Association is authorized to remove same at the Owner's cost and charge said additional cost to the Owner as part of the Owner's next month's billing for regular assessments and collected in the same manner as regular assessments.
- 5. Owner-Caused Delay in Accessing the Exterior Surfaces of the Residential Unit that the Association is Obligated to Paint. To the extent that the Owner impedes access to the exterior surfaces of the Residential Unit that the Association is obligated to paint (such as failure to unlock courtyard gates), then, if the Association incurs additional costs, such additional costs shall be charged to the Owner of the Lot at issue, added on to the Owner's next monthly regular assessment and to be collected by the Association from said Owner in the same matter as regular assessments.
- 6. Damage to Stucco Caused by Removal of Clinging Vines and Other Vegetation. Association shall not be responsible for any damage caused by the Association's removal of clinging vines and other plant material to the exterior surfaces of the Residences in the normal course of painting as described in this Exhibit A. The Association shall have the right, but not the obligation, to repair any such damage to the exterior surface of the Residential Unit caused by removal of plant material clinging to the

exterior surfaces and, to the extent the Association does facilitate the stucco repair, the Association shall have the right to charge the additional expense back to the Owner of the Residential Lot at issue to be added on the Owner's next monthly Regular Assessment and to be collected by the Association from said Owner in the same manner as Regular Assessments. For purposes of this paragraph, such stucco repair identified in this Exhibit A, paragraph 6, shall not be deemed minor repair of such exterior surfaces as that term is used within paragraph 1 above.

7. **Owner-Installed Improvements.** Any Owner-installed improvement, wherever located, shall be the maintenance and repair responsibility of the Owner, and not that of the Association. If such Owner-installed improvement impacts or changes any portion of the Association maintenance area, the Association shall have the right to bring such Association maintenance area into conformity with the other Association maintenance areas and charge Owner for any related costs to do so as a reimbursement assessment. Any Owner-installed improvement which impacts the exterior of the Residential Unit, e.g. increasing the square footage of the Residential Unit, shall be the maintenance responsibility of the Owner, unless otherwise agreed to in writing by the Association.

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| RESIDENTIAL UNIT |   |      |                            |   |
| 1.               | Painting of Residential Unit external doors on exterior surface only  | Х    |                            |   |
| 2.               | Maintenance, repair and replacement of exterior doors or screen doors   |      | Х                          |   |
| 3.               | Maintenance, repair and replacement of glass surfaces   |      | Х                          |   |
| 4.               | Maintenance, repair and replacement of exterior residence lighting fixtures and hardware                        |      | Х                          |   |
| 5.               | Maintenance, repair, and replacement of original Residential Unit roof skylights                                | Х    |                            |   |
| 6.               | Maintenance, repair and replacement of additional homeowner-installed skylights                                 |      | Х                          |   |
| 7.               | Maintenance, repair and replacement of exterior and interior faucets  |      | Х                          |   |
| 8.               | Maintenance, repair and replacement of interior Residential Unit wall paint, wall coverings and floor coverings |      | х                          |   |
| 9.               | Exterior painting of front door frame   | Х    |                            |   |
| 10.              | Interior painting of front door   |      | Х                          |   |
| 11.              | Hardware, weather stripping and fixtures of all doors except overhead garage door                               |      | Х                          |   |
| 12.              | Replacement of front door and door frame (original door)  |      | Х                          |   |
| 13.              | Maintenance and replacement of front door and door frame (new installation)                                     |      | Х                          |   |
| 14.              | Interior painting of Residential Unit   |      | Х                          |   |
| 15.              | Repair and replacement of window screens  |      | Х                          |   |
| 16.              | Repair and replacement of patio door screens  |      | Х                          |   |
| 17.              | Repair and replacement of windows, glass and sliding doors  |      | Х                          |   |
| 18.              | Repair and replacement of patio doors and glass   |      | Х                          |   |
| 19.              | Painting outside walls (stucco)   | Х    |                            |   |
| 20.              | Painting outside trim of Residential Unit   | Х    |                            |   |
| 21.              | Repair and maintenance of outside walls and trim, except minor repair of exterior surfaces                      |      | х                          |   |
| 22.              | Minor repair of outside walls and trim  | Х    |                            |   |

