BAY VILLAGE HOMEOWNERS ASSOCIATION EXTRACTED AND COMPILED CC&Rs

M&M DEVELOPMENT, Inc., a California corporation, hereby declare and impose the following restrictions, easements and agreements upon that certain described tract of real property, and each lot and parcel thereof;

**Lots 1 through 600, inclusively, including Tract No. 499, Tract No. 525, Tract No. 529, Tract No. 653, Tract No. 718, and Tract No. 719, all being previously referred to as Bay Village subdivision No. 1 through 6, the maps of which were recorded in Map Book 49, page 15; Map Book 50, page 55; Map Book 54, page 33; Volume 58 of Maps, page 39; Volume 62 of Maps, page 55; and Volume 64 of Maps, page 47, respectively, Records of Santa Cruz County; hereafter being known as and referred to as BAY VILLAGE HOMEOWNERS ASSOCIATION.

WITNESSETH:

These restrictions, easements and agreements are imposed pursuant to a general plan, and shall create mutual equitable servitudes on each side of the lots in said subdivision and a privity of contract between the various owners thereof, their heirs and assigns.

WHICH said property is hereinafter for convenience referred to as "real property" and,

WHEREAS, it is the intention of the Grantor to convey interest in the property and to impose on the real property mutually beneficial restrictions under a general plan for the benefit of all future owners of the real property, and

WHEREAS, The Grantor desired to subject all of said property to certain conditions and restrictions for the protection and benefit of the Grantor and any and all future owners of the real property, or any portion thereof;

NOW, THEREFORE in consideration of the premises, Grantor hereby certifies and declares the Grantor has established and does hereby establish the following general plan for the protection and benefit of all of said real property, and has fixed and does hereby fix the following conditions and restrictions upon and subject to which each and all of the lots in said real property shall be hereafter held, used, occupied, leased, sold and/or conditions shall run with the real property, or any interest therein and shall be binding upon all parties having or acquiring any rights, title of interest in the described real property, or any part thereof, and shall be for the benefit of each owner of any interest in the real property, and shall inure to the benefit of and be binding upon each successor in interest of the owners thereof.

SAID CONDITIONS AND RESTRICTIONS ARE AS FOLLOWS, to wit:

1. <u>DEFINITIONS</u>. All lots in said tract shall be known and described as residential lots, and no structure shall be erected, altered, placed, or permitted to remain, together

with customary outbuildings, as permitted from time to time by the City of Watsonville Zoning Ordinances, on any building plot other than one single family dwelling and a private garage.

2. ARCHITECTURAL COMMITTEE.

a) There shall be an Architectural Committee consisting of three persons, for the purpose of exercising the power and functions conferred upon said Committee by this Declaration.

b) The initial Committee is to be appointed by the Grantor; each of said persons so appointed being subject to removal at Grantor's direction. All vacancies on said Committee shall be filled by appointments of Grantor. Upon the sale by Grantor of all lots or after date hereof, whichever shall first occur, a new committee of three (3) members shall be elected by a simple majority of owners voting, each owner being entitled to one vote per lot. Upon such election, the powers of the committee first appointed and the powers of the Grantor to remove and appoint members shall cease. In the event of the death, resignation, or incapacity to serve of a member or members so elected, successor or successors shall be elected by said majority. In the event there is no election of a successor or successors within 30 days of such death, resignation, or incapacity to serve, the remaining member or members of the committee shall appoint a successor or successors from among those persons qualified to vote as above provided.

c) The committee may act by two (2) of its members. Any action taken by the committee must be in writing and signed by at least two (2) members. The Committee shall adopt rules and regulations for the conduct of these proceedings and may fix the time and place for its regular meetings and for such extraordinary meetings as may be necessary.

d) Unless otherwise specified, enforcement of the covenants and provisions herein shall be by proceedings at law or in equity brought by any member of the Architectural Committee, pursuant to the authorization of said committee, against any person or persons violating or attempting to violate any provision or covenant either to restrain violation or to recover damages. Neither the Subdividers nor the Architectural Committee, nor any member thereof, nor any successor member thereof, shall ever be liable because of any action they take, or fail to take, or for any defect in any building erected herein, or at all, as a result of these restrictions; and the owners of the lots in said Tract, and each of them, agree jointly and severally to hold the Subdividers and the members from time to time of said Architectural Committee free and harmless and to indemnify them accordingly from any claims and liabilities whatsoever.

