

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
ROLLING HILLS SUBDIVISION
UNIT I AND UNIT II

Kevin Woodward

Declarants are the owners of that certain real property located in Tehama County, California, which is more particularly described in Exhibit "A" attached hereto and incorporated herein.

WHEREAS, Declarations of Covenants, Conditions and Restrictions were recorded October 23, 1991, in Book 1344, page 36, and November 15, 1991, in Book 1347, page 590, Official Records of Tehama County, affecting Lots 1 through 3 of Rolling Hills Subdivision, Tract No. 85-1008, Unit I, as shown on the map filed in the Tehama County Recorder's Office October 23, 1991, in Book 'W' of Maps at pages 198 through 201, and recorded October 23, 1991 in Book 1344, page 36, June 25, 1992, in Book 1387, page 359, and August 17, 1992 in Book 1396, page 49, Official Records of Tehama County, affecting Lots 4 through 19 of Rolling Hills Subdivision, Tract No. 85-1008, unit II, as shown on the map filed in the Tehama County Recorder's Office June 25, 1992, in Book 'X' of Maps at pages 14 through 19;

AND WHEREAS it is the intent of the owners of all the lots within rolling Hills Subdivision, Tract No. 85-1008, Unit I and Unit II to cancel in its entirety, the Declarations above mentioned and to replace said Declarations with the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF ROLLING HILLS SUBDIVISION UNIT I AND UNIT II;

NOW THEREFORE, the undersigned Declarants, being all the owners of the real property described in Exhibit "A" attached hereto, do hereby rescind the Declarations of Covenants, Conditions and Restrictions referenced above and do hereby replace said Declarations with the recordation of this DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF ROLLING HILLS SUBDIVISION UNIT I AND UNIT II.

SECTION 1: RECITALS

1. Description of Real Property. Declarant is the owner of that certain real property located in Tehama County California, which is more particularly described in Exhibit “A” attached hereto and incorporated herein.
2. Common Plan for Project. By this Declaration, Declarant intends to establish a common scheme and plan for architectural approval and control o the Project.
3. Road Maintenance Association. The private road easement shown on the map (“Road”) shall be maintained and repaired by a Road Maintenance Association (RMA) which has been formed by the Declaration of road Maintenance Association described as follows: Affecting Rolling Hills Subdivision Unit I – Declaration of road Maintenance Association recorded November 20, 1990, in Book 1293, Pages 1-6, as Instrument/document No. 16393 of the Official Records of Tehama County more commonly known as Rolling Oaks Road Maintenance Association; Annexation of roadway and Parcels into Rolling Oaks Road Maintenance Association recorded October 21, 1991, in Book 1344, pages 28-35, as Instrument/Document No. 13678 of the Official Records of Tehama County; Agreement to Annexation of Lots 1, 2 and 3 of Rolling Hills Unit I recorded November 15, 1991, Book 1347, Pages 599-660, as Instrument/Document No. 14732 of the Official Records of Tehama County; Affecting Rolling Hills subdivision Unit II – Declaration of Road Maintenance Association recorded June 25, 1992 in Book 1387, Pages 352 through 358, as Instrument/document No. 9173, and Amended and Restated Declaration of Road Maintenance Association recorded 5/29/97 as Instrument/Document No. 6248 of the Official Records of Tehama County more commonly known as rolling Hills Road Maintenance Association.

a. A private Road Easement, designated Private Road, is shown on the Final Maps, and all portions of the property upon which said easement is located, and the Owners thereof, are and shall be subject thereto, Declarant, Rolling Hills Partners, hereby reserves unto itself, its successors and assigns, and grants to each Owner, its successors and assigns, a mutual, reciprocal, not-exclusive eighty foot easement, which shall be appurtenant to and for the benefit of each lot, for ingress and egress in, on, over and across said easement to all parts of the Property. Rolling Hills Partners, a general power to dedicate or grant the eighty-foot wide private road easement to the County of Tehama for public road purposes. In addition, Rolling Hills Partners, a general partnership, being the original developer, or its successors or assigns, is hereby granted the right to convey non-exclusive, eighty-foot wide easement for ingress and egress over the “private road” to the owners of, and for the benefit of, properties described in Exhibit “B” attached hereto and incorporated herein, provided those owners participate in the Road Maintenance Association