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| 23. | Interior wall paint and coverings   |      | Х                           |   |
| 24. | Interior floor coverings  |      | Х                           |   |
| 25. | Residential Unit roof repair and replacement  | Х    |                             |   |
| 26. | Upkeep, repair and replacement of all residential building slabs (including garage slabs) of ½" or larger crack   | Х    |                             |   |
| 27. | Upkeep, repair and replacement of all residential building slabs (including garage slabs) of ½" or smaller crack  |      | Х                           |   |
| 28. | Faucets — exterior of Residential Unit  |      | Х                           |   |
| 29. | Faucets — interior of Residential Unit  |      | Х                           |   |
| 30. | Light fixtures, wiring, and bulbs — interior and exterior of Residential Unit   |      | Х                           |   |
| 31. | Skylights / Solatubes (new installations require architectural approval)*   |      | Х                           |   |
| 32. | Patio security lights   |      | Х                           |   |
| 33. | Chimney systems, shrouds and spark arresters  |      | Х                           |   |
| 34. | Mailboxes, Mailbox structures and addresses on mailboxes - maintenance and repair   | Х    |                             |   |
| 35. | Maintenance, repair and replacement of mailbox keys/locks   |      | Х                           |   |
| 36. | HVAC system and water heaters   |      | Х                           |   |
|     | ENTRY AREA WALKWAY  |      |                             |   |
| 37. | Entry area walkway slab repairs of cracks larger than ½" in width   | Х    |                             |   |
| 38. | Entry area walkway slab repairs of cracks smaller than ½" in width  |      | Х                           |   |
| 39. | Front planter areas - watering, maintenance and upkeep of owner provided plants, shrubs and landscaping, provided the landscaping materials are within the Association's landscape guidelines | X    |                             |   |
|     | VEHICLE GARAGES   |      |                             |   |
| 40. | Maintenance, repair and replacement of garage roof and exterior walls   | Х    |                             |   |
| 41. | Painting of exterior garage doors and carport doors   | Х    |                             |   |
| 42. | Maintenance, repair and replacement of overhead garage door, garage entry door and golf cart door and all related hardware and fixtures   |      | х                           |   |

<sup>\*</sup>In addition to the items identified in the matrix, please review Article 7 for more detail related to architectural approval requirements.

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| 43.  | Maintenance, repair and replacement of overhead garage door and golf cart door opener                 |     | Х                           |   |
| 44.  | Painting of garage interior   |     | Х                           |   |
| 45.  | Maintenance, repair and replacement of exterior garage lights   | Х   |                             |   |
| 46.  | Maintenance, repair and replacement of interior garage lights   |     | Х                           |   |
| 47. Maintenance, repair and replacement of homeowner installed garage air conditioning/cooling systems or electric car charger, including connection to and installation of homeowner-specific electric meters |   |     | X                           |   |
| 48. ·  | Exterior painting of garages  | Х   |                             |   |
| 49.  | Interior painting of garage door(s)   |     | Х                           |   |
| 50.  | Hardware and fixtures of garage door(s)   |     | Х                           |   |
| 51.  | Garage door opener  |     | Х                           |   |
| 52.  | Replacement of garage door  |     | Х                           |   |
| 53.  | Exterior painting of garage entry door  | Х   |                             |   |
| 54.  | Exterior painting of garage entry door frame  | Х   |                             |   |
| 55.  | Interior painting of garage entry door  |     | Х                           |   |
| 56.  | Hardware and fixtures of garage entry door  |     | Х                           |   |
| 57.  | Replacement of garage entry door  |     | Х                           |   |
| 58.  | Repair of cracks in garage slab less than ½" in width   |     | Х                           |   |
| 59.  | Repair of cracks in garage slab ½" or more in width   | Х   |                             |   |
|  | REAR PATIOS   |     |                             |   |
| 60.  | Upkeep, repair and replacement of patio concrete slab   |     | Х                           |   |
| 61.  | Upkeep, repair and replacement of owner installed patio wall between Residential Unit and common area |     | х                           |   |
| 62.  | Covered roof system above rear patio (including post and trim)  | х   |                             |   |
| 63.  | Maintenance and upkeep of shrubs and landscaping surrounding rear patio                               | Х   |                             |   |
| 64.  | Watering, maintenance and upkeep of owner provided plants located on patio                            |     | Х                           |   |
| 65.  | Maintenance and upkeep of irrigation system located on patio  |     | Х                           |   |
| 66.  | Faucets in rear patio area  |     | Х                           |   |