3. **<u>SENIOR CITIZEN PROTECTION</u>. No lot shall be used except for residential purposes as befits a senior community, and such temporary use as shall be permitted by Declarant while the properties are being developed and sold by Declarant. No building shall be erected, altered, placed or permitted to remain an any lot other than one detached single family dwelling not to exceed one story in height and a private garage. At least one (1) person residing in a residence must have attained the age of fifty-five (55) years or older and be known as the "qualifying resident" or "senior citizen." All other persons would be a "qualified permanent resident" and would be defined as a person who meets all of the following requirements:

- A. Was residing with the qualifying resident or senior citizen prior to the death, hospitalization or other prolonged absence of, or the dissolution of marriage with, a qualifying resident or senior citizen.
- B. Was forty-five (45) years of age or older, or was a spouse, co-habitant, or person providing primary physical or economic support to the qualifying resident of senior citizen.
- C. Has an ownership interest in, or is in expectation of an ownership interest in, a dwelling within the housing development that limits occupancy, residency or use on the basis of age.

If a child is born to a resident of any unit after the resident has moved into said unit, said resident shall be given six (6) months to sell or vacate the unit. The number of residents in each unit shall be no more than two (2), plus a maximum of two (2) for each bedroom.

Upon the death or dissolution of marriage, or upon hospitalization, or other prolonged absence of the qualifying resident, any other person who was a qualified permanent resident pursuant to the provisions of this section, shall be entitled to continue in residence.

Temporary residence by a person of less than forty-five (45) years of age as a guest of a Senior Citizen or qualified permanent resident shall be permitted for sixty (60) days in any calendar year.

Upon creation of the Architectural Committee as described in Paragraph 2 hereinabove, and within thirty (30) days thereafter, the Architectural Committee shall enter into a retainer agreement between said committee and a law firm for the purpose of enforcing this Senior Citizen Protection provision. Said retainer shall be funded by the Grantor through the payment of \$30.00 out of the purchase price of each lot payable upon close of escrow of the sale of each lot. Said sums shall be deposited in a trust account specifically set up by the Architectural Committee for the purpose of funding said retainer agreement. Should the trust account be totally depleted, the Architectural Committee shall assess in writing each record owner of each lot in this subdivision for the purpose of building up the trust account in an amount necessary to handle the litigation costs as described herein but said assessment to each lot owner shall not be in excess of \$30.00 per year.

Should a lot owner refuse to pay the assessment within thirty (30) days after receipt in writing of the Architectural Committee's notice of assessment, the said Committee shall commence legal proceedings for collection of same.

If a violation of this Senior Citizen Protection provision occurs and if the Architectural Committee fails to act pursuant to its powers incorporated in this Declaration of Restrictions to enforce said provision and after deman in writing upon said Committee by any lot owner within this tract to carry out said enforcement, any said lot owner shall have the right to directly seek and obtain the services of a law firm and act as plaintiff in any action against the violating party of said Senior Citizen Protection provision. All legal costs incurred by the plaintiff lot owner in enforcement of this provision shall be paid out of the retainer fund directly to the law firm.

If a lot owner personally seeks to commence a lawsuit pursuant to the provisions of this paragraph and the retained law firm determines that the lawsuit is without merit, and if the lot owner demands that the suit be prosecuted after notice of the law firm's opinion, the law firm shall immediately submit the question of whether the lawsuit is meritorious to a representative of the American Arbitrator's Association whose decision shall be binding upon both parties. If the arbitrator from the American Arbitrator's Association determines the lawsuit is meritorious, the law firm shall commence litigation to enforce the Senior Citizen's Provision. Against the alleged violator of said provision.