4. Utility Easements. All owners and grantees of lots in said subdivision shall, without charge, dedicate to the public use and to the appropriate public agency, at an time, such rights of way or easements as may be needed for public utilities now installed or hereafter to be installed for the service of the parcel granted or other parcels of said subdivision, provided, however, that such rights of way and easements shall follow the side property or access road line of the parcel involved.
5. Compliance with Laws. Each Owner shall promptly and fully comply with any ad all applicable laws, rules, ordinances, statutes, regulations and requirement of any governmental agency or authority with respect to the construction, maintenance, or occupancy of any structure or improvement upon or within, or the use of, said owner's lot.

NOW, THEREFORE, Declarant hereby declares that the real property described in Exhibit "A" shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold and improved, subject to the following declarations, limitation, covenants, conditions, restrictions, and easements, all of which are for the purpose of enhancing and protecting the value and attractiveness of the Project, and every part thereof, in accordance with the plan for improvement of the Property and the division thereof into Lots. All of the limitations, covenants, conditions, restrictions and easements shall constitute covenants which shall run with the land and shall be binding upon Declarant and its successors and assigns, and all parties having or acquiring any right, title, or interest in or to any part of the Project.

SECTION 2: DEFINITIONS

In addition to other definitions provided for herein, the following terms shall have the following meanings:

2.01. "Architectural Control Committee" or "Committee" shall mean the committee created pursuant to Section 3 and charged with architectural approval and control of the Improvements within the Project.

2.02. "Architectural Control Guidelines" or "Guidelines" shall mean the written architectural review standards, if any, promulgated by the Architectural Control Committee as provided in Section 3.

2.03. "County" shall mean Tehama County, California, the County in which the project is located.

2.04. “Declarant” shall mean Rolling Hills Partners, a General Partnership, its successors and assigns, and/or all the owners of record of the lots described in Exhibit “A” attached hereto and incorporated herein.

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2.05. “Improvement” shall mean Structures, as defined in this Declaration. “Improvement” shall also mean any excavation, fill, ditch, diversion dam or other thing or device which affects or alters the natural flow of surface or subsurface water from, upon, under or across any portion of the Subdivision. “Improvement” shall also mean any utility line or other related facility or equipment.

2.06. “Lot” shall mean any parcel of land shown on the Map, including the legal re-subdivision of any such Lot into any additional parcel or parcels.

2.07. “Map” shall mean that subdivision map entitled Rolling Hills Subdivision, Tract 85-1008, Unit I and Unit II, which maps recorded in the Official Records of Tehama County, and is more particularly described in Exhibit “A” of this Declaration.

2.08. “Mortgage” shall mean a mortgage or deed of trust encumbering a Lot. A “mortgagee” shall include the beneficiary under a deed of trust.

2.09. “Owner” shall mean each person or entity, including Declarant, holding a record fee ownership interest in a Lot. “Owner” shall not include persons or entities who hold an interest in a Lot merely as security for the performance of an obligation.

2.10. “Project” or “Property” shall mean the real property described in Exhibit “A” of this Declaration, including any Improvements erected thereon.

2.11. “Residence” shall mean a residential dwelling structure on a Lot, but is not intended to exclude any other residential dwelling structure permitted by county codes and zoning.

2.12. “Structure” shall mean any tangible thing or device to be fixed permanently or temporarily to real property including, without limitations, any building, garage, driveway, fence, wall, pole, sign, antennae, swimming pool, spa, tennis court or trash enclosures.

SECTION 3: ARCHITECTURAL CONTROL

3.01. General Limitation. Subject to the exemptions described below, no Improvement and/or Structure may be constructed, erected, painted, altered in exterior design or color, on any portion of the Project without the prior written approval of the Architectural Control Committee (“Committee”).

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3.02 Exemptions. Notwithstanding Section 3.01, no Committee approval shall be required for (a) Improvements constructed by, at the direction of, or with the approval of Declarant; (b) normal maintenance of exempt or previously approved Improvements; (c) repair or rebuilding on an exempt or previously approved Improvement; (d) changes to the interior of an exempt or previously approved Structure; (e) work reasonably required to be preformed in an emergency for the purpose of protecting any person or property from damage.

