Guardian Generations, Inc.
6700 Indiana Ave., Suite 265
Riverside, CA 92506

DATE: 10/23/2026

ESCROW NUMBER:#_____

TRANSFER INFORMATION

NAME OF ASSOCIATION: SYcamore Hills HOA

PRESENT OWNER: Jonathan and Wendy Caprio

ADDRESS: 7460 Cascade Lane
Riverside, CA 92509

ASSOCIATION DUES: $ 48.00 PER MONTH, DUE ON THE FIRST OF EACH MONTH (FOR THAT MONTH) BY THE OWNER ON RECORD AS OF THE FIRST.

* A $ 10.00 LATE CHARGE IS APPLIED IF RECEIVED AFTER 16 DAYS FOR EACH MONTH LATE.

ADDITIONAL INFORMATION:
(LIENS, SPECIAL ASSESSMENTS, ECT.

BALANCE DUE ON ACCOUNT AS OF THE ABOVE DATE:
$ 0.00

WHENEVER POSSIBLE, PLEASE COLLECT THE FOLLOWING MONTHS DUES IN ADVANCE FROM THE BUYER.

*PLEASE MAKE ABOVE ASSOCIATION DUES CHECK PAYABLE TO (LEGAL NAME OF HOA):
SYCamore Hills HOA

MAIL CHECK TO: GUARDIAN GENERATIONS, INC.
6700 INDIANA AVE, STE 265, RIVERSIDE, CA 92506

FOR INSURANCE INFORMATION CONTACT: Alera Group Insurance
Agent: Rachel Jones (949) 381-7727

PLEASE ADVISE THIS OFFICE OF NAME AND CURRENT MAILING ADDRESS OF THE NEW OWNER(S) AND DATE OF CLOSE OF ESCROW. THANK YOU.

*(PLEASE SEE NEXT TWO PAGES).

ESCROW PLEASE NOTE: OBVIOUSLY I CANNOT PREDICT IN ADVANCE (AT THE TIME OF MY RESPONSE TO YOUR DEMAND) WHAT WILL BE OWED ON ANY ACCOUNT AT THE TIME OF YOUR CLOSING. NONE OF OUR ACCOUNTS ARE STATIC. PLEASE READ ALL OF THIS CAREFULLY, AS YOU WILL DEFINITELY BE HELD ACCOUNTABLE IN THE FUTURE SHOULD YOU FALL SHORT IN YOUR PAYMENT TO THE HOMEOWNERS ASSOCIATION BECAUSE OF FAILURE TO OBTAIN AND PAY FROM AN UPDATED ACCOUNT BALANCE FROM OUR OFFICE.

THE BALANCE I GIVE YOU TODAY IS WHAT THE ACCOUNT'S LEDGER SHOWS TODAY, AND EVEN THAT MAY NOT BE VALID. A PAYMENT OFTEN HAS BEEN CREDITED WITHIN A DAY OR TWO OF MY RESPONSE TO YOU (OR EVEN ON THE SAME DAY), AND THE POSSIBILITY ALWAYS EXISTS THAT, FOR VARIOUS REASONS, A CHECK MAY NOT CLEAR.

SOMETIMES PAYMENTS HAVE NON-SUFFICIENT FUNDS; SOMETIMES PAYMENTS ARE STOPPED; AND SOMETIMES BANK ACCOUNTS ARE CLOSED BEFORE PAYMENTS CLEAR. OBVIOUSLY ANY OF THESE INSTANCES WOULD INCREASE THE BALANCE DUE.

ADDITIONALLY, PERHAPS A FINE HAS BEEN IMPOSED ON THE ACCOUNT AFTER MY RESPONSE, INCREASING THE BALANCE DUE, OR FREQUENTLY PAYMENTS ARE MADE AFTER MY RESPONSE, DECREASING THE BALANCE DUE. FREQUENTLY LATE FEES ARE INCURRED.

ACCOUNTS MAY HAVE BEEN SENT TO COLLECTIONS, INCURRING EXTRA CHARGES. PERHAPS A SPECIAL ASSESSMENT HAS BEEN BILLED THAT WAS INSTITUTED AFTER MY INITIAL RESPONSE TO YOU.

UNDOUBTEDLY I HAVE NOT COVERED ALL ACTIVITIES THAT COULD INCREASE (OR DECREASE) A BALANCE DUE.

THEREFORE, I AM REQUIRING THAT IN THE FUTURE YOU CALL FOR AN UPDATE. FOR YOUR OWN PROOF THAT YOU OBTAINED AN UPDATE, YOU NEED TO REQUEST THAT A LEDGER BE EMAILED TO YOU (BY THE OWNER'S CONSENT) OR ASK ASSISTANCE FROM OUR ESCROW SUPPORT DEPARTMENT (SEE BELOW).

I WISH TO ACKNOWLEDGE THAT SEVERAL COMPANIES I WORK WITH ALWAYS CALL FOR AN UPDATE, AND I GREATLY APPRECIATE THAT.

UNFORTUNATELY, OTHERS ARE CONSISTENTLY "TOO BUSY" TO CALL FOR AN UPDATE IN ORDER TO BE ACCURATE AND THEN INCREDIBLY DENY RESPONSIBILITY WHEN THEIR PAYMENT IS SHORT.

PLEASE ASK FOR Nathan WHEN YOU CALL OUR OFFICE FOR AN UPDATE.

THANK YOU.

GUARDIAN GENERATIONS, INC.

Escrow Documentation Processing

Guardian Generations, Inc.
6700 Indiana Ave, Suite 265
Riverside, CA 92506
951-683-6170

BUYER TO COMPLETE

THIS FORM MUST BE COMPLETED BY BUYER AND RETURNED TO THE ABOVE UPON THE CLOSE OF ESCROW.

DATE: _____ NAME OF ASSOCIATION: _____

The undersigned buyer(s) acknowledge receipt of the following documents as required by CALIFORNIA STATE LAW during escrow.

- ☐ CC & R's
- ☐ By-Laws
- ☐ Rules and Regulations
- ☐ Articles of Incorporation
- ☐ Current Balance Sheet (includes Reserve Account)
- ☐ Current Budget
- ☐ 12 Month Minute Meetings
- ☐ Other: _____

Print (or type) Name of Buyer: _____ Signature of Buyer: _____

Print (or type) Name of Buyer: _____ Signature of Buyer: _____

TRANSFER INFORMATION

Buyer's Name: _____ _____

Property Address: _____

_____

_____

Mailing Address: _____

_____

_____

Date of Close of Escrow: _____

Owner's Home Phone: _____ Tenant's Home Phone: _____

Owner's Business/Mobile Phone: _____ Tenant's Business/Mobile Phone: _____

Owner's Email Address: _____

Homeowner Ledger

Homeowner: Jonathan & Wendy Caprio
Phone: (951) 907-5269
Unit Name: 7460CA
Unit Address: 7460 Cascade Lane Riverside, CA 92509
Association: SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC.
Status: Current
Dues: 48.00

Date	Payer	Description	Charges	Payments	Balance
					0.00 Starting Balance
04/20/2020		Dues - April Dues	35.00		35.00
05/01/2020		Dues - May 2020	35.00		70.00
05/01/2020		Dues - Credit forward and interest removal	-391.69		-321.69
06/01/2020		Dues - June 2020	35.00		-286.69
06/03/2020		Interest Charge - Interest June 2020	0.35		-286.34
07/01/2020		Special Assessment - Special Assessment - Special Assessment	21.00		-265.34
07/01/2020		Dues - July 2020	35.00		-230.34
07/03/2020		Interest Charge - Interest July 2020	0.53		-229.81
08/01/2020		Dues - August 2020	35.00		-194.81
08/03/2020		Interest Charge - Interest August 2020	0.81		-194.00
09/01/2020		Dues - September 2020	35.00		-159.00
10/01/2020		Dues - October 2020	35.00		-124.00
11/01/2020		Dues - November 2020	35.00		-89.00
12/01/2020		Dues - December 2020	35.00		-54.00
01/01/2021		Dues - January 2021	35.00		-19.00
02/01/2021		Dues - February 2021	35.00		16.00
03/01/2021		Dues - March 2021	35.00		51.00
04/01/2021		Dues - April 2021	35.00		86.00
04/03/2021		Interest Charge - Interest April 2021	0.26		86.26
04/20/2021	Jonathan & Wendy Caprio	ACH Payment (Reference #7D1F-26B0)		121.26	-35.00
05/01/2021		Dues - May 2021	35.00		0.00
06/01/2021		Dues - June 2021	35.00		35.00
06/03/2021	Jonathan & Wendy Caprio	ACH Payment (Reference #9637-2310)		35.00	0.00
07/01/2021		Dues - July 2021	35.00		35.00
08/01/2021		Dues - August 2021	35.00		70.00
08/04/2021	Jonathan & Wendy Caprio	ACH Payment (Reference #ED5F-F910)		70.00	0.00
09/01/2021		Dues - September 2021	35.00		35.00
09/29/2021	Jonathan & Wendy Caprio	ACH Payment (Reference #3F96-20B0)		70.00	-35.00
10/01/2021		Dues - October 2021	35.00		0.00
11/01/2021		Dues - November 2021	35.00		35.00
12/01/2021		Dues - December 2021	35.00		70.00
01/01/2022		Dues - January 2022	35.00		105.00
01/03/2022		Interest Charge - Interest January 2022	0.35		105.35
01/07/2022	Jonathan & Wendy Caprio	ACH Payment (Reference #6784-3890)		70.00	35.35
02/01/2022		Dues - February 2022	35.00		70.35
03/01/2022		Dues - March 2022	35.00		105.35
03/03/2022		Interest Charge - Interest March 2022	0.35		105.70
04/01/2022		Dues - April 2022	35.00		140.70

Homeowner Ledger

Date	Payer	Description	Charges	Payments	Balance
04/01/2022		Dues - Dues $5 Increase -April 1st 2022	5.00		145.70
04/03/2022		Interest Charge - Interest April 2022	0.53		146.23
04/13/2022	Jonathan & Wendy Caprio	ACH Payment (Reference #0B64-5F30)		46.23	100.00
05/01/2022		Dues - May 2022	40.00		140.00
05/03/2022		Interest Charge - Interest May 2022	0.49		140.49
06/01/2022		Dues - June 2022	40.00		180.49
06/03/2022		Interest Charge - Interest June 2022	0.69		181.18
06/16/2022	Jonathan & Wendy Caprio	Credit Card Payment (Reference #E6A6-B370)		181.18	0.00
07/01/2022		Dues - July 2022	40.00		40.00
08/01/2022		Dues - August 2022	40.00		80.00
08/03/2022		Interest Charge - Interest August 2022	0.20		80.20
09/01/2022		Dues - September 2022	40.00		120.20
09/03/2022		Interest Charge - Interest September 2022	0.40		120.60
09/27/2022	Jonathan & Wendy Caprio	Credit Card Payment (Reference #2065-4510)		160.60	-40.00
10/01/2022		Dues - October 2022	40.00		0.00
11/01/2022		Dues - November 2022	40.00		40.00
12/01/2022		Dues - December 2022	40.00		80.00
12/03/2022		Interest Charge - Interest December 2022	0.20		80.20
12/22/2022	Jonathan & Wendy Caprio	Credit Card Payment (Reference #A60C-34A0)		128.20	-48.00
01/01/2023		Dues - January 2023	48.00		0.00
01/27/2023	Jonathan & Wendy Caprio	Credit Card Payment (Reference #7390-75C0)		48.00	-48.00
02/01/2023		Dues - February 2023	48.00		0.00
03/01/2023		Dues - March 2023	48.00		48.00
03/22/2023	Jonathan & Wendy Caprio	ACH Payment (Reference #CD33-3DD0)		48.00	0.00
04/01/2023		Dues - April 2023	48.00		48.00
04/06/2023	Jonathan & Wendy Caprio	ACH Payment (Reference #2E7B-ADD0)		48.00	0.00
04/21/2023	Jonathan & Wendy Caprio	ACH Payment (Reference #7DA8-FF60)		48.00	-48.00
05/01/2023		Dues - May 2023	48.00		0.00
06/01/2023		Dues - June 2023	48.00		48.00
07/01/2023		Dues - July 2023	48.00		96.00
07/03/2023		Interest Charge - Interest July 2023	0.24		96.24
07/10/2023	Jonathan & Wendy Caprio	ACH Payment (Reference #0782-1040)		96.24	0.00
08/01/2023		Dues - August 2023	48.00		48.00
08/14/2023	Jonathan & Wendy Caprio	ACH Payment (Reference #CD5A-65C0)		48.00	0.00
09/01/2023		Dues - September 2023	48.00		48.00
09/22/2023	Jonathan & Wendy Caprio	ACH Payment (Reference #05EB-8320)		48.00	0.00
10/01/2023		Dues - October 2023	48.00		48.00
10/20/2023	Jonathan & Wendy Caprio	ACH Payment (Reference #E2C2-0CC0)		96.00	-48.00
11/01/2023		Dues - November 2023	48.00		0.00
12/01/2023		Dues - December 2023	48.00		48.00
12/02/2023	Jonathan & Wendy Caprio	ACH Payment (Reference #218D-F150)		48.00	0.00
01/01/2024		Dues - January 2024	48.00		48.00
02/01/2024		Dues - February 2024	48.00		96.00
02/02/2024	Jonathan & Wendy Caprio	ACH Payment (Reference #37F9-8460)		96.00	0.00
03/01/2024		Dues - March 2024	48.00		48.00
03/19/2024	Jonathan & Wendy Caprio	ACH Payment (Reference #0E7E-6C40)		96.00	-48.00