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| 67. | Patio light fixtures and bulbs and fans  |     | Х              | _ |
| 1   | FRONT COURTYARD AND REAR/SIDE PATIOS   |     |                |   |
| 68. | Maintenance, repair and replacement of courtyard AND patio concrete slab and coverings   |     | Х              |   |
| 69. | Maintenance, repair and replacement of owner-installed patio wall or fence between Residential Unit and Common Area  |     | Х              |   |
| 70. | Maintenance, repair and replacement of owner-installed shade structures (e.g., arbors, patio covers)   |     | Х              |   |
| 71. | Maintenance, repair and replacement of homeowner-installed patio cover roof  |     | Х              |   |
| 72. | Maintenance, repair and replacement of courtyard and patio landscaping, including irrigation system  |     | Х              |   |
| 73. | Maintenance, repair and replacement of courtyard and patio ground lighting fixtures and bulbs  |     | Х              |   |
| 74. | Maintenance, repair and replacement of gate to front courtyard and patios  |     | Х              |   |
| 75. | Maintenance, repair and replacement of gate and any wrought iron fencing to and/or encompassing the enclosed patio (except painting)   |     | Х              |   |
| 76. | Painting of gate and wrought iron fencing to and/or encompassing the enclosed patio  | х   |                |   |
| 77. | Watering, maintenance and upkeep of plants, trees, shrubs and related irrigation system  | Х   |                |   |
| 78. | Faucets in front courtyard area  |     | Х              |   |
| 79. | Front courtyard light fixtures and bulbs   |     | Х              |   |
| ,   | UTILITIES  |     |                |   |
| 80. | Electrical service up to and including the electric meter  |     |                | Х |
| 81. | Electrical distribution from the meter to and within the Residential Unit  |     | Х              |   |
| 82. | Gas service up to and including the gas meter  |     |                | Х |
| 83. | Gas distribution from the meter to and within the Residential Unit   | Х   |                |   |
| 84. | Gas service up to and including the gas meter  |     |                | Х |
| 85. | Water distribution up to and including the water meter   |     |                | Х |
| 86. | Water distribution from the water meter up to the connection with the Residential Unit shut-off valve or, if none, to the first pipe connection to the Residential Unit, excluding any pipes under the slab, footings or foundations | х   |                |   |

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| 87.  | Water distribution from the Residential Unit shut-off valve or, if none, from the first pipe connection to the Residential Unit and within the Residential Unit, as well as including any pipes under the slab, footings, or foundations of the Residential Unit |      | х                          |   |
| 88.  | Telephone and telephone wires (either telephone company or Owner)  |      | Х                          | Х |
| 89.  | Cable TV (either cable TV company or owner)  |      | Х                          | Х |
| 90.  | Residence internet service   |      | Х                          |   |
| 91.  | Residence satellite TV service   |      | Х                          |   |
| 92.  | Residence solar electric service and panels  |      | Х                          |   |
| 93.  | Residence trash and recycling pick-up  |      | Х                          |   |
| 94.  | Residence security system and service  |      | Х                          |   |
| 95.  | Sewer System line breaks outside the Residential Unit, but excluding any pipes under the slab, footings, or foundations  | Х    |                            |   |
| 96.  | Sewer System line breaks within the Residential Unit and below the slab, footings, and/or foundations  |      | Х                          |   |
| 97.  | Sewer System line stoppages (unless caused by roots of trees in common are)  |      | х                          |   |
| 98.  | Sewer System line stoppages caused by roots of trees in common area  | Х    |                            |   |
|      | APPLIANCES RELATED TO THE RESIDENTIAL UNITS ONLY   |      |                            |   |
| 99.  | Upkeep, repair and replacement of furnace, air conditioner, evaporative cooler, misting system, water heater, and all appliances   |      | Х                          |   |
| 100. | Maintenance, repair and replacement of air duct system   |      | Х                          |   |
| 101. | Upkeep, repair and replacement of dishwasher   |      | Х                          |   |
| 102. | Upkeep, repair and replacement of kitchen stove  |      | Х                          |   |
| 103. | Upkeep, repair and replacement of kitchen and bath cabinets  |      | Х                          |   |
| 104. | Upkeep, repair and replacement of plumbing fixtures and connections to water and sewer system  |      | х                          |   |
| 105. | Upkeep, repair and replacement of bathtubs, shower stall, shower pans, bath and shower tile  |      | х                          |   |
|      | COMMON AREA PROPERTY AND LANDSCAPING   |      |                            |   |
| 106. | Maintenance, repair and replacement of Common Area landscaping between Desert West Drive and up to the outer walls of the Residential Units  | Х    |                            |   |