3.03. Architectural Control committee.

a. Number and Appointment. ~~The Architectural Control committee, (committee), shall be composed of three (3) members. The initial members shall have the right to appoint replacements at any time to the committee for a period of two (2) years from the date of recordation of the Declaration. The committee members shall have the full authority to designate a successor in the event of death or resignation of a member, except for the power to the Declarant, Rolling hills Partners, to appoint all members during the initial two (2) year period. At any time after said two (2) year period, the then record Owners of the majority of Lots shall have the power, through a duly recorded written instrument, to change the membership of the committee. The initial committee shall be composed of Larry Lalaguna, Paul Brumbaugh and Larry Jantzen.~~

***A. NUMBER AND APPOINTMENT- THE ARCHITECTURAL CONTROL COMMITTEE WILL BE COMPRISED OF THE MEMBERS FROM THE ROAD ASSOCIATION BOARD. A MINIMUM OF THREE (3) BOARD MEMBERS ARE NEEDED TO APPROVE THE APPLICATION.**

* Approved by membership in May 2014

b. Duties. The Committee may adopt Architectural Control Guidelines (“Guidelines”) as provided below and shall perform other duties imposed upon it by this Declaration or applicable laws and regulations.

c. Address. The address of the committee shall be determined by resolution of the Committee. Such address shall be the place for the submittal of plans and specifications and the place where current copies of the guidelines shall be kept.

d. Guidelines. The Committee may, from time to time, adopt or amend guidelines prospectively. Said guidelines shall interpret and implement the provisions of this Declaration by setting forth more specific standards and procedures for Committee review.

e. Standards. The following minimum standards shall apply to ant Improvements constructed, painted, altered or changed on the Project:

(1) Area of Residence. Any Residence in the Project shall have a minimum area of ~~one thousand five hundred (1,500) square feet~~ ***TWO THOUSAND SQUARE FEET (2,000 SQ FT)** (excluding garages, carports, accessory buildings, covered or uncovered patios and porches).

•FOR PROPERTIES TRANSFERRED IN ON OR AFTER AUGUST 1, 2014 EACH NEWLY CONSTRUCTED RESIDENCE IN THE PROJECT SHALL HAVE A MINIMUM AREA OF TWO THOUSAND (2,000) SQUARE FEET (EXCLUDING GARAGES, CARPORTS, ACCESSORY BUIDINGS, COVERED OR UNCOVERED PATIOS AND PORCHES) ;

•FOR PROPERTIES TRANSFERRED ON OR BEFORE JULY 31, 2014, WHOSE OWNERS WHO ARE IN GOOD STATING AS OF JULY 31, 2014, EACH NEWLY CONSTRUCTED RESIDENCE IN THE PROJECT SHALL HAVE A MINIMUM OF ONE THOUSAND FIVE HUNDRED (1,500) SQUARE FEET (EXCLUDING GARAGES, CARPORTS, ACCESSORY BUILDINGS, COVERED OR UNCOVERED PATIOS AND PORCHES) ;

•FOR PROPERTIES TRANSFERRED ON OR BEFORE JULY 31, 2014, WHOSE OWNERS ARE NOT IN GOOD STATING AS OF JULY 31, 2014, EACH NEWLY CONSTRUCTED RESIDENCE IN THE PROJECT SHALL HAVE A MINIMUM OF TWO THOUSAND (2,000) SQUARE FEET (EXCLUDING GARAGES, CARPORTS, ACCESSORY BUILDINGS, COVERED OR UNCOVERED PATIOS AND PORCHES) ;

*April 22, 2015 File 2110 Scott Rubright Attorney at Law

(2) Quality of Construction. All Residences shall be of a quality of workmanship and materials substantially the same or better than that which can be produced on the date this Declaration is recorded in the office of the county Recorder.

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(3) Completion of Construction. Each Owner shall complete the construction of the foundation and all exterior surfaces of any structure (including the roof, all exterior walls, windows and doors) on his Lot within thirty-six (36) months after commencing construction thereon unless such completion is rendered impossible, or would result in great hardship to the Owner due to strikes, fires, national emergencies, natural calamities or other causes beyond the control of the Owner.