Homeowner Ledger

Date	Payer	Description	Charges	Payments	Balance
04/01/2024		Dues - April 2024	48.00		0.00
05/01/2024		Dues - May 2024	48.00		48.00
05/01/2024	Jonathan & Wendy Caprio	ACH Payment (Reference #EE27-F1E0)		48.00	0.00
06/01/2024		Dues - June 2024	48.00		48.00
07/01/2024		Dues - July 2024	48.00		96.00
07/03/2024		Interest Charge - Interest July 2024	0.24		96.24
07/09/2024	Jonathan & Wendy Caprio	ACH Payment (Reference #DCA3-0440)		96.24	0.00
08/01/2024		Dues - August 2024	48.00		48.00
08/08/2024	Jonathan & Wendy Caprio	ACH Payment (Reference #BD10-1D40)		48.00	0.00
09/01/2024		Dues - September 2024	48.00		48.00
09/30/2024	Jonathan & Wendy Caprio	ACH Payment (Reference #E863-8080)		48.00	0.00
10/01/2024		Dues - October 2024	48.00		48.00
11/01/2024		Dues - November 2024	48.00		96.00
11/03/2024		Interest Charge - Interest November 2024	0.24		96.24
11/03/2024	Jonathan & Wendy Caprio	ACH Payment (Reference #0F55-BF80)		96.24	0.00
12/01/2024		Dues - December 2024	48.00		48.00
01/01/2025		Dues - January 2025	48.00		96.00
01/03/2025		Interest Charge - Interest January 2025	0.24		96.24
01/06/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #073E-0840)		96.24	0.00
02/01/2025		Dues - February 2025	48.00		48.00
02/08/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #7AFB-B330)		48.00	0.00
03/01/2025		Dues - March 2025	48.00		48.00
03/17/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #B0CF-4840)		48.00	0.00
04/01/2025		Dues - April 2025	48.00		48.00
04/09/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #722F-0790)		48.00	0.00
05/01/2025		Dues - May 2025	48.00		48.00
05/12/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #8D11-D3C0)		48.00	0.00
06/01/2025		Dues - June 2025	48.00		48.00
06/08/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #5A7A-9D40)		48.00	0.00
07/01/2025		Dues - July 2025	48.00		48.00
07/11/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #D72C-BD40)		48.00	0.00
08/01/2025		Dues - August 2025	48.00		48.00
08/10/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #64A8-4430)		48.00	0.00
09/01/2025		Dues - September 2025	48.00		48.00
09/12/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #E0D0-6BF0)		48.00	0.00
10/01/2025		Dues - October 2025	48.00		48.00
10/13/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #9C29-8B50)		48.00	0.00
11/01/2025		Dues - November 2025	48.00		48.00
11/15/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #63D7-B740)		48.00	0.00
12/01/2025		Dues - December 2025	48.00		48.00
12/17/2025	Jonathan & Wendy Caprio	ACH Payment (Reference #CDB0-5560)		48.00	0.00
01/01/2026		Dues - January 2026	48.00		48.00
01/09/2026	Jonathan & Wendy Caprio	ACH Payment (Reference #54CF-6290)		48.00	0.00
02/01/2026		Dues - February 2026	48.00		48.00
03/01/2026		Dues - March 2026	48.00		96.00
03/03/2026		Interest Charge - Interest March 2026	0.24		96.24

Homeowner Ledger

Date	Payer	Description	Charges	Payments	Balance
04/01/2026		Dues - April 2026	48.00		144.24
04/03/2026		Interest Charge - Interest April 2026	0.48		144.72
04/21/2026	Jonathan & Wendy Caprio	ACH Payment (Reference #0BE6-FA80)		144.72	0.00
05/01/2026		Dues - May 2026	48.00		48.00
05/14/2026	Jonathan & Wendy Caprio	ACH Payment (Reference #E909-30D0)		48.00	0.00
06/01/2026		Dues - June 2026	48.00		48.00
06/20/2026	Jonathan & Wendy Caprio	ACH Payment (Reference #F6AF-F900)		48.00	0.00
07/01/2026		Dues - July 2026	48.00		48.00
07/16/2026	Jonathan & Wendy Caprio	ACH Payment (Reference #7BCD-52C0)		48.00	0.00
08/01/2026		Dues - August 2026	48.00		48.00
08/13/2026	Jonathan & Wendy Caprio	ACH Payment (Reference #887A-AD10)		48.00	0.00
09/01/2026		Dues - September 2026	48.00		48.00
10/01/2026		Dues - October 2026	48.00		96.00
10/22/2026	Jonathan & Wendy Caprio	ACH Payment (Reference #38E5-01C0)		96.00	0.00
Total					**0.00**

Balance Sheet

Portfolios: SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC.
As of: 09/30/2026
GL Account Map: None - use master chart of accounts
Level of Detail: Detail View
Include Zero Balance GL Accounts: No

Account Name	Balance
ASSETS	
Cash	
Operating Cash	23,296.72
RESERVE FUNDS	
Reserve Cash	5,000.00
Total RESERVE FUNDS	**5,000.00**
Total Cash	**28,296.72**
TOTAL ASSETS	**28,296.72**
LIABILITIES & CAPITAL	
Liabilities	
Prepaid Dues	4,346.35
Total Liabilities	**4,346.35**
Capital	
Prior Years Fund Balance	-1,867.85
Calculated Retained Earnings	7,468.70
Calculated Prior Years Retained Earnings	18,349.52
Total Capital	**23,950.37**
TOTAL LIABILITIES & CAPITAL	**28,296.72**

SYCAMORE HILLS ANNUAL BUDGET 2026			
	2025	2026	
	BUDGET	BUDGET	
HOMEOWNERS DUES	65,088	65,088	
TOTAL INCOME	65,088	65,088	
	=======	=======	
EXPENSES			
MAINTENANCE	650	450	
LANDSCAPING	13,000	12,000	
LANDSCAPE REPAIR	750	750	
TREE TRIM/MAINT	3,638	3,200	
MANAGEMENT	13,500	14,250	
INSURANCE	6,000	4,000	
ELECTRICITY		200	
WATER	11,000	11,500	
PEST	300	300	
OFFICE EXPENSE	9,500	12,200	
LEGAL & ACCOUNTING	1,000	1,000	
TAX & LICENSES	1,000	800	
COLLECTION	4,000	4,000	
MISC EXPENSE	500	-	
TOTAL OPERATING	64,838	64,650	
RESERVE ACCOUNT	250	438	
GRAND TOTAL	65,088	65,088	
	=======		
MONTHLY RESERVE	21	37	
MONTHLY DUES	48	48	
NUMBER OF UNITS	113	113	

SYCAMORE HILLS HOMEOWNERS ASSOCIATION
ASSESSMENT COLLECTION POLICY

Prompt payment of Assessments by all owners is critical to the financial health of the Association, and to the enhancement of the property values of our homes. Your Board of Directors takes very seriously its obligation to enforce the members' obligation to pay assessments. The Board has adopted this Collection Policy in an effort to discharge that obligation in a fair, consistent and effective manner. The following are the Association's assessment collection practices and policies, pursuant to Civil Code Section 5310, subdivision (a)(7)(all further section references are to the Civil Code):

1. Regular assessments are due and payable on the first day of each month. **It is the owner's responsibility to timely pay each assessment regardless of whether a statement is received.**

2. All other assessments, including special assessments, are due and payable on the date specified in the notice of assessment.

3. Assessments, late charges, interest, reasonable collection costs, and reasonable attorneys' fees, if any, are the personal obligation of the owner of the property at the time the assessment or other sums are levied. (§ 5650, subd. (a)) Owners shall be responsible for all such amounts unless it is determined that all assessments were paid on time to the Association.

4. Unpaid assessments are delinquent 15 days after they are due. (§ 5650, subd.(b).) **A late charge of $10.00 *(not more than $10.00 or 10%)* will be charged for any assessment which is not paid in full within 15 days of the due date. (§ 5650, subd. (b)(2).)**

5. Interest on the balance due will accrue at the rate of 6 per annum, commencing thirty (30) days after the assessment becomes due. (CC&R's, Art.IV., § Section 8; (§ 5650(b)(3).)

6. Any payments received will be applied first to assessments owed, and, only after the assessments owed are paid in full will the payments be applied to fees and costs of collection, late charges and/or interest. Payments will be applied to assessments so that the oldest assessment arrearages are retired first, unless the payment indicates that it shall be otherwise applied. A late charge may accrue if payment is not sufficient to satisfy all delinquent assessments, and the current month's assessment.

7. If any assessment becomes delinquent, the Association may send a notice regarding the delinquency, and demanding payment thereof, to the owner at his/her address on file with the Association. The owner will be charged a fee for such delinquency notice. If the amount set forth in the delinquency notice is not received before the due date set forth therein, the matter may be turned over to a collection agent or an attorney for further action, including legal action, or the Association may take such other collection action as it deems appropriate.

8. Without prejudice to its right to continue with and/or take other collection action, in the event an assessment is not paid within 15 days of its due date, an owner's membership rights, including, but not limited to voting rights, or rights of use and enjoyment of the recreational common areas and common facilities may be suspended after notice and a hearing pursuant to section 5855. The Association will not deny an owner or occupant physical access to his or her separate interest by way of any such suspension of privileges. (§ 4510.)

9. Prior to recording a lien for delinquent assessments, the Association, its collection agent or attorney will send a pre-lien letter to the record owner as required by section 5660, by certified and first class mail to the owner's address of record with the Association. The owner will be charged a fee for such pre-lien letter. The Association may obtain a vesting report from a title company in connection with preparation of a pre-lien letter. If a vesting report is obtained, the owner will be charged a fee for the report.

10. An owner may dispute the debt noticed in the pre-lien letter by submitting to the board a written explanation of the reasons for his or her dispute within 15 days of the postmark on the pre-lien letter. If such written explanation is so received, the board will respond, in writing, within 15 days of the postmark on the explanation.

11. Owners may submit a written request to meet with the board to discuss a payment plan. If such request is mailed within 15 days of the postmark of the pre-lien letter, the board will meet with the owner, in executive session, within 45 days of the postmark of such request. (§ 5665. subd.(b).)

12. A delinquent owner may also request a payment plan to satisfy his or her debt, without first meeting with the board. Payment plans will be considered on a case-by-case basis. Payment plans must provide for payment of the delinquent amounts, in addition to the amounts which will accrue during the repayment period, including any fees or costs related to the administration of the payment plan.

13. If an owner to whom a pre-lien letter is sent fails to pay the amounts demanded therein within thirty (30) days from the date such pre-lien letter is mailed, a lien for the amount of any delinquent assessments, late charges, interest and/or costs of collection, including attorneys' fees may be recorded against the owner's Property. (§ 5675.)The owner will be charged a fee for such lien.

14. A copy of the lien will be sent to the owner at his/her address of record via certified mail within ten (10) calendar days of recordation of the lien. (§ 5675, subd.(e).) After thirty (30) days following recordation of lien, the lien may be enforced in any manner permitted by law, including judicial or non-judicial foreclosure. (§ 5700, subd.(a).)

15. If an owner pays all amounts required under subdivision (a) of section 5658, the Association will inform the owner that he/she may resolve any disputed amounts in an appropriate civil action, or through Internal or Alternative Dispute Resolution available through the Association.

16. Within 21 days of receipt of full payment to satisfy a lien, the Association will record a release of lien, and provide a copy thereof to the owner. (§ 5685, subd.(a).)

17. Owners have the right to inspect certain Association records pursuant to Corporations Code section 8333 to verify the debt.

18. The mailing address for overnight payment of assessments is:
Guardian Generations, Inc.
6700 Indiana Ave., Suite 285 Riverside, CA 92506

19. Nothing herein limits or otherwise affects the Association's right to proceed in any other lawful manner to collect any delinquent sums owed to the Association. The Association reserves the right to change the amount of any collection fee or charge, without notice, and reserves the right to modify or amend this collection policy at any time.

SYCAMORE HILLS HOMEOWNER'S ASSOCIATION

C/O GUARDIAN GENERATIONS, INC.

6700 INDIANA AVE, SUITE 265, RIVERSIDE, CA 92506

951-683-6170 FAX: 951-683-6210 EMAIL: nathan@guardmyhoa.com

Board of Directions meeting minutes

The board of directors meeting for July 28, 2026 was scheduled for 5:00 P.M.

Attendance: The board members who were present are as follows: Marti Gustin, Steve Mackey, Esther Hayes and Annie Martinez

Homeowners present were: None.

Nathan Gonzalez of Guardian Generations, Inc. attended as well.

Call to order:

The meeting was called to order at 5:08 P.M.

Open Forum: none.

Minutes:

Esther Hayes motioned to approve the meeting minutes from May 19, 2026 Steve Mackey seconded, All in favor. Motion carried.

Financials:

Esther Hayes motioned to approve the financials, Steve Mackey seconded, All in favor. Motion carried.

Yard sale was proposed by Esther Hayes, tabled till next meeting.

Executive: the executive session was called to order at 5:35 P.M.

The board reviewed executive meeting minutes, homeowner delinquencies, and member discipline.

Next meeting date: September 22, 2026 5:00 P.M.

Adjournment: The meeting was adjourned at 6:23 P.M.

SYCAMORE HILLS HOMEOWNER'S ASSOCIATION

C/O GUARDIAN GENERATIONS, INC.

6700 INDIANA AVE, SUITE 265, RIVERSIDE, CA 92506

951-683-6170 FAX: 951-683-6210 EMAIL: nathan@guardmyhoa.com

Board of Directions meeting minutes

The board of directors meeting for May 19, 2026 was scheduled for 5:00 P.M.

Attendance: The board members who were present are as follows: Marti Gustin, Steve Mackey, Esther Hayes and Annie Martinez

Homeowners present were: None.

Nathan Gonzalez of Guardian Generations, inc. attended as well.

Call to order:

The meeting was called to order at 5:20 P.M.

Open Forum: none.

Minutes:

Steve Mackey motioned to approve the meeting minutes from march, 2026 Annie Martinez seconded, All in favor. Motion carried.

Financials:

Marti Gustin motioned to approve the financials, Steve Mackey seconded, All in favor. Motion carried.

The board requested a newsletter be prepared addressing: loud music, police presence onsite, arch request procedure, noisy pets at night, cars speeding, store unregistered cars on driveway not the street, and no fireworks.

Next meeting board will discuss having a yard sale event.

Executive: the executive session was called to order at 5:53 P.M.

The board reviewed executive meeting minutes, homeowner delinquencies, and member discipline.

Next meeting date: July 28, 2026 5:00 P.M.

Adjournment: The meeting was adjourned at 6:23 P.M.

SYCAMORE HILLS HOMEOWNER'S ASSOCIATION

C/O GUARDIAN GENERATIONS, INC.

6700 INDIANA AVE, SUITE 265, RIVERSIDE, CA 92506

951-683-6170 FAX: 951-683-6210 EMAIL: nathan@guardmyhoa.com

Board of Directions meeting minutes

The board of directors meeting for January 27, 2026 was scheduled for 5:00 P.M.

Attendance: The board members who were present are as follows: Marti Gustin, Steve Mackey, Esther Hayes and Annie Martinez

Homeowners present were: None.

Nathan Gonzalez of Guardian Generations, inc. attended as well.

Call to order:

The meeting was called to order at 5:19 P.M.

Open Forum: none.

Minutes:

Steve Mackey motioned to approve the meeting minutes from November 2025 with the correction that Marti Gustin was absent that meeting, Esther Hayes seconded, Motion carried.

Financials:

Steve Mackey motioned to approve the financials, Annie Martinez seconded, All in favor. Motion carried.

The board reviewed the draft budget with minor adjustments. All in favor. Motion carried.

Architectural request for 7436 Penwood lane was approved 01-22-2026

Executive: the executive session was called to order at 6:03 P.M.

The board reviewed executive meeting minutes, homeowner delinquencies, and member discipline.

Next meeting date: March 24, 2026 5:00 P.M.

Adjournment: The meeting was adjourned at 6:30 P.M.

SYCAMORE HILLS HOMEOWNER'S ASSOCIATION

C/O GUARDIAN GENERATIONS, INC.