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|      | DESCRIPTION OF AREA   |                               |  | U     |
| 107. | Maintenance, repair and replacement of swimming pools and spas  | Х                             |  |       |
| 108. | Maintenance, repair and replacement of Common Area irrigation system between Desert West Drive and the outer walls of the Residential Units, excluding any homeowner approved/installed external irrigation systems | Х                             |  |       |
| 109. | Maintenance, repair and replacement of all sidewalks, driveways and parking areas (other than garages)  | Х                             |  |       |
| 110. | Maintenance, repair and replacement of external ground and garage lighting  | Х                             |  |       |
| 111. | Maintenance and repair of lake and lake shores  | Mission Hills<br>Country Club |  | - 1   |
| 112. | Landscaping within common area  | Х                             |  |       |
| 113. | Upkeep, repair and replacement of swimming pools and spas   | Х                             |  |       |
| 114. | Irrigation system — Common Area only  | Х                             |  |       |

# **EXHIBIT B — GATES**

- 1. Mission Hills Drive Gate
- 2. Inverness Gate

# Exhibit C--Proportionate Share of Assessments For the Residential Onicolidated Copy (JMS) As of November 2015

| Residential Lot No. | Size of Residential Unit in Square<br>Feet of Floor Area | Proportionate Share of<br>Assessments |
|---------------------|--|---------------------------------------|
| 1                   | 3961   | 2.41%                                 |
| 3                   | 3063   | 1.86%                                 |
| 3                   | 2400   | 1.46%                                 |
| 4                   | 2400   | 1.46%                                 |
| 5<br>6              | . 2400   | 1.46%                                 |
|                     | 2400   | 1.46%                                 |
| 7                   | 2283   | 1.39%                                 |
| 8                   | 3152   | 1.92%                                 |
| 9                   | 4211   | 2.56%                                 |
| 10                  | 3063   | 1.86%                                 |
| 11                  | 2400   | 1.46%                                 |
| 12                  | 2400   | 1.46%                                 |
| 13                  | 3160   | 1.92%                                 |
| 14                  | 3948   | 2.40%                                 |
| 15                  | 2400   | 1.46%                                 |
| 16                  | 2400   | 1.46%                                 |
| 17                  | 3847   | 2.34%                                 |
| 18                  | 3063   | 1.86%                                 |
| 19                  | 3063   | 1.86%                                 |
| 20                  | 2490   | 1.51%                                 |
| 21                  | 2400   | 1.46%                                 |
| 22                  | 1930   | 1.17%                                 |
| 23                  | 2165   | 1.32%                                 |
| 24                  | 2568   | 1.56%                                 |
| 25                  | 1930   | 1.17%                                 |
| 26                  | 2347   | 1.43%                                 |
| 27                  | 2400   | 1.46%                                 |
| 28                  | 2623   | 1.59%                                 |
| 29                  | 2144   | 1.30%                                 |
| 30                  | 1930   | 1,17%                                 |
| 31                  | 3098   | 1.88%                                 |
| 32                  | 3940   | 2.39%                                 |
| 33                  | 3841   | 2.33%                                 |
| 34                  | 2400   | 1,46%                                 |
| 35                  | 1930   | 1.17%                                 |
| 36                  | 3063   | 1.86%                                 |
| 37                  | 3063   | 1.86%                                 |
| 38                  | 2149   | 1.31%                                 |
| 39                  | 2400   | 1.46%                                 |
| 40                  | 3981   | 2.42%                                 |
| 41                  | 2400   | 1.46%                                 |
| 42                  | 2400   | 1.46%                                 |
| 43                  | 1930   | 1.17%                                 |
| 44                  | 1930   | 1.17%                                 |
| 45                  | 2618   | 1.59%                                 |
| 46                  | 2400   | 1.46%                                 |
| 47                  | 1930   | 1.17%                                 |
| 48                  | 3857   | 2.34%                                 |
| 49                  | 2400   | 1.46%                                 |
| 50                  | 2400   | 1.46%                                 |
| 51                  | 2128   | 1.29%                                 |
| 52                  | 1930   | 1.17%                                 |
| 53                  | 2400   | 1.46%                                 |
| 54                  | 2400   | 1.46%                                 |
| 55                  | 3854   | 2.34%                                 |
| 56                  | 1930   | 1,17%                                 |
| 57                  | 1930   | 1.17%                                 |
| 58                  | 2400   | 1.46%                                 |
| 59                  | 2400   | 1.46%                                 |
| 60                  | 2146   | 1.30%                                 |
| 61                  | 2140   | 1.30%                                 |
| 62                  | 3841   | 2.33%                                 |
| 02                  | 3041   | 2.03 /6                               |
| Total               | 164,577  | 100.00%                               |