(4) Roof Pitch; Roof Materials. All dwellings, Residences, sheds, garages and other roofed structures within the Project shall have a minimum roof pitch of 5:12, and shall be composed of shake, tile or other roofing materials allowed by Tehama County regulations and/or ordinances. However, common composition asphalt shingles shall be allowed if the shingles are quality rated with a twenty-five (25) year warranty or better. In addition, all roofed structures located upon a particular Lot shall have roofs composed of the same material; provided that a barn may have a metal roof.

(5) Colors. Exterior colors of all Residences and other buildings shall be earth colors or white, except roof colors, which shall be earth colors or dark. Gravel roof surfaces will be permitted only when a dark, harmonizing aggregate is used in sufficient thickness to assure full covering of any base material.

(6) Underpinning, Foundations, etc. Underpinning, foundation or bracing structures, exposed plumbing, and the underside of decks and floors must be attractively designed as part of the design concept or screened or hidden from view by properly painting or by use of siding, screening, sheathing or landscaping. The above referenced screening, painting, siding, sheathing or landscaping shall be completed within ninety (90) days after completion of the construction of the object that is being screened or within ninety (90) days after the object that is being screened is placed on a Lot, if the object is visible from any street, road or other Lot.

(7) Variiances. In order to overcome practical difficulties or to prevent unnecessary hardship, the Committee shall have the authority to allow reasonable variances to the provisions of this paragraph entitled “Standards” (of the subsection entitled “Architectural Control Committee”).

3.04. Review and Approval. In the event the Committee fails to notify the applicant of the action taken by the Committee within thirty-five (35) days after sufficient submission of an application, the application shall be deemed approved.

3.05. Inspection, Non-Compliance. The Committee, or any authorized representative of the Committee, shall have the right during normal business hours, after forty-eight (48) hours notice to the Owner thereof, to enter upon any portion of the Project for the purpose of determining whether or not any work is being performed or was performed in compliance with this Declaration and the Guidelines.

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If at any time the committee determines that work is not being performed or was not performed in compliance with this Declaration and Guidelines, whether based on a failure to apply for or obtain approval, a failure to comply with approval, a failure to timely commence or complete approved work or otherwise, the Committee shall notify the owner in writing of such non-compliance specifying the particulars of non-compliance, and demanding that the owner remedy such non-compliance within a reasonable and specified period.

In the event that the Owner fails to remedy such non-compliance within the specified period, the Committee shall have the right and duty to remedy the non-complying Improvement, correcting the non-complying Improvement, completing the non-complying Improvement, or recording a notice of non-compliance or non-completion on the property, as appropriate. The Owner shall have the obligation to reimburse the Committee for any costs incurred in enforcing these provisions.

3.06. Liability. Neither the Declarant, *Rolling Hills Partners, the Committee nor any member of the Committee shall be liable to any suffered or claimed on account of (a) the approval or disapproval of 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 Project, or (d) the execution and filing of a notice of noncompliance or non-completion pursuant to the Section above entitled “Inspection, Non-Compliance”, whether or not the facts therein are correct, if the Declarant, *Rolling Hills Partners, the Committee or such Committee member has acted in good faith on the basis of such information as may be possessed by them. Specifically, but not by way of

limitations, it is understood that plans and specifications are not approved for engineering design, and by approving such plans and specifications neither Declarant, *Rolling Hills Partners, the Committee, nor any Committee member thereof, assumes liability or responsibility therefore, or for any defect in any Structure constructed from such plans and specifications.

*Rolling Hills Partners is no longer in existence and replaced by Rolling Hills Road Maintenance Association.

SECTION 4: USE RESTRICTIONS

4.01. Use of Lots. Each Lot, or an portion thereof, shall be occupied and used only as the site of single family Residence by the Owners, their contract purchasers, lessees, tenants, or social guests. The previous sentence is intended to exclude every form of boarding or lodging house, sanitarium and hospital and the like, but is not intended to exclude any other residential dwelling structure permitted by county codes and zoning. Declarant, its successors or assigns, may use any lot in the Project owned by Declarant for a model home site and display and sales office during construction and until the last Lot is sold by Declarant, or until five (5) years from the date of closing of the first sale of a Lot in the Project, whichever occurs first. Nothing in this Declaration