6700 INDIANA AVE, SUITE 265, RIVERSIDE, CA 92506

951-683-6170 FAX: 951-683-6210 EMAIL: nathan@guardmyhoa.com

Board of Directions meeting minutes

The board of directors meeting for November 4th, 2025 was scheduled for 5:00 P.M.

Attendance: The board members who were present are as follows: Marti Gustin, Steve Mackey, Esther Hayes, and Annie Martinez. Nathan Gonzalez of Guardian Generations, inc. attended as well.

Call to order:

The meeting was called to order at 5:00 P.M.

Open Forum: none

Minutes:

Steve Mackey motioned to approve the meeting minutes from August 26, 2025, Ester Hayes seconded, All in favor. Motion carried.

Financials:

Esther hayes motioned to approve the financials, Steve Mackey seconded, All in favor. Motion carried.

After reviewing the budget proposal for the coming fiscal year, Steve Mackey motioned to approve the new budget which does not include a dues raise, Esther Hayes seconded, all in favor. Motion carried.

Steve Mackey motioned to approve the new insurance proposal, Esther Hayes seconded, all in favor, motion carried.

Executive: the executive session was called to order at 5:58 P.M.

The board reviewed executive meeting minutes, homeowner delinquencies, and member discipline.

Next meeting date: January 27, 2026 5:00 P.M.

Adjournment: The meeting was adjourned at 6:13 P.M.

SYCAMORE HILLS HOMEOWNER'S ASSOCIATION

C/O GUARDIAN GENERATIONS, INC.

6700 INDIANA AVE, SUITE 265, RIVERSIDE, CA 92506

951-683-6170 FAX: 951-683-6210 EMAIL: nathan@guardmyhoa.com

Board of Directions meeting minutes

The board of directors meeting for August 26, 2025 was scheduled for 5:00 P.M.

Attendance: The board members who were present are as follows: Marti Gustin, Steve Mackey, Esther Hayes, and Annie Martinez. Nathan Gonzalez of Guardian Generations, inc. attended as well.

Call to order:

The meeting was called to order at 5:15 P.M.

Open Forum: none

Minutes:

Steve Mackey motioned to approve the meeting minutes from June 24, 2025, Annie Martinez seconded, All in favor. Motion carried.

Financials:

Steve Mackey motioned to approve the financials, Esther hayes seconded, All in favor. Motion carried.

Executive: the executive session was called to order at 5:54 P.M.

The board reviewed executive meeting minutes, homeowner delinquencies, and member discipline.

Next meeting date: October 28, 2025 5:00 P.M.

Adjournment: The meeting was adjourned at 6:23 P.M.

SYCAMORE HILLS HOMEOWNER'S ASSOCIATION

C/O GUARDIAN GENERATIONS, INC.

6700 INDIANA AVE, SUITE 265, RIVERSIDE, CA 92506

951-683-6170 FAX: 951-683-6210 EMAIL: nathan@guardmyhoa.com

Board of Directions meeting minutes

The board of directors meeting for June 24, 2025 was scheduled for 5:00 P.M.

Attendance: The board members who were present are as follows: Marti Gustin, Steve Mackey and Annie Martinez. Nathan Gonzalez of Guardian Generations, inc. attended as well.

Homeowners present were: Daniel Jaramillo

Call to order:

The meeting was called to order at 5:22 P.M.

Open Forum:

Daniel : would like a courtesy letter sent about the tree damaging the fence between them and the neighbor behind them.

Minutes:

Steve Mackey motioned to approve the meeting minutes from April 29, 2025, Annie Martinez seconded, All in favor. Motion carried.

Financials:

Esther hayes motioned to approve the financials, Steve Mackey seconded, All in favor. Motion carried.

Executive: the executive session was called to order at 6:30 P.M.

The board reviewed executive meeting minutes, homeowner delinquencies, and member discipline.

Next meeting date: August 26, 2025 5:00 P.M.

Adjournment: The meeting was adjourned at 6:55 P.M.

SYCAMORE HILLS HOMEOWNER'S ASSOCIATION

C/O GUARDIAN GENERATIONS, INC.

6700 INDIANA AVE, SUITE 265, RIVERSIDE, CA 92506

951-683-6170 FAX: 951-683-6210 EMAIL: nathan@guardmyhoa.com

Board of Directions meeting minutes

The board of directors meeting for April 29, 2025 was scheduled for 5:00 P.M.

Attendance: The board members who were present are as follows: Marti Gustin, Steve Mackey and Annie Martinez

Homeowners present were: Danielle Page.

Nathan Gonzalez of Guardian Generations, inc. attended as well.

Call to order:

The meeting was called to order at 5:10 P.M.

Open Forum:

Danielle Page: Submitting arch request for patio extension.

Minutes:

Steve Mackey motioned to approve the meeting minutes from February 4, 2025, Annie Martinez seconded, All in favor. Motion carried.

Financials:

Steve Mackey motioned to approve the financials, Annie Martinez seconded, All in favor. Motion carried.

Executive: the executive session was called to order at 6:09 P.M.

The board reviewed executive meeting minutes, homeowner delinquencies, and member discipline.

Next meeting date: June 24, 2025 5:00 P.M.

Adjournment: The meeting was adjourned at 6:35 P.M.

SYCAMORE HILLS HOMEOWNER'S ASSOCIATION

C/O GUARDIAN GENERATIONS, INC.

6700 INDIANA AVE, SUITE 265, RIVERSIDE, CA 92506

951-683-6170 FAX: 951-683-6210 EMAIL: nathan@guardmyhoa.com

Board of Directions meeting minutes

The board of directors meeting for February 4, 2025 was scheduled for 5:00 P.M.

Attendance: The board members who were present are as follows: Steve, Marti, & Annie. Homeowners present were: Daniel. Nathan Gonzalez of Guardian Generations, inc. attended as well.

Call to order: the meeting was called to order at 5:00 P.M.

Open Forum: none

Minutes: Steve Mackey motioned to approve the meeting minutes for October 2024 Marti Gustin seconded. Motion carried.

Financials: Steve Mackey motioned to approve the financials, Marti Gustin seconded, All in favor. Motion carried.

Marti Gustin motioned to move $1000.00 into reserve, Steve Mackey seconded. Motion carried.

Board Asked management to find if there are any dry scaping options or programs for reimbursement of grass removal.

Executive **6:08 p.m.**

The board reviewed executive meeting minutes, homeowner delinquencies and member discipline.

Next meeting date: April 29, 2025 5:00 P.M.

Adjournment: The meeting was adjourned at 6:28 P.M.

Guardian Generations, Inc.
6700 Indiana Ave., Suite 265
Riverside, CA 92506

LITIGATION STATEMENT

Date: 10/22/2026

Memo To: _____ Fax No. _____

Company: _____ Phone No. _____

HOA Property Name: Sycamore Hills HOA

Escrow or Refinance No. _____

In response to your inquiry regarding the "litigation status", if any, please see the following information, as checked in the appropriate box.

☑ At this time, there is NO PENDING LITIGATION for the HOA Property

Sycamore Hills HOA

Located at Riverside, CA

☐ At this time THERE IS PENDING LITIGATION for the HOA Property

_____

Located at _____

For any and all information regarding this matter, you will need to call the following:

Attorney Name: _____ Phone: _____

Attorney Address: _____

Sincerely,

_____

Managing Agent

Guardian Generations, Inc.
6700 Indiana Ave., Suite 265
Riverside, CA 92506
951-683-6170

Date: 10/22/2026

REF: _____

TOTAL UNITS: 113

As the managing agent for Sycamore Hills HOA

we deal with the vested owners only.

Therefore, we keep no records on renters. However, as of this date,

we are sending approximately Twenty Two (22) statements for homeowners' dues to off-site addresses.

This could indicate a rental. On the other hand, perhaps the owner is living in the unit but receiving his/her mail at a business address or a P.O. Box.

Hopefully, this information will be of some assistance to you.

Sincerely,

Guardian Generations, Inc.

Escrow & Accounting Department

FIORE, RACOBS & POWERS
A PROFESSIONAL LAW CORPORATION
6820 INDIANA AVE., SUITE 140
RIVERSIDE, CALIFORNIA 92506-7202

TELEPHONE (951) 369-6300
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WORLD WIDE WEB SITE
HTTP://WWW.FIORELAW.COM

DENNIS M. BURKE*
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JESSE W.J. MALE
ERIN A. MALONEY*
AMANDA N. OWEN
ALEJANDRO PORTALES
JANET L.S. POWERS*
CHESTER A. PUCHALSKI
PETER E. RACOBS*
DANIEL B. SMITH
MARGARET G. WANGLER*

*DENOTES SHAREHOLDER

ORANGE COUNTY OFFICE
38 TECHNOLOGY DRIVE, SUITE 250
IRVINE, CALIFORNIA 92618-2301
(949) 727-3111
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COACHELLA VALLEY OFFICE
74-361 HIGHWAY 111, SUITE I
PALM DESERT, CALIFORNIA 92260
(760) 776-6511
FAX (760) 776-6517

REPLY TO Riverside
File 21170-01

January 23, 2007

ATTORNEY-CLIENT CONFIDENTIAL

Board of Directors
Sycamore Hills Homeowners Association, Inc.
c/o Guardian Preferred Properties, Inc.
3756 Tibbetts Street
Riverside, CA 92506

Attention: Warren Ball

Re: Proposed Membership Meeting and Voting Rules

Dear Members of the Board and Mr. Ball:

Pursuant to your request, enclosed please find proposed Membership Meeting and Voting Rules. These rules were prepared in accordance with California Civil Code Section 1363.03, the recently adopted statute which imposed the requirement that election of directors and most other matters on which the Association members vote be conducted using a secret ballot, double-envelope voting system.

Before the Board can make a decision on whether to adopt these rules, the rules need to be distributed to the Association's members for a 30-day comment period pursuant to Civil Code Sections 1357.100, et seq.

When the proposed rules are distributed to the members to start the 30-day comment period, the Association needs to include a statement advising the members of the purpose and effect of the proposed rule changes. [Civ. Code §1357.130(a).] We suggest something to the effect of: "The purpose of the proposed rules is compliance with new Civil Code Section 1363.03. The effect will be implementation of the double envelope secret ballot voting system mandated by that statute."

The pre-adoption notice-and-comment period may be particularly important given the provision in the proposed rules permitting management company employees to be appointed as inspectors. If this provision draws member objections, the Board can consider those objections before adopting the rules. We do not recommend using management as inspectors, though pursuant to your request, these proposed rules would permit management representatives to serve

as inspectors. The main purpose of this new election system is to create a sense that the election process is independent from management and Board incumbents. By selecting management representatives as inspectors, the Association would be foregoing the main benefit of this cumbersome new process.

If the Association cannot afford the cost of professional inspectors, then the Association can seek out competent, trustworthy, independent volunteers from within the Association. This would enable the Association to save money and help preserve the independence of the election inspectors from management and the incumbent directors.

Note that the proposed rules do not appoint election inspectors; that appointment is left for subsequent action by the Board. The rules also do not mandate where the ballots are to be returned. Per the statute, the election inspectors are to determine the location for return of voted ballots.

After the 30-day comment period has run and after considering any comments received from the members, the Board, during a properly noticed open-session Board meeting, can make a decision on whether to adopt the rules. If adopted, the notice of adoption of the rules must be mailed to the membership within 15 days of adoption. The Association should complete the rules document by indicating the date the rules are effective on the first page of the rules and by completing the secretary's certificate as well as the certificate of mailing located on the last page of the rules.

If you have any questions regarding the foregoing or the enclosed, please give our office a call.

Very truly yours,

FIORE, RACOBS & POWERS
A Professional Law Corporation

/s

Peter E. Racobs
Jesse W.J. Male

PER:jwm

Enclosure

Sycamore Hills Homeowners Association, Inc.

MEMBERSHIP MEETING AND VOTING RULES

(Civil Code Section 1363.03)

Effective _____, 2007

1. **Secret Ballots**. The Association will utilize a secret ballot process, as described in these rules and as required by Civil Code Section 1363.03, for:

   a. Election and removal of the Association's Board of Directors.

   b. A vote of the membership regarding assessments as may be required by Civil Code Section 1366.

   c. Amendments to the governing documents that require membership approval.

   d. Prior to granting exclusive use of common area property where required by Civil Code Section 1363.07.

   e. Any other matters where a secret ballot vote is required by law.

2. **Membership Meetings, Annual Meeting and Election of Directors**.

   a. The Association will hold an Annual Meeting of the members to elect Directors and to conduct Association business. The Annual Meeting is generally held in July.

   b. The Board of Directors consists of five Directors. Directors are elected for one-year terms. Directors must be elected by secret ballot and cannot be elected by voice vote or show of hands at the Annual Meeting. The Bylaws require that Directors be Members.

   c. Prior to the Annual Meeting, the Nominating Committee will distribute a request-for-candidates form, seeking candidates for the Board. The form must be completed by the candidate or nominating member and received by the Nominating Committee by the deadline stated in the form in order to ensure the candidate's name appears on the ballot. Regardless of whether a candidacy form was completed, any candidate may still be nominated by himself, herself or by someone else from the floor of the Annual Meeting.

   d. The candidacy form may include the opportunity for each candidate to submit a 150-word written statement reasonably related to the election, including advocating a point of view. Candidate statements received on a timely basis will be included with the Association's mailing of the notice and ballot materials. The Association will not edit or redact these statements but may include a statement specifying that the candidate is responsible for that content.

   e. The Association will send out a Notice of Annual Meeting with information on when polls will open and when the members and candidates may attend the Annual Meeting

and/or Board meeting to witness the review, count and tabulation of ballots by the inspector(s) of election.

f. Other meetings of the members may be noticed and held by the Association to vote on matters which are proper for member vote. For member votes that are to be conducted pursuant to the secret ballot process described herein, the meeting notice sent by the Association will include information on when polls will open and when the members may attend a membership or Board meeting to witness the review, count and tabulation of ballots by the inspector(s) of election.

g. Other business at the Annual or other membership meeting, such as approval of minutes, motions to adjourn and other parliamentary procedures required by a recognized system of parliamentary procedure, may be conducted by a show of hands, voice vote or other method.

h. All membership meetings and votes will be conducted in accordance with the Association's governing documents and California Corporations and Civil Codes, as appropriate.

i. Members will have one vote per unit/lot/parcel owned.

j. For election of Directors, cumulative voting will be used, pursuant to Article II, Section 7 of the Bylaws. Each member, for each unit owned, shall have the number of votes equal to the number of Directors to be elected and the member may cast all votes for one candidate or divide up the votes among the candidates. No fractional votes are permitted.

k. If allowed by law, any vote (except for a vote on election of Directors) to be conducted pursuant to the secret ballot process described herein may be conducted by mail only without holding a membership meeting for voting purposes. A membership meeting must be held for election of Directors. Further, the counting and tabulation of votes may only be performed by inspector(s) of election in the open at a properly noticed open meeting of the members or Board.