# **CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

CIVIL CODE § 1189

| erifles only the identity of the individual who signed the uthfulness, accuracy, or validity of that document.   |
|--|
| Leran Notaley Public, Here Insert Name and Title of the Officer  A G DOWNE MCCULLOCK Name(s) of Signer(s)  |
| dence to be the person(s) whose name(s) is are led to me that he she they executed the same in er/their signature(s) on the instrument the person(s), executed the instrument.  Tify under PENALTY OF PERJURY under the laws he State of California that the foregoing paragraph ue and correct.  TNESS my hand and official seal.  Signature of Notary Public |
|  |
| WAL mation can deter alteration of the document or   |
|  |
|  |

# **RECORDING REQUESTED BY:**

MISSION HILLS PHASE V PROPERTY OWNERS ASSOCIATION

#### AND WHEN RECORDED MAIL TO:

MILLENNIUM COMMUNITY MANAGEMENT 75145 ST. CHARLES PLACE #3 PALM DESERT, CA 92211

05/08/2020 01:26 PM Fee: \$ 108.00

Page 1 of 4

Recorded in Official Records

County of Riverside Peter Aldana

Assessor-County Clerk-Recorder



0904

# CERTIFICATION OF FIRST AMENDMENT TO THE SECOND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MISSION HILLS PHASE V PROPERTY OWNERS' ASSOCIATION

This First Amendment to the Second Restated Declaration of Covenants, Conditions and Restrictions for Mission Hills Phase V Property Owners' Association is made as of November 18, 2019, by Mission Hills Phase V Property Owners Association ("Association") for the residential planned development commonly referred to as Mission Hills Phase V aka Mission Hills Park Vista, located in Rancho Mirage, California, and legally described as set forth in Exhibit A, attached hereto and incorporated herein by reference.

Whereas, the Second Restated Declaration of Covenants, Conditions and Restrictions for Mission Hills Phase V Property Owners' Association ("Declaration") was recorded on February 15, 2018 as Instrument No. 57196 in the Official Records of Riverside County;

Whereas, at a special meeting of the members held by the Association on November 18, 2019, a ballot to adopt a Proposed First Amendment to the Declaration was approved by the percentage of members required by the Declaration for an amendment;

NOW, THEREFORE, the Association hereby declares that the Declaration shall be and is amended pursuant to the herein First Amendment to the Declaration as follows (double underline indicates addition):

# ARTICLE 10, SECTION 10.6 OF THE DECLARATION IS HEREBY AMENDED AS FOLLOWS:

Damage to Residence on a Residential Lot - Reconstruction. If all or any portion of any Residence on a Residential Lot thereon is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner of such Residential Lot to pay for any portion of the cost that exceeds the amount that is covered by the Association's casualty insurance policy to rebuild, repair or reconstruct the Residence on such Residential Lot in a manner which will restore them substantially to their appearance and condition immediately prior to the casualty or as otherwise approved by the Architectural Committee. The Owner of any damaged Residence on a Residential Lot shall be obligated to proceed with all due diligence hereunder, and such Owner shall cause reconstruction to commerce within three (3) months after the damage occurs and to be completed within nine (9) months after damage occurs, unless prevented by causes beyond his/her/its reasonable control. A transferee of title to the Residential Lot which is damaged or upon which is located a damaged Residence shall commence and have complete reconstruction in the respective periods which would have remained for the performance of such obligations if the Owner of the Residential Lot at the time of the damage still held title to the Residential Lot. However, in no event shall such transferee of title be required to commence or complete such reconstruction in less than thirty (30) days from the date such transferee acquired title to the Residential Lot.

# CERTIFICATION OF ASSOCIATION OFFICER

The undersigned, the President of the Association or other Officer designated for the purpose of executing and acknowledging this amendment, hereby certifies that the above First Amendment to the Declaration was approved by the percentage of members required by the Declaration for an amendment at a meeting of the members held by the Association on November 18, 2019.