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shall be construed or interpreted to prohibit within the Project the erection, construction of use of structures permitted pursuant to Section 714.5 of the California Civil Code. Any trade or business or commercial activity must conform to Tehama County Code 1.04.260 Home Occupation, which reads:

“Home Occupation” shall mean any use customarily carried on within a dwelling by the inhabitants thereof which use is incidental to the residential use of the dwelling and which use:

- A) Is confined within the dwelling and occupies not more that twenty-five percent of the floor space thereof;
- B) Involves no sales of merchandise other than that produced on the premises or merchandise directly related to and incidental to the services offered;
- C) Is carried on by the members of the family occupying the dwelling, with no other person employed;
- D) Produces no evidence of its existence beyond the premises, except signs of not more than one square foot, such as noise, smoke, odors, vibration, etc. (end of Tehama County Code)

4.02. Re-subdivision. No Lot shall be re-subdivided without approval of all governmental agencies having jurisdiction thereof.

4.03. Design and Construction Restrictions. The construction of Improvements on each Lot is subject to the Architectural Control Guideline (“Guidelines”), if any, as promulgated and administered by the Architectural Control Committee.

4.04. Building Location. No building shall be located on any lot nearer than forty-five (45) feet to an access road or nearer than fifteen (15) feet to the lot’s side or rear Lot line.

4.05. Temporary Structures. Structures which are temporary in character, including, without limitations, any trailer, tent, shack, garage, bar, or other out-building, shall not be used as a Residence on any Lot at any time; provided, however, that:

a. Declarant reserves the right to construct and maintain temporary buildings, structures and vehicles on the Property in connection with the construction and administration of initial Improvements;

b. This subsection shall not be construed or interpreted to prohibit the erection, construction or use of structures permitted pursuant to Section 714.5 of the Civil code of the State of California;

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c. No shack, or other temporary outbuilding shall be used on any lot at any time as a residence either temporarily or permanently. No garage, barn, basement or other permanent structure on any lot shall be used as a Residence except while building a Residential structure on such Lot and then only after exterior of any such structure has been completed. A guest home or Recreational Vehicle may be used as temporary residence while building a Residential structure with a maximum time limit for such use of twenty-four (24) months.

4.06. Destruction of Improvements. Any Improvements which has been partially or totally destroyed shall not be allowed to remain on any Lot in such condition for more than six (6) months from the date of destruction.

4.07. Maintenance of Improvements. The Owner of each Lot shall maintain his Lot and the Improvements on such Lot in good, clean, sightly and sanitary condition and repair at the Owner's expense.

4.08. Fences. Fences must be a maximum height of four (4) feet along Lot lines and along street frontages where animals will be contained within the boundaries of a Lot. Construction and maintenance of all fences shall be the responsibility of the owner or, in the instance of a fence being shared by the Owners of two or more Lots, the co-owners, of a fence. As deemed appropriate by California Department of Fish and Game, project design may include fencing restrictions.

4.09. Driveways. Each private driveway constructed upon any Lot shall be designed, constructed and maintained as necessary to provide all-weather access by fire fighting equipment to the dwelling and improvement areas of the Lot. All driveways must conform to Tehama County regulations and/or ordinances, including approach requirements to Rolling Oaks Drive, as applicable. All Driveways onto Penneleme, Norbus and Kobbunite will have a minimum of a twenty (20) foot asphalt apron which extends a minimum of twenty (20) feet into driveway.

4.10. Barns. Barns shall be constructed as a permanent structure, and may be constructed as a reinforced metal building.

4.11. Parking and Screening of Recreational Vehicles, etc. Recreational vehicles, trailers and boats shall not be parked on the Lots so as to be easily visible from any road within the Project or, as an alternative they shall be screened from view of any road within the Project.

4.12. Signs. No sign or other advertising device of any kind shall be displayed to the public view on or from any portion or the Project without approval of the Committee except as follows:

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a. One sign of customary and reasonable dimensions advertising a Lot for sale, lease, rent or exchange displayed from a Lot, except that a Lot which fronts on more than one road may display no more than two (2) such signs (one facing each road); and

b. Such signs as may be used by Declarant or its assignees in connection with the development of the project and sale of Lots; and

c. No more than two (2) residence name identification signs, with a maximum area of two (2) square feet each; and

d. During the period of construction of any Improvement, job identification signs of the type customarily used by contractors and subcontractors; and

e. Such other signs or notices as are required by law or as are otherwise necessary to perfect a right provided for in law.