3. **Inspector(s) of Election**.

a. One or three inspector(s) of election ("Inspectors") will be selected and appointed by the Board of Directors at an open Board meeting approximately 90 to 120 days prior to the date of the Annual Meeting and approximately 60 to 90 days prior to any other membership vote to be conducted by the secret ballot process described in these rules.

b. The Board may, but is not required to, select non-member third parties as the Inspectors, which may include, but is not limited to, a volunteer poll worker with the county registrar of voters, a licensee of the California Board of Accountancy, or a notary public.

c. The Board will not select a member of the Board of Directors, a candidate for the Board of Directors, a relative of a member of the Board or of a candidate, or a person or business entity currently employed by or under contract to the Association for other compensable services, except the Board may select representatives of the Association's

management company, a CPA or accounting firm to act as Inspectors even though the management company, CPA or accounting firm is employed by or under contract to the Association.

d. The Board may determine to pay compensation to the Inspectors.

e. Inspectors' Duties:

i) Determine number of memberships entitled to vote and the voting power of each.

ii) Determine the authenticity, validity and effect of proxies, if any.

iii) Receive ballots.

iv) Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote, including verification of signatures.

v) Count and tabulate all votes.

vi) Determine when the polls shall close, consistent with the governing documents.

vii) Determine the results of the election.

viii) Perform any acts as may be proper to conduct the election with fairness to all members in accordance with Civil Code Section 1363.03 and these rules.

ix) Determine, prior to the mailing of the ballots by the Association, the location where the sealed ballots will be mailed or delivered and where the Inspectors will maintain custody of the sealed ballots until after the tabulation of the vote by the Inspectors. Unless the Inspectors select otherwise, the Association's management office will be the default choice to receive the sealed ballots on behalf of the Inspectors. Only Inspectors may open, review or count the ballots.

x) All duties must be performed in good faith, to the best of the Inspector's ability and as expeditiously as practical.

f. The Inspectors may appoint additional personnel to assist them in their duties, including registration, counting, tabulating, and verifying signatures, but the Inspectors will oversee and be responsible for all actions of such personnel and such personnel must not be in the category of persons or entities, in subsection c above, that the Board may not select.

g. If there are three Inspectors, the decision to act must be by a majority of the Inspectors and is effective, in all respects, as the decision of all.

4. **Secret Ballot Procedures**.

a. At least 30 days prior to the Annual Meeting or other deadline for voting, the Association will mail to members in good standing, by first-class mail, the ballots, along with two

preaddressed envelopes. A notice will also be sent with instructions on and deadlines for the return of ballots.

b. The ballot will not identify the voter by name, address, lot, parcel number or unit number.

c. For election of Directors the ballot will contain the names of any candidates known to the Association at the time the ballot is mailed and blank lines for candidates nominated from the floor.

d. The ballot itself is not signed by the voter but is inserted into a preaddressed (to the Inspectors) envelope (Envelope #1) which should then be sealed.

e. The sealed Envelope #1 is then inserted by the voter into a second preaddressed (to the Inspectors) envelope (Envelope #2) which should then be sealed. In the upper left-hand corner of Envelope #2, the voter shall sign his or her name, indicate his or her name, and indicate the address or other identifying account/unit/lot number that entitles him or her to vote. Envelope #2 may be mailed or delivered by hand to the preaddressed address specified on the envelope.

f. The owners of multiple properties must submit separate sealed ballot envelopes (#1 and #2) for each property.

g. The member may request a receipt for hand delivery of the sealed Envelope #2 to the location selected by the Inspectors. Any member desiring a receipt for mail delivery should send the ballot by certified mail, return receipt requested, to the location selected by the Inspectors.

h. Only the Association's ballots in the form which are sent out to the membership by the Association or are provided by the Association at the membership meeting will be accepted by the Inspectors.

5. **Proxies**.

a. Proxies will be accepted only if Inspectors determine the proxies meet the requirements of the Bylaws, California Corporations Code and California Civil Code.

b. Any instruction given in a proxy that directs the manner in which the proxy holder is to cast the vote must be set forth on a separate page of the proxy that can be detached and given to the proxy holder to retain.

c. The proxy holder must be present in person at the meeting and shall cast the member's vote by secret Ballot.

d. Any member who gives another person his/her proxy does so with the full understanding that the Association and Inspectors will not be responsible for ensuring that any proxy holder votes the proxy in accordance with the proxy holder's direction.

e. A member may revoke his or her proxy by casting a secret ballot by mail or delivery to the Inspectors or as otherwise provided in Corporations Code Section 7613, provided the revocation is completed prior to the Inspector's receipt of a ballot from the proxy holder and not later than the time that the polls are closed by the Inspector.

6. **Effect of Submitting a Ballot**.

a. Once a member mails or delivers his/her ballot that ballot can not be changed or revoked.

b. Only one ballot may be submitted for each address. Once a member submits a ballot with regard to a particular address, no other ballot or proxy may be submitted for that property. Should more than one ballot be received for any property, the first ballot received will be the one counted. If it cannot be determined which ballot was the earliest received, no ballot will be counted for that property except one ballot for quorum purposes only.

7. **Registration of Secret Ballots at the Meeting**.

a. The Association will have the membership registration list at the meeting.

b. Registration will be performed by the Inspectors.

c. All ballots must be sealed in the two sealed, preaddressed envelopes and Envelope #2 must contain all required information on the upper left-hand corner.

d. If a member brings ballots for other members to the membership meeting, the ballots musts be sealed in separate individual Envelopes #1 and #2 as required above. The Inspectors will register and make all necessary determinations regarding those sealed ballot envelopes.

e. The Inspectors will review the information provided on the upper left-hand corner of Envelope #2. The Inspectors will require, at a minimum, the following:

i) The name of the member must be legible and must match the name of at least one of the record owners of the property as shown on the Association's membership list.

ii) The member's signature must be on the Envelope #2.

iii) The address or property identifier shown on Envelope #2 must correspond to the member's address or property identifier on the Association's membership list.

8. **Registration of Members in Person**.

a. Members wishing to vote in person at the membership meeting must present themselves at the registration table.

b. A member may not revoke any previously mailed or delivered ballot; if the Inspectors confirm that a ballot was received by the Inspectors the member may attend the meeting

but will not be given a new ballot to vote at the meeting. If the Inspectors confirm that a ballot was not received the member will be given a ballot and two envelopes to mark, seal and complete and cast in secret at the meeting.

c. Members voting in person at the meeting must still use the Association provided ballot and Envelopes #1 and #2, and Envelope #2 must be filled out, sealed and signed. Failure to use the two envelope system at the meeting may lead to invalidation of the ballot cast at the meeting and shall prevent the ballot from being counted at any adjourned date if the meeting is adjourned for lack of a quorum.

9. **Registration of Proxies/Determination of Quorum**.

a. If a person brings proxies to the membership meeting, the Inspectors will review and make all necessary determinations regarding those proxies, including the validity of those proxies.

b. The Inspectors will determine based upon the count of the number of members voting (as appropriate) in person, by proxy, or by mail, as shown on the registration list, that quorum has been obtained.

c. If a member has cast a ballot by mail or delivery to the Inspectors, that ballot will supersede and control over any proxy submitted, regardless of date.

d. Upon determination that a quorum has been obtained, the Inspectors may close registration at the polls.

10. **Adjourned for Lack of Quorum/Recessed Meeting**.

a. If any membership meeting is adjourned to another date due to lack of quorum, ballots already received by the Inspectors in properly completed, sealed Envelopes #1 and #2 will be valid for adjourned meetings.

b. The ballots will be counted during a properly noticed open meeting of the Board or during a membership meeting. The Inspectors may request that any meeting be recessed to allow the Inspectors to continue the counting and tabulation of the ballots at another time. Notice of the recessed meeting will be given as required by law. The Inspectors will continue to maintain custody of all ballots until the counting and tabulation is complete.

11. **Observation/Custody of Ballots, Etc.**

a. Any candidate or other member of the Association may witness the counting and the tabulation of the votes.

b. No person, including any member of the Association, any employee or manager, may open any ballot envelope prior to the time and place at which the ballots are counted and tabulated.

c. The sealed ballots at all times will be in the custody of the Inspectors until after the tabulation of the votes, and for nine months following conclusion of the vote (Corp. Code § 7527), at which time custody of the ballots, envelopes, and registration list shall be transferred to the Association. After the transfer to the Association, the ballots, envelopes and registration list shall be stored by the Association in a secure place for no less than one year after the date of the election.

12. **Privilege Suspensions**. Management will provide the Inspectors with a list of those members whose rights and privileges have been duly suspended after notice and hearing and who are not entitled to vote at the membership meeting. The Inspectors will take appropriate steps, including making notations or otherwise marking the membership registration list and/or sealed ballot envelopes, to not allow suspended members to vote at the membership meeting or in other membership votes.

13. **Consultation With Association Counsel**. The Inspectors will have the authority to confer with Association legal counsel in advance or at the meeting. Legal counsel represents the Association and does not represent the members, Inspectors, Board members, management or any other person. By the adoption of these rules, Association legal counsel has been authorized by the Board of Directors to provide advice to and to waive the attorney-client confidential communication privilege as determined necessary or prudent by the attorney to inform and advise the Inspectors regarding issues related to the Inspectors performing their duties for the Association. The Inspectors may confer with Association legal counsel outside the presence of the members.

14. **Nominating/Balloting**. Once registration for the polls has been closed, if a quorum is present, the membership meeting may proceed with nominations from the floor (if applicable), followed by balloting, etc.

15. **Tabulation, Counting, Inspectors' Conduct, Etc.**

a. Once the balloting has been closed by the Inspectors, the Inspectors may then open the sealed envelopes and begin the count and tabulation of the ballots. All (sealed) inner (#1) envelopes will be set aside upon opening the duly registered Envelopes #2; Envelopes #1 will then be opened and the ballots tabulated.

b. All votes shall be counted and tabulated by the Inspectors in public, at a properly noticed open meeting of the Board or of the members, after verification of a quorum of the membership.

c. If the Inspectors open the envelopes and determine that there is no ballot in the envelopes, then the Inspectors will indicate on the registration list next to that owner's name that no ballot was received.

d. Members and candidates may witness the counting and tabulation from a distance of no less than six feet from any Inspector.

e. The Inspectors will not provide members or candidates with information, will not answer questions, engage in discussion and will not provide any interim counts or tabulations. Inspectors will only provide the members or Inspectors with a final count and tabulation.

f. Members and candidates may not communicate with the Inspectors during the inspection, registration, count or tabulation process.

g. Ballots must be legible and clearly marked. If the ballot is marked to cast more votes than the maximum number of votes for that election, no votes will be counted, and the ballot will be used for quorum purposes only.

h. Inspectors will certify the results of the membership election by completing a report.

16. **After Tabulation**.

a. Results of the election shall be announced and be promptly reported to the Board of Directors and recorded in the minutes of the next meeting of the Board.

b. Results shall be available for review by all members after the certification of the membership meeting by the Inspectors.

c. Tie Votes: For election of Directors, in the event of a tie vote among any number of the candidates, the Association will notice a special membership meeting and send out ballots to all members for a vote to break the tie. Said vote shall be conducted in accordance with the procedures herein, to the extent they are applicable to a run-off vote. No previously cast ballots or proxies will be used at the meeting to break the tie.

d. Within 15 days of the election, the Board shall publicize the results of the election in a communication directed to all the members.

e. In the event of an election challenge and upon receipt of a written request from a member, the Association will make the ballots available for inspection and review by Association members or their authorized representatives. In order to protect the security of the ballots, one or more Association representatives must be present during such review. The Association will not make proxies available for review or inspection.

f. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.

17. **Access to Association Facilities and Communications/Use of Association Funds**.

a. If any candidate or member advocating a point of view is provided access to any Association media, including newsletters, Internet web sites, other Association publications during any campaign, for purposes that are reasonably related to that election, then all candidates and members advocating a point of view shall be provided with equal access for purposes reasonably related to that election.

b. The Association shall not edit or redact any content from these communications but will provide a statement specifying that the candidate or member, not the Association, is responsible for that content.

c. The Association has no common area meeting space.

THE FOREGOING ASSOCIATION RULES WERE ADOPTED _____, 2007, by the Board of Directors, Sycamore Hills Homeowners Association, Inc., in a duly noticed open Board meeting following the Board's compliance with Civil Code Section 1357.130.

ATTESTED TO:

By: _____
Secretary, Sycamore Hills Homeowners Association, Inc.

Notice of Association Rules adoption was mailed to the membership within 15 days of the adoption date.

ATTESTED TO:

GUARDIAN PREFERRED PROPERTIES, INC.

By: _____
Title: _____

SYCAMORE HILLS HOMEOWNERS ASSOCIATION

RULES AND REGULATIONS

Rules, Regulations, and Restrictions are made for the safety, comfort, and pleasure of all Homeowners. Your Board of Directors, Sycamore Hills Homeowners Association, will cooperate and make every effort to facilitate the requests and needs of all Homeowners. However, Homeowners must be aware that in accordance with the CC&R's of our Association as authorized by law in the State of California, your elected Board has the authority and obligation to uphold the covenants and rules of the Association. Your Board will not hesitate to exercise that authority at any time it is appropriate and necessary.

Any Homeowner who rents or leases his/her home will be responsible for providing the tenants with a copy of these Rules and Regulations. Homeowners must also give the name and number of family members of their tenants to the management company.

PLEASE RETAIN THESE RULES AND REGULATIONS WITH YOUR CC&R'S AND BY-LAWS.

RULES FOR THE STREETS AND COMMON AREAS

1. The Association hereby disclaims any liability for invited or uninvited guests of residents.

2. Residents and their guests using the common area are expected to conduct themselves in an orderly manner so as not to disturb other residents.

3. No fireworks are allowed within the project.

4. Speed limits are to be observed at all times on the public streets within the Association.

5. Mini bikes and off-road vehicles are not permitted in the common areas.

6. Any recreational biking, skating etc. by minors after dark must be supervised by an adult.

7. Recreational vehicles must be parked on concrete or gravel within the Homeowner's lot and must be maintained in an attractive operating condition (tires inflated, clean, and not blocking the sidewalk).

8. Any unused vehicle must be parked on your property and

maintained in an attractive operating appearance (tires inflated, off jacks or blocks, clean, and with no debris on, under, or around the vehicle).

9. No RV or boat shall be parked on the street more than forty-eight (48) hours during any seven (7) day period.

10. No lot shall be allowed to become unsightly, offensive, or unsanitary.

11. No clothesline shall be visible from the street and must be maintained in good condition.

12. No outdoor music is permitted after 10:00 P.M.

13. Trash cans and refuse must be kept out of sight except on trash pickup days. Containers should be put out shortly before pickup and must be removed from view as soon as possible after pickup. Be alert for changes to pickup days because of holidays.