- 4. <u>NEW BUILDINGS ONLY</u>. That no building of any kind shall be moved from any other place onto any of said lots, or from one lot onto another lot, without the prior written permission of the Architectural Committee. During the period of construction by Subdividers, subdividers may erect and maintain such temporary structures, maintenance and storage yards and signs, as they deem necessary.
- 5. <u>HEIGHT LIMIT OF DWELLINGS</u>. That no dwellings without the written approval of the Architectural Committee shall be more than one story in height. No visible radio or television antenna or similar projection of any kind shall be placed upon any lot.
- 6. <u>PLANS AND SPECIFICATIONS</u>. That no buildings or other structure or improvement shall be commenced upon any of said lots until the location and the complete plans and specifications, including color schemes of each building, fence and/or wall to be erected upon the lot have been approved in writing by the Architectural Committee, and no building shall be located on any lot in front of the setback line as established by the City zoning ordinance then in effect.

- 7. <u>EXTERIOR ALTERATIONS AND PAINTING</u>. That no alteration shall be made in the exterior design of any structure unless such alteration, including any addition, shall have first been approved in writing by the Architectural Committee.
- 8. <u>NO TENTS, SHACKS, ETC</u>. That no tents, shacks, trailer, basement, garage or other outbuilding shall at any time be used on any lot as a residence, either temporarily or permanently; nor shall any residence of a temporary character be constructed, placed or erected on any lot.
- 9. <u>NO SIGNS</u>. That no sign of any kind or for any use or purposes whatsoever, other than signs of customary and reasonable dimensions advertising the property for sale, shall be erected, posted, pasted, painted, or displayed upon any of said lots or upon any buildings or other structure thereon, without the prior written permission of the Architectural Committee.
- 10. <u>NO WELLS</u>. That no well for the production of, or from which there is produced water, oil, or gas, shall be operated upon any lot; nor shall any machinery, appliance or structure be placed, operated or maintained thereon for use in connection with any trading, manufacturing or repairing business.
- 11. <u>NO FARM ANIMALS, ETC</u>. That turkeys, geese, chickens, ducks, pigeons or fowls of any kind, or goats, rabbits, hares, horses, cows or animals usually termed "farm animals" shall not be kept or allowed to be kept on any of said lots.
- 12. <u>NO COMMERCIAL BUSINESS, ETC.</u> That no commercial business, including but not limited to the raising of dogs, cats or other animals, shall be conducted on any of said lots, and no part of any lot shall be used for the purpose of vending liquors or beverages of any kind; and nothing shall be done upon any lot which may become and annoyance or nuisance to the neighborhood.
- 13. <u>EASEMENTS</u>. Easements are reserved over the front six (6) feet of each lot along the side of all streets for utility installations and maintenance and are also reserved as may be shown on the recorded map of said tract.
- 14. ***EXTENSIONS OF CONDITIONS AND RESTRICTIONS EXCEPT FOR PROVISION NO. 13. Each and all of the foregoing restrictions and conditions shall terminate on December 31, 2101, unless the owners of a majority of said lots have executed and recorded at any time within six (6) months prior to December 31, 2101, in the manner required for a conveyance of real property, a writing in which they agree that said Conditions and Restrictions shall continue for the further extension of said Conditions and Restrictions, or some of them, provided also, that the above and foregoing Conditions and Restrictions may be modified after said termination date at the times and in the manner hereinabove provided for the extensions of said Conditions and Restrictions in force at the time of such extension or modifications.