4.13. Livestock and Other Animals. Animals, fish or birds of any kind may be raised, bred, or kept in any building or on any lot so long as such animals do not become or appear to be a nuisance, threat, or otherwise objectionable to others, and that all meet the specifications of the Tehama County Health Code. All animals must be fenced in, except domestic pets unless they become a nuisance. In addition, animals must be fenced off access road.

4.14. Drainage. No Owner shall do any act or construct any improvement which would interfere with the natural or established drainage systems or patterns within the Project without the approval of the Committee.

4.15. Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) feet and six (6) feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight line limitations shall apply on any lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained a sufficient height to prevent obstruction of such sight lines.

4.16. Trash: Storage of Materials. No Lot shall be used as a dumping ground for rubbish, trash, garbage, or other offensive or obnoxious material. All garbage and trash shall be regularly removed from the Property, and shall not be allowed to accumulate thereon. It shall be placed and kept in covered sanitary containers where it is

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not visible from any neighboring Lot except for a reasonable time prior to or after regularly scheduled collection of such material. If there is no regularly scheduled collection of such materials, then all such material shall be removed from the Project in a timely manner, and shall not be stored in the Project. All storage piles, not including wood piles, shall be kept screened and concealed from view of other Lots and view from any roads within the Project.

4.17. Burning. There shall be no burning of garage or any other material which produces an offensive odor when burned, except in an incinerator. All such incinerators shall be

kept in a clean and sanitary condition. Burning of newspaper or other such material not capable of producing offensive odors shall be permitted but only in covered containers. The burning of brush or tree clippings shall be allowed only during authorized burn days. There shall be no burning or exterior fires within the Project except in accordance with this Declaration and compliance with all governmental regulations pertaining thereto.

4.18. Junk Vehicles. No stripped down, wrecked , junked, or inoperable automobile, boat or similar equipment shall be permitted to remain upon any Lot within the Project, other than temporarily, except within an enclosed structure or when such equipment is screened from view of any other Lot or road.

4.19. Nuisances. No noxious, illegal, or seriously offensive activities shall be carried on within any Lot, or in any other part of the Property, nor shall anything be done which may be or may become an annoyance or a nuisance to or which may in any way interfere with the quiet enjoyment of each Owner's Lot, or which shall in any way increase the rate of insurance for any other Lot.

4.20. Sewage Disposal. No outside toilet (outhouse) facility shall be constructed, placed or permitted to remain on any Lot, except such chemical toilet facility as may be required during the period of construction of any improvement on a Lot. No individual sewage disposal system shall be constructed on any Lot unless such systems designed, located and constructed in accordance with the requirements, standards and specifications of the Tehama County Health Department.

4.21. Tree Cutting. Tree removal will be limited to the building envelope which includes homesite and driveway. Limited tree removal will be allowed outside the building envelope for obstructed views. Mass tree removal will be absolutely prohibited.

4.22. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavation or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected or maintained upon any Lot.

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4.23. Hunting. There shall be no hunting within the Project.

4.24. Water Supply. No individual water supply system shall be permitted on any Lot unless such system is designed, located, constructed and equipped in accordance with the requirements, standards and recommendations of the Tehama County Health Department or any public service district, or other such agency, formed by the County of Tehama.

4.25. Clothes Lines. No exterior clothes lines shall be erected or maintained within view of common roadways or adjoining property homesites.

4.26. Window Coverings. Windows shall be covered only by drapes, shade or shutters and shall not be painted or covered by foil, cardboard or similar materials. All window coverings visible from the Project roads shall be of a color which, in the opinion of the Architectural Control Committee, is compatible with the exterior design and coloration of adjacent Lots.

SECTION 5: MORTGAGEE PROTECTION

5.01. Mortgages Permitted. Any owner may encumber his Lot with Mortgages.

5.02. Priority of Mortgage. Notwithstanding any other provision of this Declaration, it is hereby provided that a breach of any of the conditions contained in its Declaration by Owner, shall not defeat or render invalid the lien of any Mortgage of deed of trust made in good faith and for value as to said Lot or any part thereof.