ARCHITECTURAL

1. No exterior changes of any kind, including painting or re-roofing, shall be permitted until the plans and specifications are approved by the Board of Directors. All necessary permits must be obtained before work is to begin.

INFRACTIONS OF RULES

1. The Board has the authority and responsibility to assess penalties for persistent and continued infractions of the rules. In the case of a Landlord/tenant relationship, the assessment will be against the Homeowner/Landlord.

SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC.
RULES AND REGULATIONS
(October 2016)

These Rules and Regulations are established by the Board of Directors of the Sycamore Hills Homeowners Association for the mutual benefit and protection of property values of all homeowners and residents of Sycamore Hills. Ownership at Sycamore Hills constitutes acceptance of shared responsibility for compliance with the Declaration of Covenants, Conditions, and Restrictions (CC&Rs), By-laws, and these Rules & Regulations of the Sycamore Hills Homeowners Association.

A. GENERAL STATEMENT

1. The Rules & Regulations contained herein apply to all owners and residents of Sycamore Hills Homeowners Association and are published under the provisions of Article VI, Section 1(a) of the By-Laws of Sycamore Hills and Article X, Section 1 of the Sycamore Hills Declaration of Covenants, Conditions and Restrictions (CC&R's).
2. Owners are responsible for providing tenants copies of these Rules & Regulations. Furthermore, each recorded owner is responsible for ensuring that published Rules and Regulations, as well as the CC&Rs and By-Laws, are observed by family members, guests, visitors, and tenants. Each owner is responsible for the actions and behavior of the occupants of the owner's unit, whether family members or tenants, and for any quests visiting or staying in the owner's dwelling.
3. Owners will be notified in writing of violations. Such notification will serve as a demand that the owner immediately attends to the reported violation. Failure to correct the violation may result in the imposition of a monetary penalty of fifty dollars ($50.00) against the owner of the unit for each occurrence. Flagrant disregard of these

Rules and Regulations, the Bylaws, or the CC&Rs may result in imposition of fines larger than $50.00 but not to exceed $250.00 per occurrence of each violation.

4. Monetary penalties imposed by the Association for violations are charged against the owner's account and are payable by the owner. An owner is entitled to a hearing by the Board of Directors before a fine may be imposed against the owners account. Notice of hearing will be sent to owner in writing at ***least ten (10) days*** prior to the hearing date at which time the owner may contest the validity of the grounds upon which the Board is seeking to impose a fine. Tenants are not allowed to attend hearings without prior approval of the Board of Directors.
5. Inform the property manager promptly of any change of ownership. Keep management advised of your proper mailing address and contact information if you are a non-resident owner.
6. Association monthly assessments are payable on or before the first of each month. If monthly assessments are not paid by the 15th of each month ("paid" meaning the payment is in the hands of the management company or Association bank account and not merely postmarked), the owner will be assessed a ten dollar ($10.00) late charge for each month the dues are unpaid.
7. Vandalism of Association Common Area property will result in a fine in the amount of $500.00 plus the cost repairing the vandalism.
8. Outdoor music must be kept at a low level so as not to be audible or disturbing to adjoining lots.

B. DEFINITIONS

1. Owner" shall mean and refer to the owner of record, whether one or more persons or entities, of fee simple title to any lot which is a part of the properties.

2. "Properties" shall mean and refer to that certain real property within Sycamore Hills Homeowners Association.
3. "Dwelling" shall mean and refer to a home designed for human habitation, intended for use and occupancy as a residence by a single family.
4. "Common Area" shall mean all real property owned by the Corporation for the common use and enjoyment of the owners. For Example: The greenbelt located at the corner of Linares Avenue and Cross River Drive.
5. "Lot" shall mean and refer to any plot of land shown upon a recorded subdivision map of the properties, with the exception of the Common Area.
6. "Resident" shall mean one or more persons occupying a property.

C. PET CONTROL

1. Dogs, and other household pets must be confined inside the residence or in a fenced back yard. Residents of Sycamore Hills shall comply with Riverside County Leash Laws and Animal Noise Ordinances. Dogs, cats and other household pets must be walked on a leash attended by a person capable of handling and restraining the animal.
2. Pet owners are responsible for the actions and behavior of their animals and should see that such action and behavior is not disturbing or an annoyance to others.
3. Dog, cat and other household pet owners are required to clean up droppings immediately from owner's lot. No use of the common area greenbelt or other owner's lots is allowed for the defecation or urination of your pets.
4. Keep your pets from excessive or habitual barking, howling, whining or making loud noises that would interfere with the comfortable enjoyment of life and property.

D. TRASH DISPOSAL

1. Trash cans are to be placed out the evening prior to, or the morning of trash day. They are to be taken in immediately after trash has been picked up, or as soon as the resident returns from work that evening and placed in garage or behind the back yard fence.
2. Arrangements for bulky item pick-up are the resident's responsibility & should not be left in front of the dwelling more than twelve (12) hours before being picked up. No large or bulky items are to be left on the side of your home, visible from the street.
3. Littering is prohibited.

E. VEHICLE CONTROL, PARKING & GARAGES

1. Speed limits are to be observed at all times on the public streets within the Association.
2. No motorized vehicle of any kind is permitted on the Common Area.
3. No recreational vehicles may be parked on the owner's driveway or lot except behind the backyard fence.
4. No recreational vehicle or boat shall be parked on the street more than forty-eight (48) hours for loading or unloading only.
5. Any unused vehicle must be parked on concrete or gravel within the owner's lot and be kept clean, tires inflated, with no debris on, under, or around the vehicle, and must be covered.
6. ***Vehicle repairs or maintenance may only be performed inside the resident's garage. No wrecked vehicle is to be left on the driveway or street***
7. Motor vehicles are not to be parked on sidewalks or landscaped areas of owner's lot.
8. No double parking or "stacked" parking (front and back wheels must be parallel to the curb) in the streets allowed at any time.

9. No horn honking, screeching of tires, excessive alarms, revving of engine or loud outdoor music allowed.

F. MAINTENANCE OF LOTS AND EXTERIOR OF DWELLING

1. Owners shall insure that their lots are properly landscaped and that all landscaping, including grass, trees, ornamental shrubs, and the like, is properly irrigated, trimmed, weeded, and maintained in a neat, clean, orderly, safe, sanitary and attractive condition. ***No dirt is allowed anywhere visible on the street side of the lot.***
2. Rock or bark landscaping must be maintained in such a way as not to allow underlayment (i.e. plastic sheeting) to be seen.
3. Owners may install drought tolerant landscaping after first submitting an Architectural Change Request Application to the Board of Directors and receiving written approval from the Board prior to installation of landscaping.
4. All lots shall be maintained in such a manner as to prevent the lot from becoming unsightly with the accumulation of trash, rubbish, or debris.
5. All painted exterior painted surfaces of the dwelling, outside structures, and fences shall be maintained in good condition.
6. Fences, gates, and garage doors shall be maintained in good repair.
7. Windows, window coverings, and window screens shall be maintained in good condition. Bed sheets, cardboard, newspapers, blankets, aluminum foil and such like materials are not approved window coverings.
8. Air conditioning units placed in windows must match the house, be painted and maintained. No raw plywood allowed.
9. Clothes lines may be installed in the back yard out of view from the street. No clothes, rugs, or other items may be hung anywhere else on the lot.

10. Christmas decorations and lights may be displayed after Thanksgiving Day and must be removed prior to January 15th of the next year.

ARCHITECTURAL CONTROL

1. No change to the exterior appearance of the dwelling or lot shall be commenced without prior written approval of the Board of Directors.
2. Request for an architectural change must be in writing and have enough detail as to the nature of the change that the Board can make a decision to approve or deny the request. The Board will respond to your request within thirty days of receipt of such request. The Board's response will be either to approve, deny, or ask for more information in order to make a decision.
3. Chimneys shall not be stucco'ed. No stucco shall be applied to chimneys.
4. Sycamore Hills color scheme's must be muted earth tones.

INFRACTION OF THE RULES

1. The Board has the authority and responsibility to assess penalties for infractions of the Rules. In the case of a Landlord/tenant relationship, the assessment will be against the Homeowner/Landlord.

2. Homeowners who wish to report to the Board or management a violation of these rules must do so in writing and send the report to the Management Company, Guardian Preferred Properties or by telephone to the Management Company at 951-683-6170.

State of California

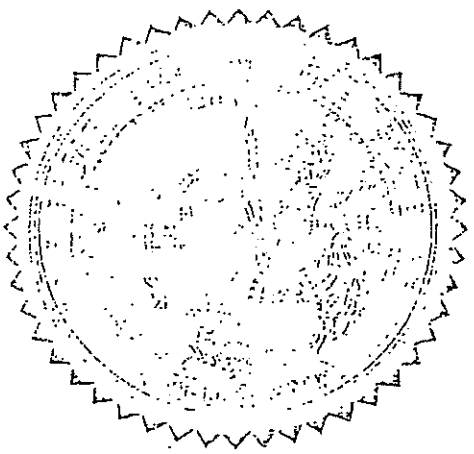
OFFICE OF THE SECRETARY OF STATE

I, *MARCH FONG EU*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this

OCT 6 1977



March Fong Eu

Secretary of State

852584

ENDORSED
FILED
In the office of the Secretary of State
of the State of California
SEP 23 1977
MARCH FONG EU, Secretary of State
By IRENE SANCHEZ
Deputy

ARTICLES OF INCORPORATION

OF

SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME

The name of this corporation is SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC. (hereinafter called "Association").

ARTICLE II

PURPOSES AND POWERS

The purposes for which this Association is formed are:

(a) The specific and primary purposes are to provide for maintenance, preservation and architectural control of the residential lots and common area within real property located in Riverside County, California, and all structures and improvements thereon, which property is known as SYCAMORE HILLS.

(b) The general purposes and powers are:

1. To promote the health, safety and welfare of the residents within said real property;

2. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association arising from any declaration of covenants, conditions and restrictions (hereinafter called the "Declaration"), applicable to the property and recorded in the Office of the Recorder, Riverside County, California, and as the same may be amended from time to time as therein provided;

3. To fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to contract for and pay all expenses in connection with maintenance, gardening, utilities, materials, supplies and services relating to the common property and facilities; to employ personnel

reasonably necessary for operation of the project including lawyers and accountants where appropriate, and to pay all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes and special assessments which are or would become a lien on the project or the common area;

4. To have and to exercise any and all powers, rights and privileges, including delegation of powers as permitted by law, which a corporation organized under the General Nonprofit Corporation Law of the State of California by law may now or hereafter have or exercise;

5. To act in the capacity of principal, agent, joint venturer, or partner, or otherwise.

6. To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

7. To borrow money, and with the assent of two-thirds (2/3) of each class of members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

8. To dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer; and

9. To participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members.

The foregoing statement of purposes shall be construed as

a statement both of purposes and of powers, and purposes and powers in each clause shall not be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. Notwithstanding any of the above statements of purposes and powers, the Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Association.

ARTICLE III

LEGAL STATUS

The Association is organized pursuant to the General Nonprofit Corporation Law of the State of California.

ARTICLE IV

PRINCIPAL OFFICE

The County in this State where the principal office for the transaction of the business of the Association is located is the County of Riverside.

ARTICLE V

BY-LAWS

The authorized number and qualifications of members of the Association, the different classes of membership, if any, the property, voting and other rights and privileges of members, and the liability for dues and assessments and the method of collection thereof, shall be as set forth in the By-Laws.

ARTICLE VI

DIRECTORS

The number of directors of this corporation shall be five (5) and said number may be changed by a duly adopted amendment to the By-Laws, except that in no event may the number of directors be less than five (5) without amendment of these Articles of Incorporation.

The names and addresses of the persons who are appointed to act as the first directors of this corporation and to continue to act as such directors until the election and qualification of their successors are as follows:

GEORGE R. SANT	c/o The McCarthy Company of Southern California 2535 West La Palma Avenue Anaheim, California 92801
LOUIS J. MALONE	c/o The McCarthy Company of Southern California 2535 West La Palma Avenue Anaheim, California 92801
KJELD V. HANSEN	c/o The McCarthy Company of Southern California 2535 West La Palma Avenue Anaheim, California 92801
GEORGE B. HERSHMAN	c/o The McCarthy Company of Southern California 2535 West La Palma Avenue Anaheim, California 92801
VALERIE IMMEGART	c/o The McCarthy Company of Southern California 2535 West La Palma Avenue Anaheim, California 92801

ARTICLE VII

LIMITATION ON CORPORATE ACTIVITIES

No substantial part of the activities of the Association shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, nor shall the Association participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

ARTICLE VIII

DISTRIBUTION OF INCOME AND

PROHIBITED ACTIVITIES

Nothwithstanding any other provision in these Articles of Incorporation, the Association shall be subject to the following limitations and restrictions:

(a) The Association shall distribute its income for

each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954, as amended;

(b) The Association shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954, as amended;

(c) The Association shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1954, as amended;

(d) The Association shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, as amended;

(e) The Association shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1954.

ARTICLE IX

AMENDMENTS

Amendment of these Articles shall require the assent of the members representing at least seventy-five percent (75%) of the voting interest then entitled to vote as provided in the By-laws.

ARTICLE X

GAINS, PROFITS, DISTRIBUTIONS

The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this organization shall ever inure to the benefit of any directors, officer, or member thereof or to the benefit of any private persons. Upon the dissolution or winding up of the corporation, its assets, remaining after payment or provision for payment of all its debts and liabilities, shall be distributed to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

If this corporation holds any assets in trust, or the corporation is formed for charitable purposes, such assets shall be disposed of in such manner as may be directed by decree of the superior court of the county in which the corporation has its principal office, upon petition therefor by the Attorney General or by any person concerned in the liquidation, in a proceeding to which the Attorney General is a party.

IN WITNESS WHEREOF, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation on Aug 5, 1977.

GEORGE R. SANT, Incorporator

LOUIS J. MALONE, Incorporator

GEORGE B. HERSHMAN, Incorporator

KJELD V. HANSEN, Incorporator

VALERIE IMMEGART, Incorporator

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On this 5th day of August, 1977, before me, the undersigned, a Notary Public in and for the County of Orange State of California, personally appeared GEORGE R. SANT, LOUIS J. MALONE, GEORGE B. HERSHMAN, KJELD V. HANSEN and VALERIE IMMEGART, known to me to be the persons whose names are subscribed to the foregoing Articles of Incorporation of Sycamore Hills Homeowners Association, Inc., and acknowledged that they executed the same.

(Notarial Seal)

Notary Public for the State of California

OFFICIAL SEAL
JANE CLAYTON
NOTARY PUBLIC - CALIFORNIA
ORANGE COUNTY
My Commission Expires Jun. 21, 1978

BY-LAWS

OF

SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND DEFINITIONS

Section 1. Name. The name of the corporation is SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located in Riverside County, California.

Section 2. Properties. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jursidiction of the Association.

Section 3. Common Area. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. Lot. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties, with the exception of the Common Area.