- 15. <u>NOTICE OF CLAIM OF BREACH</u>. That the Grantor, or the Architectural Committee may at any time that the Grantor or the Architectural Committee deems a breach of these Conditions and Restrictions has occurred, execute, acknowledge and record in the Recorder's Office of Santa Cruz County, a Notice of Claim of Breach setting forth the facts of such breach, describing the lot or lots upon which such breach has occurred and setting forth the names of the owner or owners thereof. Such notice upon being recorded, shall be notice to all persons of such breach, provided an action has been commenced within sixty (60) days after the recording of such notice to establish such breach, and if no such action has been commenced within such sixty (60) day period then, and in that event such notice shall be of no force and effect whatsoever, and the breach set forth in said notice shall be presumed to have been remedied.
- 16. <u>FAILURE TO COMPLY WITH ORDER OF ARCHITECTURAL COMMITTEE</u>. In the event of the failure of any owner to comply with a written directive or order from the Architectural Committee made for the enforcing hereof, then in such event the Architectural Committee shall have the right and authority to perform the subject matter of such directive or order, and the cost of such performance shall be charged to the owner in question and may be recovered by the Architectural Committee in an action at law against such individual owner.
- 17. <u>NOTICES</u>. Any notice permitted or required to be delivered as provided herein may be delivered personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered forty-eight (48) hours after a copy of same has been deposited in the United States Mail, postage prepaid, certified mail, addressed to each such persons at the residence address of such person.
- 18. <u>INTERPRETATION</u>. The provisions of this declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the real property. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.
- 19. <u>PROTECTION FOR MORTGAGEES AND TITLE INSURANCE COMPANIES</u>. That the owner of any encumbrance made for value on any said lot or lots and any corporation insuring the lien of such encumbrance may conclusively presume that no breach exists under these Conditions and Restrictions, provided such encumbrance is recorded with the Office of the County Recorder of Santa Cruz County prior to the commencement of any action to establish any such breach and not within sixty (60) days after the recording of and Notice of Claim of Breach, anything contained herein to the contrary notwithstanding.

PROVIDED, that a breach of any of the foregoing Conditions and Restrictions, shall not effect, impair, defeat or render invalid the lien charge or encumbrance of any mortgage or deed of trust made for value which may then exist upon said

land, which said mortgage or deed of trust shall be and is hereby declared to be a prior and superior lien to the rights in favor of any person or persons under and by virtue of these Conditions and Restrictions; provided, however, that in the event of a foreclosure of any such trust deed or mortgage, or if the owner of the note secured by such trust deed or mortgage acquires title to said land in any manner whatsoever in satisfaction of indebtedness, then any purchaser at the foreclosure of Trustee's sale or any said note, owner acquiring title as aforesaid, agrees that such property so acquired by them shall immediately upon such acquisition become subject to each and all of the Conditions and Restrictions and rights herein contained, but free from the effects of any breach occurring prior thereto.

- 20. <u>AMENDMENT</u>. Subject to the provisions of paragraphs 14, 18 and 19, the provisions of the restrictions, other than this paragraph, may be amended by an instrument in writing signed and acknowledged by record owners of at least 75% of the units located on the real property, which amendment shall be effective upon recordation in the Office of the Recorder of Santa Cruz County, California.
- 21. <u>SEVERABILITY</u>. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or un-enforceability of any one provision shall not affect the validity or enforceability of any other provision thereof.

**It is intended that this Declaration of Restrictions be in compliance with California Civil Code Section 51.3. Therefore, should any of the Restrictions be in conflict with said Civil Code Section 51.3, the provisions of Civil Code 51.3 shall be controlling.

This document is an extraction and compilation of the original Bay Village Declaration of Restrictions, dated July 19, 1973 and the Amendment done in 1986 and the extension done in 2001. There is no guarantee as to its accuracy. It was originally provided by Orrin Wagoner Real Estate and is now further provided by Bay Village Homeowners Association.

- **Sections marked with 2 asterisks indicate the amendments made in 1985.
- ***Sections marked with three asterisks indicate the extension of 2001.