5.03. Effect of Breach. No breach of any provision of this Declaration shall invalidate the lien of an Mortgage made in good faith and for value, but all of the covenants, conditions and restrictions shall be binding on any owner whose title is derived through foreclosure sale, trustee's sale, or otherwise.

SECTION 6: ANNEXATION

6.01. Additional property may be annexed to and become subject to this Declaration by any of the following methods set forth in this Section. Upon annexation, additional parcels shall become subject to this Declaration without the necessity of amending individual sections of the Declaration.

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6.02. Annexation Pursuant to Approval. Pursuant to the written consent of the owners of ~~(66-2/3%)~~ ***FIFTY ONE PERCENT (51%)** of the Lots subject to this Declaration, and the owner of any property who desires to add it to the scheme of this Declaration and to subject it to this Declaration, a Declaration of Annexation may be filed of record (recorded) with the County Recorder. Said Declaration of Annexation may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary

to reflect the different character, if any, of the added property, as are consistent with the scheme of this Declaration.

*February 28, 2003 Amendment #004234

SECTION 7: GENERAL PROVISIONS

7.01. Term. The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be binding on the Owners of an Lots, their legal representatives, heirs, grantees, tenants, successors and assigns, subject to this Declaration, for a term of 30 years from the date this Declaration is recorded in the Office of the County Recorder. Subject to the Subsection below entitled "Amendments/Revocation", this Declaration shall thereafter be automatically extended for successive periods of 10 years.

7.02. Notices. Notices provided for in this Declaration and the Guidelines shall be in writing and shall be deemed sufficiently given when delivered personally or within seventy-two (72) hours after deposit in the United States mail, postage prepaid, addressed to an Owner at the last address such Owner designates to the Committee for delivery of notices, or in the event of no such designation, at such Owner's last known address, or if there be none, at the address of the Owner's Lot. Notices to the Committee shall be addressed to the address designated by the Committee by written notice to all Owners.

7.03. Amendments/Revocation. Until the first conveyance of any Lot, Declarant shall have the unilateral right to amend or revoke this Declaration. After the first conveyance of Lot, this Declaration shall be (a) amended only upon the written approval of at least ~~sixty-six and two-thirds percent (66 2/3%)~~ ***FIFTY ONE PERCENT (51%)** of the then Owners, and (b) revoked only upon the written approval of at least seventy-five (75%) of the then Owners. An amendment or revocation shall be effective then it has received the required percentage approval and has been recorded in the Office of the County Recorder.

*February 28, 2003 Amendment #004234

7.04. Severability. Should an provision or portion of this Declaration be declared invalid or in conflict with any law of the jurisdiction where this Project is located, the validity of all other provisions and portions of this Declaration shall remain unaffected and in full force and effect.

7.05. Attorneys Fees. In the event any controversy, claim, or dispute between the parties to this Declaration, arising out of or relating to this Declaration or breach thereof, the prevailing party shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for attorney's in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

7.06. Headings. The headings used in this Declaration are for convenience only and are not to be used to interpret the meaning of any of the provisions of this Declaration.

7.07 Compliance with Declaration. Each Owner, contract purchaser, lessee, tenant, guest, invitee or other occupant of a Lot shall comply with the provisions of this declaration.

7.08 Enforcement. The Various restrictive measures and provisions of this Declaration are declared to constitute mutual equitable covenants and servitude for the protection and benefit of each Lot within the Project and failure by Declarant of any other person or persons entitled so to do to enforce any measure or provision upon violation thereof shall not stop or prevent enforcement thereafter or be deemed a waiver of the right to do so.

7.09. Entire Agreement. This instrument contains the entire agreement between the parties relating to the sale of subject property. Any oral representation or modifications concerning this instrument shall be of no force and effect, excepting a subsequent modification in writing, signed by buyer and seller.

IN WITNESS WHEREOF, Declarant has executed this Declaration.

DATED: May 5 , 1997

Rolling Hills Partners, a General Partnership

By: 
Larry P. Lalaguna, Partner

By: Marv, Phil and Steve Logging, Inc., a California Corporation

By: 
Marv Lawrence, President

SIGNATURE WITNESSED BY:

L. P. Lalaguna

Seal

(declarant signatures continued on page 15)