Section 5. Owner. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. Declarant. "Declarant" shall mean and refer to THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for purpose of development.

Section 7. Declaration. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Sycamore Hills project and recorded in the office of the Recorder, Riverside County, California.

Section 8. Member. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration. There shall be two classes of members as provided in the Declaration.

ARTICLE II

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within six months after the closing of the first sale of a Lot by Declarant to a Class A Member, or not later than forty-five (45) days after fifty-one percent (51%) of the Lots within the Properties have been sold, whichever occurs first. Each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 o'clock p.m. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by a majority of a quorum of the Board of Directors or upon written request of the Members who are entitled to vote at least fifteen percent (15%) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days but not more than sixty (60) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Corporation, or supplied by such Member to the Corporation for

the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Meeting shall be held within the Properties or at a meeting place as close thereto as possible. Meeting shall in no event be held outside of Riverside County.

Section 4. Quorum. The presence in person or by proxy of the holders of sixty-six and two-thirds percent (66-2/3%) of the voting power of each class of membership at any meeting shall constitute a quorum for the transaction of business. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum; provided, however, a quorum must always be present when actions are approved to increase or decrease any regular or special assessment, dedicate or mortgage the Common Area, or to dissolve the Corporation. If any meeting, annual or special, cannot be held for lack of a quorum, the Members present either in person or by proxy, may, except as otherwise provided by law, adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called, at which meeting the quorum requirement shall be twenty-five percent (25%) of the voting power.

Section 5. Adjourned Meetings and Notice Thereof. Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the voting power of which is either present in person or represented by proxy thereat, but in the absence of a quorum no other business may be transacted at any such meeting.

When any Members' meeting, either annual or special, is adjourned, notice of the adjourned meeting shall be given as in the case of an original meeting. Except as provided above, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by announcement at the meeting at which such adjournment is taken.

Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

Section 7. Voting. Except as otherwise provided by law, only Members in whose names memberships entitled to vote stand on the records of the Association on the record date for voting purposes, shall be entitled to vote at such meeting. Such vote may be voice or ballot; provided, however, that all elections for directors must be by secret written ballot. Except as otherwise provided in the Declaration, each Member is entitled to vote for each Lot owned by him. Every Member entitled to vote at any election for directors shall have the right to cumulate his votes and give one (1) candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which he is entitled, or to distribute his votes on the same principle among as many candidates as he thinks fit. The candidates receiving the highest number of votes, up to the number of Directors to be elected, shall be elected.

CUMULATIVE VOTING

Notwithstanding the foregoing, Members of Class A membership shall have the right to elect not less than one Class A Member as a director at the first annual meeting of the Members.

Section 8. Action Without Meeting. Any action, except as otherwise provided by law, which, under the applicable provisions of law, may be taken at a meeting of the Members, may be taken without a meeting if authorized in writing by all of the Members who would be entitled to vote upon such action at a meeting and filed with the Secretary of the Association.

Section 9. Removal of Directors. Subject to the provisions of this Section, at any regular or special meeting duly called, any one or more of the directors may be removed with or without cause by a vote

of the Members and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Members or other directors shall be given an opportunity to be heard at the meeting. The provisions for voting and cumulative voting as set forth in Section 7 of this Article shall apply to action taken under this section. Unless all directors are removed from office at a meeting, an individual director shall not be removed prior to the expiration of his term of office if the number of votes cast against his removal is greater than the quotient arrived at by dividing the total number of votes that may be cast under cumulative voting procedures by a divider equal to one (1) plus the authorized number of directors. Furthermore, a director who has been elected to office solely by the votes of Class A Members may be removed from office prior to the expiration of his term of office only by the vote of a simple majority of the voting power of Class A Members.

ARTICLE III

DIRECTORS

Section 1. Number and Qualification. The authorized number of directors of the Association shall be five (5) until changed by an amendment of the Articles of Incorporation or by a By-Law amending this Section in accordance with the Articles of Incorporation. Directors, other than the initial directors, shall be Members of the Association.

Section 2. Term of Office. At the first annual meeting of the Association, new directors shall be elected for a term of one (1) year. The directors shall hold office until their successors have been duly elected and qualified and hold their first meeting. All terms shall be for one year or until a successor is elected.

Section 3. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors. Any action so approved shall have the same effect as those taken at a meeting of the directors.

ARTICLE IV

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by secret written ballots. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and the provisions of these By-Laws with respect to cumulative voting.

ARTICLE V

MEETING OF DIRECTORS

Section 1. Regular Meetings. Immediately following each annual meeting of Members, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Other regular meetings shall be held

not less than every three (3) months. Notice of the time and place of regular meetings shall be posted at a prominent place within the Common Area.

Section 2. Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be held at any time upon call by the President, or, if he is absent or unable to or refuses to act, by any two (2) directors. Such meetings may be held at any place designated from time to time by resolution of the Board or by written consent of all Members of the Board.

Written notice of the time and place of special meetings shall be delivered personally to each director or sent to each director by mail or other form of written communication, charges prepaid, addressed to him at his address as it is shown upon the records of the Corporation, at least seventy-two (72) hours prior to said meeting date. Such notice shall also be posted at a prominent place within the Common Areas. In case such notice is mailed or telegraphed, it shall be deposited in the United States mail or delivered to the telegraph company in the place in which the principal office of the Corporation is located at least seventy-two (72) hours prior to the time of the holding of the meeting. Such mailing, telegraphing or delivery as above provided shall constitute due, legal and personal notice to such director.

Section 3. Meetings Open to Membership. All regular and special meetings of directors shall be open to all Members of the Association, provided that Members who are not directors may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of the quorum of the directors. The directors may, with the approval of a majority of a quorum of directors, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 4. Quorum. A majority of the authorized number of directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors unless a greater number be required by law or by the Articles of Incorporation.

Section 5. Adjournment and Notice. A quorum of the directors may adjourn any directors' meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the directors present at any directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place is fixed at the meeting adjourned.

ARTICLE VI

POWERS AND DUTIES OF BOARD OF DIRECTORS

Section 1. Powers and Duties. The Board of Directors shall have the following powers and duties:

(a) Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) Suspend, after notice and hearing, the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Corporation and for a period not to exceed thirty (30) days for infraction of published rules and regulations;

(c) Exercise for the Association all powers, duties and authority vested in or delegated to this Corporation and not reserved to the membership by other provisions of these By-Laws, the

Articles of Incorporation, or the Declaration;

(d) Enforcement of applicable provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

(f) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

(g) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(h) As more fully provided in the Declaration, to:

(1) Fix the amount of the asesssments against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

(i) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

(j) Procure and maintain adequate casualty, liability, and other insurance on property owned by the Association;

(k) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(l) Cause all Common Areas to be maintained;

(m) Payment of taxes and assessments which are, or could become a lien on the Common Area or a portion thereof;

(n) Contracting for goods and/or services for the Common Area, facilities and interests or for the Association subject to the limitations set forth in Section 2 of this Article;

(o) Delegation of its powers to committees, officers and employees of the Association as expressly authorized by these By-Laws or the Declaration;

(p) Initiation and execution of disciplinary proceedings against Members of the Association for violations of provisions of these By-Laws, the Articles of Incorporation or the Delcaration, in accordance with procedures set forth in such documents;

(q) Entering upon any privately-owned Lot as necessary in connection with construction, maintenance or emergency repair for the benefit of the Common Area, or the Owners in common;

(r) Preparation of financial statements for the Association which statements shall be distributed to each Member as follows:

(i) A pro forma operating statement (budget) shall be distributed not less than sixty (60) days before the beginning of the fiscal year;

(ii) A balance sheet, as of an accounting date which is the last day of the month closest in time to six (6) months from the date of closing of the first sale of a Lot to a Class A Member - and an operating statement for the period from the date of the first closing to the said accounting

date, shall be distributed within sixty (60) days after the accounting date - this operating statement shall include a schedule of assessments received and receivable identified by the Lot and the name of the entity assessed; and

(iii) A balance sheet as of the last day of the Association's fiscal year and an operating statement for said fiscal year shall be distributed within ninety (90) days after the close of the fiscal year; and

(s) If the gorss income for any fiscal year exceeds $75,000, then the directors will cause an external audit to be performed by an independent public accountant for purposes of the financial statements required in Section 1(r)(iii) of this Article.

Section 2. Prohibited Acts. The directors shall be prohibited from taking any of the following actions, except with the vote or written assent of a majority of the voting power of Class A Members:

(a) Entering into a contract with a third person when such person will furnish goods or services for the Common Area or the Association for a term longer than one year with the following exceptions:

(i) A management contract, the terms of which have been approved by the Federal Housing Administration or the Veterans Administration;

(ii) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission, provided however, the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate; and

(iii) Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration provided that the policy permits short rate cancellation by the insured;

(b) Incurring aggregate expenditures for capital improvements to the Common Area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year;

(c) Selling during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year; and

(d) Paying compensation to directors or to officers of the Association for services performed in the conduct of the Association's business, provided, however, that the directors may cause a director or officer to be reimbursed for expenses incurred in carrying on the business of the Association.

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all times be Members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. President. The President, who shall be chosen from the Board of Directors, shall be the chief executive officer of the Corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Corporation. He shall preside at all meetings of the Members and of the Board of Directors. He shall be an ex-officio Member of all the standing committees, if any, and shall have the general powers and duties of management usually vested in the office of the president of a corporation, and such other powers and duties as may be prescribed by the Board of Directors or these By-Laws.

Section 9. Vice President. The Vice President shall act in the place of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Section 10. Secretary. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board

of Directors may order, a book of minutes of all meetings of directors and Members, or a duplicate thereof, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the number of memberships present or represented at Members' meetings, and the proceedings thereof.

The Secretary shall keep or cause to be kept, in any form permitted by law, at the principal office or such other place as the Board of Directors may order, a membership register, or a duplicate thereof, showing the names of the Members and their addresses, the description and number of Lots, if more than one, upon which such membership is based, the number and date of membership certificates issued, and the number and date of cancellation of membership certificates surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all the meetings of the Members and of the Board of Directors required by these By-Laws or by law to be given, and shall keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the President or these By-Laws.

Section 11. Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains or losses. The books of account shall at all times be open to inspection by any director.

The Treasurer shall deposit all moneys and other valuables in the name of and to the credit of the Association with such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Association as may be ordered by the Board of Directors, shall render to the President and directors, whenever they request it, an account of all his transactions as Treasurer and of the financial

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LATE CHARGE

condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the President or these By-Laws.

ARTICLE VIII

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association all assessments provided for in the Declaration which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area, or abandonment of his Lot.

ARTICLE IX

COMMITTEES

The Board of Directors shall appoint a Nominating Committee as provided in these By-Laws. In addition, the Board of Directors shall appoint such other committees as are deemed appropriate in carrying out its purpose.

ARTICLE X

BY-LAWS

The membership register, books of account and minutes of meetings of the Members, of the Board of Directors and of committees of the Board of Directors shall be made available for inspection and

copying by any Member of the Association, or by his duly-appointed representative, at any reasonable time and for a purpose reasonably related to his interest as a Member, at the principal office of the Association or at such other place within Sycamore Hills as the Board of Directors may prescribe.

The Board of Directors shall establish reasonable rules with respect to: (a) notice to be given to the custodian of the records by the Member desiring to make the inspection; (b) hours and days of the week when such an inspection may be made; and (c) payment of the cost of reproducing copies of documents requested by a Member.

Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspecton by a director includes the right to make extracts and copies of documents at the expense of the Association.

ARTICLE XI

AMENDMENTS

Section 1. These Articles may be amended at a regular or special meeting of the Members of the Association, by a vote or written assent of a majority of the Members entitled to vote in accordance with the provisions of Article II, Section 4 and Section 7 of these By-Laws, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is a Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XII

MISCELLANEOUS

Section 1. Record Date. The Board of Directors may fix a time in the future as a record date for the determination of the Members entitled to notice of and to vote at any meeting of Members. The record date so fixed shall not be more than thirty (30) days or less than fifteen (15) days prior to the date of the meeting. When a record date is so fixed, only Members of record on that date shall be entitled to notice of and to vote at the meeting, notwithstanding any transfer of or issuance of membership certificates on the books of the Association after the record date.

Section 2. Checks and Drafts. All checks, drafts or other orders for payment of money; notes or other evidences of indebtedness issued in the name of or payable to the Association shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 3. Execution of Contracts. The Board of Directors, except as may be otherwise provided in these By-Laws, the Articles of Incorporation or Declaration, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument or document in the name of and on behalf of the Association and such authority may be general or confined to specific instances. Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts, promissory notes and other evidences of indebtedness, deeds of trust, mortgages and other corporate instruments or documents requiring the corporate seal, shall be executed, signed or endorsed by the President (or any Vice President) and by the Secretary (or any Assistant Secretary) or the Treasurer. The borrowing of money, dedicating, assigning, transferring of any part of the Common Area to a public authority or agency, and the participating in any corporation

merger shall require the assent of at least two-thirds (2/3rds) of each class of Member.

ARTICLE XIII

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Unless prohibited by the General Non-profit Corporation Law of California, the Board of Directors may authorize the Association to pay expenses incurred by, or to satisfy a judgment or fine rendered or levied against, a present or former Director, officer, or employee of the Association in an action brought by a third party against such person, whether or not the Association is joined as a party defendant, to impose a liability or penalty on such person for an act alleged to have been committed by such person while a Director, officer, or employee; provided, the Board of Directors determines in good faith that such Director, officer, or employee was acting in good faith within what he reasonably believed to be the scope of his employment or authority and for a purpose which he reasonably believed to be in the best interests of the Association or its Members. Payments authorized hereunder include amounts paid and expenses incurred in settling any such action or threatened action. The provisons of this section shall apply to the estate, executor, administrator, heirs, legatees, or devisees of a Director, officer or employee, and the term "person" where used in the foregoing section shall include the estate, executor, administrator, heirs, legatees or devisees of such person.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that:

1. I am the duly elected and acting Secretary of SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC., a California non-profit corporation; and

2. The foregoing By-Laws comprising 19 pages, including this page, constitute the By-Laws of the corporation duly adopted at the meeting of the Board of Directors thereof duly held on September 23, 1977.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the corporation this 23rd day of November, 1977.

(Corporate Seal)

Valerie J. Plume
Secretary

RECORDING REQUESTED BY, AND
WHEN RECORDED, RETURN TO:

The McCarthy Company of Southern California
2535 W. La Palma Avenue
Anaheim, CA 92801

257403

RECEIVED FOR RECORD
DEC 29 1977
TITLE INSURANCE & TRUST CO.
Book 1977, Page 257403
Recorded in Official Records of Riverside County, California
Wm. Doheny Recorder
FEE

(Space Above for Recorder's Use)

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

SYCAMORE HILLS

(Phase I)

THIS DECLARATION is made on December 27, 1977, by THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, a California corporation, hereinafter referred to as "Declarant".