MISSION HILLS PHASE V
PROPERTY OWNERS ASSOCIATION
A California Nonprofit Mutual Benefit Corporation

By:

Sandra M. Comrie, President

# EXHIBIT A — LEGAL DESCRIPTION

The legal description of the property subject to this Amendment is that certain real property located in the City of Rancho Mirage, County of Riverside, State of California, more particularly described on the as:

Tract 9535, as shown by map recorded on July 13, 1997 in Book 91, Pages 37 through 43, inclusive, of Maps, Records of Riverside County, California.

# **ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual

| who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.   |
|--|
| State of California County of Kivesile   |
| on March 18, 2020 before me, Fmily Langenbahn Notary Publicinselt name and title of the officer)   |
| personally appeared Sand M. (omrie), who proved to me on the basis of satisfactory evidence to be the person(e) whose name(e) is/are subscribed to the within instrument and acknowledged to me that be/she/they-executed the same in bis/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(e) acted, executed the instrument. |
| I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.   |
| WITNESS my hand and official seal.  EMILY LANGENBAHN Notary Public - California Riverside County   |
| Signature (Seal)  Commission # 2286165 My Comm. Expires Apr 23, 2023   |

# **RECORDING REQUESTED BY:**

MISSION HILLS PHASE V PROPERTY OWNERS ASSOCIATION

#### AND WHEN RECORDED MAIL TO:

KNIGHTEN & PARLOW PC 36923 COOK STREET SUITE 101 PALM DESERT, CA 92211

# DO@@2020600jggtgd Copy (JMS)

03/04/2022 02:09 PM Fees: \$114.00 Page 1 of 6

Page 1 of 6
Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

\*\*This document was electronically submitted to the County of Riverside for recording\*\* Receipted by: DEYANIRA #293

# CERTIFICATION OF FIRST AMENDMENT TO THE SECOND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MISSION HILLS PHASE V PROPERTY OWNERS' ASSOCIATION

This First Amendment to the Second Restated Declaration of Covenants, Conditions and Restrictions for Mission Hills Phase V Property Owners' Association is made as of January 17, 2022, by Mission Hills Phase V Property Owners Association ("Association") for the residential planned development commonly referred to as Mission Hills Park Vista/Phase V, located in Rancho Mirage, California, and legally described as follows:

Tract 9535, as shown by map recorded on July 13, 1997 in Book 91, Pages 37 through 43, inclusive, of Maps, Records of Riverside County, California.

Whereas, the Second Restated Declaration of Covenants, Conditions and Restrictions for Mission Hills Phase V Property Owners' Association ("Declaration") was recorded on February 15, 2018, as Document Number 2018-0057196 in the Official Records of Riverside County;

Whereas, at a special meeting of the members held by the Association on January 17, 2022, an election to adopt this First Amendment to the Declaration was held, and this First Amendment to the Declaration was approved by the percentage of members required by the Declaration for an amendment:

**NOW, THEREFORE**, the Association hereby declares that the Declaration shall be and is amended pursuant to the herein First Amendment to the Declaration as follows (strikethrough indicates deletion; <u>double underline</u> indicates addition):

[See Next Page]

# **ARTICLE 3, SECTION 3.5.4:**

3.5.4 The right to discipline Owners for violation of any of the provisions of the Governing Documents by (i) suspending the Member's membership rights, including the Owner's voting rights and the rights and privileges to use the Common Area and/or facilities appurtenant to the Member's Residential Lot (including cable television) and (ii) by imposing monetary fines, subject to the limitations set forth in Section 4.14 of the Bylaws.

# ARTICLE 3, SECTION 3.5.7(a):

3.5.7(a) For Residential Lots with a <u>front lot line</u>, rear lot line or side lot line adjacent to a Common Area greenbelt lot, the Board of Directors shall have the authority, consistent with the Architectural / Landscape Guidelines approved by the Board of Directors from time to time, to grant an exclusive use easement over such Common Area greenbelt lot up to a maximum of ten feet (10') from the <u>front</u>, rear or side lot line of said Residential Lot.

# **ARTICLE 7, SECTION 7.2:**

7.2 Architectural Changes Not Requiring Prior Approval. Nothing contained herein shall be construed to limit the right of an Owner to (1) make minor landscaping changes which do not alter the exterior aesthetics of the Residential Unit/Lot; (2) paint the interior of his or her Residential Unit any color desired; or (3) (2) improve or alter any improvements within the interior of the Residential Unit, provided such improvement or alteration does not impair or alter the Common Area, any utilities, or other systems servicing the Common Area or other Residential Lots.

# **ARTICLE 7, SECTION 7.3:**

7.3 Architectural Changes Requiring Prior Approval. Except as noted in Section 7.2, nothing may be erected, or placed or planted on the exterior of any Residential Unit/Lot or on the Common Area by any Owner, including any building, fence, wall, pool, spa, obstruction, outside or exterior wiring, balcony, screen, patio, patio cover, tent, awning, atrium cover, courtyard cover, trellis, tree, grass, shrub or other landscaping, any improvement or structure of any kind without the prior written approval of the Board or the Architectural Committee, if such authority is so delegated. Additionally, prior written approval by the Architectural Committee and/or, if appropriate, the Board shall be required for any alteration, modification, painting or other change or addition to any existing exterior improvement or landscaping.

# **ARTICLE 7, SECTION 7.4.1:**

7.4.1 Complete plans and specifications showing the nature, kind, shape, color, size, height, materials to be used and location of any proposed improvements or alterations, as well as the proposed contractor and any other information as required by the Board, shall be prepared by the requesting Owner and submitted to the Architectural Committee. <u>Any landscaping requests shall be submitted to the Landscape Committee</u>.

# **ARTICLE 7, SECTION 7.4.5:**

7.4.5 Once an Owner has obtained approval for an architectural submittal, work on such approved submittal shall promptly commence and shall be completed within a reasonable time.

# **ARTICLE 7, SECTION 7.7:**

7.7 **Architectural Rules.** The Board may, in its sole discretion, adopt, amend, and repeal, as it deems necessary and by majority vote, Rules and Regulations to be known as "Architectural Rules." Said Architectural Rules shall interpret and implement the provisions of this Article by setting forth the standards for review by the Board and Architectural Committee and guidelines for architectural design, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features which are recommended for use in the Project, provided, however, that said Architectural Rules shall not be in derogation of the standards required by this Restated Declaration. The Architectural Rules may also address the information which is required to be presented in connection with an architectural submittal.

# **ARTICLE 7, SECTION 7.9.2:**

7.9.2 Members appointed to the Committee by the Board shall be Members of the Association, with the exception that two Committee members may be Non-Members of the Association, so long as the Non-Members are residents of the Association. These Non-Members shall have no voting rights with regard to any application if he or she is a spouse, domestic partner, or blood relative of another member of the committee.

# **ARTICLE 8, SECTION 8.1:**

Residential Unit/Lot, as well as landscape elements, such as water features, trellis, tree, grass, shrub, ground cover, hedges, irrigation systems, and other landscape features, shall be governed by this Article. Changes or landscape improvements to the Common Area by the Association do not need to comply with the requirements of this Article. The powers and duties set forth in this Article shall be vested in, and exercised by, the Board or, if so designated, the Landscape Committee. The Board may establish a landscape committee as provided herein to assist the Board in reviewing landscape submittals, and to provide recommendations to the Board with regard to approval or disapproval of any submittal. The foregoing notwithstanding, if the Board has delegated landscape review to the Landscape Committee, the Landscape Committee shall be solely responsible for approving or rejecting any landscape submittal in conformance with the plant pallette palette which is a part of the Architectural Landscape Guidelines. Any landscape submission which does not conform to the Association's Landscape Guidelines shall require approval by the Board of Directors.

# **ARTICLE 8, SECTION 8.9.2:**

8.9.2 Members appointed to the Committee by the Board shall be Members of the Association, with the exception that two Committee members may be Non-Members of the

Association, so long as the Non-Members are residents of the Association. These Non-Members shall have no voting rights with regard to any application if he or she is a spouse, domestic partner, or blood relative of another member of the committee.