P R E A M B L E:

A. Declarant is the owner of certain real property in the County of Riverside, State of California, described as:

> Lots 1 through 67, inclusive of Tract No. 4560-3, in the County of Riverside, State of California, as per map recorded in Book 91, Pages 63 and 64 of Maps and Lots F, G, H and I of Tract No. 4560, in the County of Riverside, State of California, as per map recorded in Book 91, Pages 98 and 99 of Maps, in the Office of the County Recorder of said County.

B. Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

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ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to the real property described above, and such additions thereto pursuant to this Declaration, as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners, including walkways, the landscaped green areas and any recreation building and facilities and any private streets. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

> Lots F, G, H and I of Tract No. 4560 in the County of Riverside, State of California, as per map recorded in Book 91, Pages 98 and 99 of Maps, in the Office of the County Recorder of said County.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Mortgage" shall mean the conveyance of a Lot or other portion of the Properties to secure the performance of an obligation, which conveyance shall be void upon full performance of the obligation secured. The term "Trust Deed" when used herein shall be synonymous with the term "Mortgage".

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ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area, and to reasonably limit the number of guests of owners;

(b) the right, after notice and hearing, of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period which any assessment against his Lot remains unpaid, and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations.

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility with the consent of such agency, authority or utility, for such purposes and subject to such conditions as may be agreed to by the Members.

No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of Members, agreeing to such dedication or transfer, has been recorded;

(d) the right of Declarant and its sales agents and representative during the period for which an active sales program is conducted on the property by Declarant, in addition to the rights set forth in Article VII hereof, to the non-exclusive use without extra charge, of the Common Area and facilities for maintenance of sales facilities, display and exhibit purposes.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Title to Common Area. Declarant covenants that it will convey fee simple title to the Common Area to the Association, free of all encumbrances, except current real property taxes, which taxes shall be prorated to the date of transfer, and easements, conditions, and reservations then of record including those set forth in this Declaration. The conveyance shall be made to the Association prior to or concurrently with the conveyance of the first Lot to a purchaser from Declarant. All improvements shall be completed by Declarant and at Declarant's expense, in accordance with plans and specifications filed with and approved by the County of Riverside. No mechanics' liens will be permitted by Declarant to remain on the property to be conveyed to the Association.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership.

Class A - Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B - The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs first:

(a) When the total outstanding votes held by Class A Members equal the total outstanding votes held by the Class B Members, or

(b) Two years from the date of the issuance of the most recent Public Report for a phase of the overall development, or

(c) Two years after the date of recording of this Declaration.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area, the landscaping on any individual Lot, upon the failure of the Owner to maintain such landscaping as required by Article VIII, Section 1 of this Declaration, such individual Lots being deemed areas subject to the exclusive control of an Owner for purposes of said Section, and all landscaped slope areas, easements for which have been granted to the Association.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner,

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the maximum monthly assessment shall be Ten Dollars ($ 10.00) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership. No assessment shall be imposed on any Lot for the purpose of defraying the cost of original capital improvements placed upon the property of the Association by Declarant.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased more than five percent (5%) by the vote or written assent of sixty-six and 2/3rds percent (66-2/3%) of each class of Members at a meeting duly held for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the vote or written assent of sixty-six and 2/3rds percent (66-2/3%) of each class of Members at a meeting duly held for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Any action authorized under Sections 3 or 4 shall be taken at a meeting called for that purpose, written notice of which shall be sent to all members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. If the proposed action is favored by a majority of the votes cast at such meeting, but such vote is less than the requisite number of each class of Members, Members who were not

present in person or by proxy may give their assent in writing, provided the same is obtained by the appropriate officers of the Association not later than thirty (30) days from the date of such meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform amount for all Lots and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments: Due Date. The first annual assessment provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the first lot. The first annual assessment shall be adjusted according to the number of months remaining in a calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment. Written notice of the annual assessments shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. Said signed certificate shall be conclusive evidence to show that all assessments acknowledged therein have been paid. Such certificate shall be conclusive evidence as to third parties of payment of any assessment therein stated to have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance. Notwithstanding the foregoing, no assessment shall apply to a Lot within the properties until the first day of the first month following the month in which there is constructed on such Lot, a structure for use as a residential dwelling, and such structure is complete and available for occupancy. Each such lot shall be subject to a pro rata share of the then established assessment.

Section 8. Effect of Nonpayment of Assessments: Remedies. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 6% per annum. Suit to

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recover a money judgment for unpaid assessments may be maintained against the owner personally obligated to pay the same without foreclosing or waiving the lien securing said assessment. The Association may endorce the lien by sale in accordance with the provisions of the California Civil Code applicable to the exercise of powers of sale in mortgages and trust deeds, or by foreclosure or in any other manner permitted by law. The Association through duly authorized agents shall have the power to bid on the lot at any such sale and to hold, lease, mortgage and convey the same. No owner may waive or otherwise escape liability for the asessments provided for herein by non-use of the Common Area or abandonment of his Lot. If any suit or action is brought to collect any such charge, then there shall be added to the amount thereof costs of suit and reasonable attorney's fees to be fixed by the Court and included in any judgment in any such suit or action.

Section 9. Notice of Lien. No action shall be brought by the Association to foreclose said assessment lien or to proceed under the power of sale herein provided until thirty (30) days after the date a notice of claim of lien is deposited in the United States Mail, certified or registered, postage prepaid, to the owner of said Lot, and a copy thereof is recorded by the Association in the office of the County Recorder in which the properties are located, whichever date occurs later; said notice of claim shall contain a sufficient legal description of any such Lot, the record owner or reputed owner thereof, the amount claimed (which may at the Association's option include interest on the unpaid assessment at the legal rate, plus reasonable attorneys' fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the Association. Upon the timely curing of any default for which a notice of claim or lien was filed by the Association, any two of the officers thereof are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting owner of a reasonable fee, to be determined by the Association, to cover the costs of preparing and filing or recording such release.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage of record prior to the date on which the assessment lien became effective. The assessment lien shall become effective on the due date as established by the Board of Directors of the Association. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosures of mortgages or any proceeding in lieu thereof with respect to a mortgage recorded prior to the assessment lien, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Mortgage Protection. No breach of the covenants, conditions or restrictions in this Declaration, nor the enforcement thereof or of any lien provision herein, shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value. However, all of the covenants, conditions and restrictions in this Declaration shall be binding upon any owner whose title is derived through foreclosure or exercise of a power of sale.

ARTICLE V

ARCHITECTURAL CONTROL

Section 1. Approval Required. No building, fence, wall or other structure shall be commenced, erected, painted, or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, color, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Review Committee and the Lot owner has obtained a building permit as may be required by local governmental authorities. In the event the Committee fails to approve or disapprove such design and location within

thirty (30) days after the plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

Section 2. Architectural Review Committee. An Architectural Review Committee is hereby authorized with the rights and powers set forth herein. It shall consist of three members, and in the event of the failure or inability to act of any member of said Committee, the remaining member or members shall designate a successor. Notwithstanding the foregoing, Declarant may appoint all the original members of the Committee and all replacements until the first anniversary of the issuance of a public report by the Department of Real Estate affecting the Properties. Declarant reserves to itself the power to appoint a majority of the members of the Committee until ninety percent (90%) of the Lots in the overall development have been sold to Class A Members or until the fifth anniversary of the issuance of the final public report for the first phase of the development, whichever first occurs. After one year from the date of the sale of the first Lot to a Class A Member, the Class A Members shall have the right to appoint one member to the Committee until ninety percent (90%) of the Lots in the overall development have been sold to Class A Members or until the fifth anniversary date of the issuance of the final public report for the first phase of the development, whichever first occurs. Thereafter the Board of Directors of the Association shall have the power to appoint all of the members of the Committee. Members appointed to the Committee by the Board of Directors shall be Members of the Association, but members appointed to the Committee by Declarant need not be Members of the Association. No member of the Committee shall be liable to any person for his decisions or failure to act in making decisions as a member of said Committee.

ARTICLE VI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, the County of

Riverside, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictuions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, the County of Riverside, or by any Owner to enforce any covenant or restriction contained herein shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period, by an instrument signed by not less than sixty-six and 2/3rds percent (66-2/3%) of Class A members of the Association and thereafter by an instrument signed by not less than fifty-one percent (51%) of Class A members of the Association. Any amendment must be recorded.

Section 4. (a) Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of sixty-six and 2/3rds percent (66-2/3%) of each class of Members.

(b) Staged Developments. Additional real property legally described as follows may be annexed by the Declarant without the consent of members within three (3) years of the date of this instrument:

> Lots 1 through 46, inclusive, and Lots A through I, inclusive, of Tract No. 4560, in the County of Riverside, State of California, as per map recorded in Book 91, Pages 98 to 99 of Maps, in the Office of the County Recorder of said County.

If the Federal Housing Administration or Veterans Administration or both are insuring or guaranteeing loans on a portion of the Properties, then a condition precedent to such annexation shall be that the Federal Housing Administration and Veterans Administration determine that the annexation is in accord with the general plan heretofore approved by them. Declarant

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or its successors in interest shall record in the Office of the Recorder of the County of Riverside, a Declaration of Annexation setting forth the legal description of the real property to be added by annexation and providing that the Owners of Lots in the real property to be annexed shall automatically become members of the SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC. Thereafter, the rights and obligations of all Owners of Lots located in the annexed Properties shall be the same as the rights and obligations of the Owners of Lots affected in this Declaration.

Section 5. Federal Housing Administration/Veterans Administration Approval. As long as there is a Class B membership, and provided they are guaranteeing or insuring loans on a portion of the Properties, the following actions will require the prior approval of the Federal Housing Administration and the Veterans Administration: Annexation of additional properties, dedication of Common Area, amendment of this Declaration of Covenants, Conditions and Restrictions, conveyance or encumbrance of the Common Area, and merger, consolidation or dissolution of the Association.

ARTICLE VII

USES PROHIBITED AND PERMITTED

Section 1. No Lot shall be used for any purpose other than one single family residence; provided, however that Lots and Dwelling Units owned by Declarant or its nominees may be used as models and sales offices and construction offices for the purpose of selling the dwellings in the Properties until all of the dwellings thereon are sold by Declarant.

Section 2. No noxious or offensive activities (including but not limited to the outdoor repair of automobiles) shall be carried on upon the Properties; no motorcycles or motor driven vehicles (except lawn maintenance equipment) shall be operated on any walkways or sidewalks within the Properties; no vehicle which shall not be in an operating condition shall be parked or left on any street or on the Properties other than inside a garage. No boat, trailer, recreation vehicle, camper, truck, or vehicular machine shall be permitted to remain for more than forty-eight (48) hours in a carport, on any street, or on any part of the Properties

other than in a garage. The garages shall be used for parking vehicles and storage purposes only and shall not be converted for living or recreational activities. Except as provided above, only automobiles in operating condition shall be parked in uncovered parking areas. Carports shall be used only for storage of automobiles in operating condition and shall not be used for any other purpose without the written consent of the Architectural Review Committee.

Section 3. No signs, posters or displays shall be shown or displayed on a Lot excepting one lawful sign or notice of customary and reasonable dimension which states that the premises are for rent or for sale.

Section 4. No outside television or radio pole, antenna or clothesline shall be constructed, erected or maintained on any Lot; provided, however, that the Association shall have the right to install and maintain one community television antenna in the Common Area.

Section 5. No fence of any kind or nature shall be erected or maintained around any portion of the buildings, except lawful fences and walls installed by Declarant and except as authorized by the Architectural Review Committee. Nothing shall be fastened or attached to or installed upon any fence by nail, screw or otherwise, except those attachments or installations made by Declarant during the course of initial construction. Fences shall not be used for hanging, drying or airing clothing, rugs or other materials. No fences of a height over six (6) feet shall be constructed or maintained on or along the rear lot lines of any Lot. All fencing materials must be approved by the Architecutral Review Committee prior to their use. No tree, vegetation, or other installation of any type shall be planted,erected or maintained upon any Lot in such a location or of such height as to unreasonably obstruct the view of the open space area behind each Lot from any other Lot in the vicinity thereof. No swimming pool may be installed on any Lot, unless said pool can be enclosed as required by any State law or local Ordinance without violating the fence and view restrictions as set forth above. No

such swimming pool shall be constructed or installed on any Lot until the Owner of said Lot submits plans and specifications, as provided in Article V of the Declaration, to the Architectural Review Committee and secures approval by said Committee of a suggested method of enclosing the swimming pool (such as wrought iron fencing, but in no event chainlink or cyclone fencing), provided such method is in keeping with the Architectural scheme and harmony of design in relation to surrounding structures and topography in the development.

Section 6. No animals, livestock or poultry shall be kept on a Lot except that domestic dogs, cats, fish and birds in inside bird cages may be kept as household pets within any Lot provided that they are not kept, bred or raised therein for commercial purposes or in unreasonable quantities. As used herein, "unreasonable quantities" shall be deemed to limit the number of dogs, cats and birds to two (2) each. The Association shall have the right to prohibit maintenance of any animal which constitutes, in the opinion of the directors of the Association, a nuisance to any other Owner. No boat, truck, trailer, camper or recreation vehicle shall be used as a living area while located on the Properties; however, trailers for use incidental to the initial construction of the improvements on the Properties may be maintained thereon, but shall be promptly removed upon completion of construction. Dogs and cats belonging to Owners, occupants or their invitees within the Properties must be either kept within an enclosure in an enclosed yard or on a lease being held by a person capable of controlling the animal. The enclosure must be so maintained that the dog or cat cannot escape therefrom and shall be subject to the approval of the Board of Directors of the Association.

Should any dog or cat belonging to occupants or Owners of a Lot be found unattended out of the enclosure and not being held by a leash by a person capable of controlling the animal, such dog or cat may be removed by Declarant (or other occupant or Owner of property within the Properties), or a person designated by them so to do, to a pound under the jurisdiction of the local municipality, including the County of Riverside,

in which the Properties are situated and subject to the laws and rules governing said pound, or to a comparable animal shelter.

Section 7. No business of any kind shall be permitted or conducted on the Properties, excepting for the business of Declarant in completing the construction of residences on the Properties and of disposing of the same by sale, lease or otherwise, and excepting professional and administrative occupations without external evidence thereof.

Section 8. Miscellaneous Restrictions. Without limiting any of the foregoing, no horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of the Lot and improvements located thereon, shall be placed or used on any such Lot or improvements. This Section shall not preclude the use of outdoor patio speakers for hi-fi, stereo or radios where the sound level is maintained at a reasonably low level with respect to adjoining Lots.

Section 9. All garbage and trash shall be placed and kept in covered containers. In no event shall such containers be maintained so as to be visible from neighboring Lots except when set out for a reasonable period of time before and after scheduled trash pick-up times. No portion of any Lot shall be used for the storage of building materials, refuse or any other materials other than in connection with approved construction. There shall be no exterior fires whatsoever except barbecue fires contained within receptacles thereof.