# **ARTICLE 9, SECTION 9.1:**

9.1 **Property Insurance.** The Association shall obtain and maintain a master or blanket property insurance policy that shall provide coverage against losses caused by fire and all other hazards normally covered by a "special form" policy or its equivalent for the insurable replacement value of all of the buildings containing the Residential Units, as well as all other improvements within the common area ("Master Property Insurance"). The Master Property Insurance shall be, at a minimum, a "bare walls policy," provided, however, that the Association has the right, but not the obligation, to include within the Master Property Insurance additional items, such as floor and wall treatments, cabinets, built-in appliances, and other fixtures. The amount of any deductible shall be determined by the Board. This insurance shall be maintained for the benefit of the Association, the Owners, and their Mortgagees, as their interests may appear as named insured, with the declaration of the policy identifying the residential unit addresses as covered structures, subject, however, to any loss payment requirements set forth in this Restated Declaration. If required by any First Mortgagee who notifies the Association of its requirement, and if economically feasible and available, such policies shall contain an agreed amount endorsement, an inflation guard endorsement, and a construction code endorsement.

# **EXHIBIT A:**

| ITEM           | DESCRIPTION OF AREA  | A=ASSOCIATION<br>O=OWNER<br>U=UTILITY CO. |          | 3 |
|----------------|--|---|----------|---|
|                |  | A   | О        | U |
| 1.             | Painting of Residential Unit external doors on exterior surface only. excluding front doors                      | X   |          |   |
| 9.             | Exterior painting of front door <u>and</u> frame   | X   | <u>X</u> |   |
| <del>26.</del> | Upkeep, repair and replacement of all residential building slabs (including garage slabs) of ½" or larger crack. | X   |          |   |
| 27.            | Upkeep, repair and replacement of all residential building slabs (including garage slabs) of ½" or smaller erack |   | X        |   |
| 37.            | Entry area walkway slab repairs of cracks larger than 1/2" in width  | X   |          |   |
| <del>38.</del> | Entry area walkway slab repairs of cracks smaller than 1/2" in width   |   | X        |   |
| <del>58.</del> | Repair of cracks in garage slab less than ½" in width  |   | X        |   |
| 59.            | Repair of cracks in garage slab 1/2" or more in width  | X   |          |   |

| 62. | Covered roof system above rear patio (including post and trim)   | X | <u>X</u> |   |
|-----|--|---|----------|---|
| 67. | Patio light fixtures and bulbs, and fans and misting systems   |   | X        |   |
| 75. | Maintenance, repair and replacement of gate and any wrought iron fencing to and/or encompassing the enclosed patio (except painting) |   | X        |   |
| 76. | Painting of gate and wrought iron fencing to and/or encompassing the enclosed patio  | X | <u>X</u> |   |
| 77. | Watering, maintenance and upkeep of plants, trees, shrubs and related irrigation system (Note: refers to patio area)                 | X | <u>X</u> |   |
| 83. | Gas distribution from the meter to and within the Residential Unit   | X | <u>X</u> |   |
| 84. | Gas service up to and including the gas meter. (Note: removal of duplicate to #82)   |   |          | X |
| 97. | Sewer System line stoppages (unless caused by roots of trees in common are <u>a</u> )  |   | X        |   |

# CERTIFICATION OF VICE-PRESIDENT

The undersigned, the Vice-President of the Association, having been designated by the Association for the purpose of certifying this First Amendment, hereby certifies that the above First Amendment to the Declaration was approved by the percentage of members required by the Declaration for an amendment at a meeting of the members held by the Association on January 17, 2022. The approval was acquired through an election that was conducted pursuant to a secret written ballot process in accordance with the Davis-Stirling Act and the Governing Documents. The total voting power of all members of the Association was 62 votes, and 38 votes were cast in favor of the above First Amendment.

MISSION HILLS PHASE V PROPERTY OWNERS ASSOCIATION A California Nonprofit Mutual Benefit Corporation

Date Signed: 3/4/32

Jodi Sansone, Vice-President

See attached loose California Certificate

# California All Purpose Acknowledgment

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

State of California County of Riverside

On March 4, 2022 before me, J. Stange, Notary Public, personally appeared Judi San Sone

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.



J. Stange

Notary Public in and for
State of California
County of Riverside

| Description of attached: Certification of First immendment to the and Restated Declaration of Covenants, Contion Date of document:  and Restated Declaration of Covenants, Contion Date of document:  and Restrictions for mission Hills Phase V  Property owners Association  Number of pages: < (excluding this page and attachments) |
|---|
| Date of document: and pestictions for mission Hills phase V   |
| Number of pages: (excluding this page and attachments)  |
| Additional Information:   |
| Capacity claimed by signer:Individua!TrusteeCo-Trustee  |
| Corporate OfficerPartner-Limited/GeneralOther:  |
| Attorney-in-Fact for:   |