Section 10. No basketball standards or fixed sports apparatus shall be attached to any Dwelling Unit or garage or be erected on any Lot without the prior approval of the Architectural Review Committee.

Section 11. There shall be no exterior painting of Dwelling Units or patio or yard walls by or on behalf of the Owners thereof, or any person holding thereunder, nor repair or replacing of original roofs by said persons nor any major landscaping in front yards by said persons without the prior approval of the Architectural Review Committee, except

in the event that such activities are undertaken by the Association, in which case the approval of the Architectural Review Committee shall not be required.

No weeds, rubbish, debris or other materials shall be placed or permitted to accumulate upon any portion of the Properties in a manner which, in the opinion of the Architectural Review Committee, renders the Lot unsanitary, unsightly or offensive. In the event of the failure of an Owner to comply with any of the foregoing requirements, the Association or its authorized agents, shall have the right to enter upon the offending Lot and remove weeds, rubbish or other materials and do all things necessary to place such Lot in compliance with this Section. The Owner of the offending Lot shall be personally liable, and his Lot shall be subject to a mechanic's lien, for all costs and expenses incurred by the Association in taking such corrective acts, plus all costs incurred in collecting the amounts due. Each Owner shall pay all amounts due for such work within five (5) days after receipt of written demand therefor.

Section 12. Common Areas. No improvements, excavation or work which in any way alters any Common Area from its natural or existing state on the date such Common Area is conveyed by Declarant to the Association shall be made or done except upon strict compliance with, and within the restrictions and limitations of, the following provisions of this section:

(a) No person other than the Association or its duly authorized agents shall alter any portion of the Common Areas or any landscaping thereon.

(b) The Association may at any time, and from time to time:

(1) Reconstruct, replace, construct or refinish any improvement or portion thereof upon the Common Area in accordance with the original design, finish or standard of construction of such improvement, or of the Properties, as the case may be, and not in accordance with such original design, finish or standard of construction with the consent of 75% of the voting power of the Association;

(2) Construct, reconstruct, replace or refinish any road improvement or surface upon any portion of Common Area designated on a

subdivision map as a private road or parking area;

(3) Replace destroy trees or other vegetation and planted trees, shrubs and ground cover upon any portion of Common Area;

(4) Place and maintain upon the Common Area such signs as the Association may deem necessary for identification, for regulation of traffic, including parking, the regulation and use of the Common Area, and for the health, welfare and safety of Owners and guests.

ARTICLE VIII

DUTIES AND OBLIGATIONS OF THE ASSOCIATION

Section 1. Maintenance. In the event that the need for maintenance or repair of the Common Area is caused through the willful or negligent act of an Owner, his family or guests or invitees, the cost of such maintenance or repair shall be added to and become a part of the assessment to which such Lot is subject. Further, it shall be the duty of each Owner to maintain, repair, replace and restore areas subject to his exclusive control, in a neat, sanitary and attractive condition, subject to the approval of the Association. Upon the failure of said Owner to maintain and repair areas subject to his exclusive use, the Association shall have the duty to make such repairs or to perform such maintenance, and the cost thereof shall be charged to the Owner. Said cost shall be a separate assessment and shall create a lien enforceable in the same manner as other assessments as set forth in this Declaration.

Section 2. Common Area Maintenance. The Association shall maintain, or provide for the maintenance of all Common Areas and all improvements thereon in good order and repair. The Association shall provide all necessary landscaping and gardening to properly maintain and periodically replace when necessary the trees, plants, grass and other vegetation originally placed on the Common Area by Declarant.

Section 3. Replacement or Repair of Properties. In the event of damage to or destruction of the Properties of the Association or any part thereof, the Association shall repair or replace the same

from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a special assessment against all Lot Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other regular assessments made against such Lot Owners.

ARTICLE XI

POWERS AND AUTHORITY OF THE ASSOCIATION

Section 1. General Powers. The Association shall have all of the powers set forth in its Articles of Incorporation, together with its general powers as a non-profit corporation, generally to do any and all things that a corporation organized under the laws of the State of California may lawfully do in operating for the benefit of its members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Articles, the By-Laws and in this Declaration, and to do all lawful things which may be permitted to be done by the Association under this Declaration and to perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers of the Association or for the peace, health, comfort, safety and general welfare of the Owners of Lots and their guests.

Section 2. Right of Entry. Without in any any limiting the generality of the foregoing, the Association shall have the power at any time, and from time to time, without liability to any Owner, to enter upon any Lot and the exterior of any Dwelling Unit, fence or wall subject to this Declaration for the purpose of enforcing any and all of the provisions of this Declaration. The Association shall also have the power from time to time, and in its own name, on its own behalf or on behalf of any Owner or Owners who consent thereto, to maintain actions to enjoin any breach or threatened breach of this Declaration, and to enforce, by mandatory injunction or otherwise, all of the provisions of this Declaration.

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ARTICLE X

ASSOCIATION RULES

Section 1. Adoption, Amendment and Repeal. The Association may, from time to time, and subject to the provisions of this Declaration adopt, amend and repeal rules and regulations, to be known as "the Association Rules", governing, among other things:

(a) Use of the Common Area;

(b) Signs;

(c) Collection and disposal of refuse;

(d) Minimum standards of maintenance of property;

(e) Use of any closed circuit television broadcasting system.

Section 2. Restriction of Use. The Association Rules may, without limitation and to the extent deemed necessary by the Association in order to preserve the benefits of the Common Areas for all Owners, and the families, invitees, guests, licensees, and lessees of Owners, restrict and govern the use of Common Areas, by any guest, by any Owner, by the family of such Owner, or by an invitee, licensee, or lessee of such Owner; provided, however, that with respect to use of Common Areas, the Association Rules may not discriminate between Owners and the families and lessees of Owners.

Section 3. Restrictions and Limitations. The Association Rules may include with respect to the Common Areas, but not the public streets adjacent thereto,

(a) Parking restrictions and limitations on and adjacent to such areas;

(b) Limitations upon vehicular travel;

(c) The type or types of vehicles which may be permitted to use the Common Areas.

ARTICLE XI

LIMITATION OF RESTRICTIONS ON DECLARANT

Declarant is undertaking the work of constructing residential dwellings and incidental improvements upon the Lots included within the Properties. The completion of that work and the sale, rental and other disposal of said residential units is essential to the establishment and welfare of the Properties as a residential community. In order that the work may be completed and the Properties be established as a fully occupied residential community as rapidly as possible, nothing in this Declaration shall be understood or construed to:

Section 1. Prevent Declarant, its employees, contractors, or subcontractors from doing on any Lot owned by Declarant whatever is reasonably necessary or advisable in connection with the completion of said work; or

Section 2. Prevent Declarant or its representatives from erecting, constructing and maintaining on any Lot owned by Declarant, such structures as may be reasonably necessary for the conduct of its business of completing the work and disposing of the same by sale, lease or otherwise, in accordance with any permit granted by the County or Riverside; or

Section 3. Prevent Declarant from maintaining such signs on any Lot owned by Declarant as may be necessary for the sale, lease or disposition thereof.

Section 4. Declarant shall have the right at any time prior to acquisition of title by a purchaser from Declarant to amend this Declaration, to establish on the Properties additional easements, reservations and rights of way to itself, to utility companies. or to others as may from time to time be reasonably necessary to the proper development and disposal of the Properties. Declarant or the organization for whose benefit said easements, reservations and rights of way have been established shall have the right at any time to cut and remove any trees or branches or any other unauthorized object from such easements,

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reservations and rights of way.

ARTICLE XII

ADDITIONAL PROVISIONS

Section 1. Financing Improvement of the Common Areas and Facilities. The Association shall have the right in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Areas and facilities, and the incidentals thereto with the approval of sixty-six and 2/3rds percent (66-2/3%) of the membership of each class of Members, and to mortgage said Common Areas and facilities. The right of such mortgagee in said Common Areas and facilities shall be subordinate to the right of the Owners hereunder. The duties and obligations of the Association shall be binding upon the Association, its mortgagees, trustees, receivers or any purchaser at any foreclosure sale.

Section 2. Severability of Membership in the Association from Ownership of a Lot. No purchaser or Owner of any Lot shall convey his interest in any such Lot separately from his membership in the Association and no member of the Association shall convey or otherwise dispose of his membership rights in the Association without at the same time conveying his interest in the Lot to which his membership attaches. Membership shall be transferred on the records of the Association only to a new Owner of the Lot to which membership attaches. A tenant of an Owner shall not be a member of the Association, but the tenant of an Owner, with the consent and delegation of the rights of said Owner, shall have the right to use the facilities of the Association in the same manner as if he were an Owner.

Section 3. Reciprocal Easements. Reciprocal easements are hereby reserved for the benefit of adjoining Lot Owners for the control, maintenance and repair of the utilities of adjoining Lot Owners. Declarant expressly reserves for the benefit of all Properties reciprocal easements of access, ingress and egress over all Lots, and over the Common Areas, for installation and repair of utility services, for drainage over, across and upon adjacent Lots for water resulting from the normal use of adjoining

Lots, for maintenance and repair of any dwelling. Such easements may be used by Declarant, its successors, purchasers and all Owners, their guests, tenants and invitees, residing on or temporarily visiting the Properties, for pedestrian walkways, vehicular access and such other purposes reasonably necessary for the use and enjoyment of a Lot and the Common Areas. Each dwelling unit shall be constructed on or adjacent to lot lines separating adjacent, contiguous Lots. Declarant and the Lot Owners of each Lot on which there is constructed a dwelling unit along or adjacent to said Lot line shall have an easement appurtenant to said Lot over the Lot line to and over the adjacent Lot for the purposes of accommodating any natural movement or settling of any dwelling unit located on said Lot, any encroachment of any dwelling unit due to minor engineering or construction variations, and any encroachment of eaves, roof overhangs and architectural features as parts of the original construction of any dwelling located on said Lot.

Section 4. Right of Entry of Association. Any person authorized by the Board of Directors or the Association shall have the right of entry to a Lot in case of any emergency originating in or threatening the Lot or adjacent Lots, whether the Owner is present at that time or not.

Section 5. Right of Entry of Owners. Each Owner shall permit other Owners or their representatives, when so required, to enter his Lot for the purpose of repairing or maintaining a party wall, or for the purpose of performing installations, alterations or repairs, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right

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of entry shall be immediate.

Declarant has executed this Declaration on the date first written above.

THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, a California corporation

By: George K. Scott
President

By: K. V. Hansen
Assistant Secretary

(SEAL)

257423

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On this 27th day of December, 1977, before me, the undersigned, a Notary Public in and for said County and State, personally appeared George R. Sant, known to me to be the President, and K. V. Hansen, known to me to be the Assistant Secretary, respectively, of THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

OFFICIAL SEAL
VALERIE J. IMMEGART
NOTARY PUBLIC - CALIFORNIA
ORANGE COUNTY
My comm. expires JUN 17, 1978

Valerie J. Immegart
Notary Public in and for said
County and State

Valerie J. Immegart

END RECORDED DOCUMENT

W. D. BALOU, COUNTY RECORDER

WHEN RECORDED RETURN TO:

THE McCARTHY COMPANY
2555 West Ivy Palms Avenue
Anaheim, California 92801

222826

RECEIVED FOR RECORD
FEB 6
AT 8:00 O'CLOCK A.M.
WILL MAIL TO
Book 1978, Page
Records of Riverside County, California
Fee $

(Space above for Recorder's Use)

DECLARATION OF ANNEXATION OF TERRITORY

TO

SYCAMORE HILLS

(Phase II)

The Declaration of Annexation of Territory is made this 1st day of February, 1978, by THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, a California corporation, hereinafter referred to as "Declarant."

P R E A M B L E:

A. Declarant has previously executed a Declaration of Covenants, Conditions and Restrictions dated December 27, 1977 (the "Declaration"). The Declaration was recorded on December 28, 1977, as Instrument No. 257403, Book 1977, Pages 257403, inclusive, Official Records of Riverside County, California. The Declaration is binding upon all Owners of certain Lots in the Sycamore Hills subdivision.

B. Declarant is the owner of certain real property in the County of Riverside, California described as:

> Lots 1 through 46, inclusive of Tract 4560, in the County of Riverside, State of California, as per map recorded in Book 91, Pages 98 and 99 of Maps, in the Office of the County Recorder of said County (hereinafter referred to as the "Annexed Territory").

C. Pursuant to Article VI of the Declaration, Declarant now desires to add the Annexed Territory to the Sycamore Hills subdivision:

NOW, THEREFORE, DECLARANT HEREBY DECLARES AS FOLLOWS:

1. Declarant is the Owner of the Annexed Territory and

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hereby declares that the Annexed Territory is annexed to and made a part of the Properties subject to the Declaration.

2. The rights and obligations of all Owners of Lots located in the Annexed Territory shall be the same as the rights and obligations of the Owners of Lots affected by the Declaration described in Paragraph A of this Declaration of Annexation of Territory.

3. The provisions of this Declaration of Annexation of Territory shall run with the Annexed Territory and shall be binding on all parties having or acquiring any rights, title or interest in the Annexed Territory or any part thereof, and shall inure to the benefit of each Owner thereof and are imposed upon the Annexed Territory and every part thereof as a servitude in favor of each and every parcel thereof as the dominant tenement or tenements, and shall inure to the benefit of and be binding upon each successor in interest of Declarant, and may be enforced by any Owner as defined in the Declaration, the Declarant, or their successors in interest.

This Declaration of Annexation of Territory has been executed on the date first written above.

DECLARANT:

(Corporate Seal)

THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, a California corporation

By: _____
Executive Vice President

By: _____
Assistant Secretary

22826

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On this 1st day of February, 1977, before me, the undersigned, a Notary Public in and for said State, personally appeared Louis J. Maldne, known to me to be the Executive Vice President, and K. V. Hansen, known to me to be Assistant Secretary of the corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

OFFICIAL SEAL
JACQUELYN L. GUY
NOTARY PUBLIC - CALIFORNIA
ORANGE COUNTY
My Commission Expires Aug. 7, 1981

Notary Public in and for said
County and State
Jacquelyn L. Guy

END RECORDED DOCUMENT W. D. BALOCH, COUNTY RECORDER

WHEN RECORDED RETURN TO:

Sycamore Hills Homeowners Association, Inc.
c/o Guardian Preferred Properties, Inc.
3756 Tibbetts Street
Riverside, CA 92506

RECEIVED FOR RECORD
AT 12:00 O'CLOCK P.M.

NOV - 8 1991

Recorded in Official Records of Riverside County, California
Recorder
Fees $

SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC.

This Amendment to the Declaration of Covenants, Conditions and Restrictions for Sycamore Hills Homeowners Association, Inc., recorded on December 28, 1977, in the Official Records of the County of Riverside, California, as Instrument No. 257403, is binding upon the real property described therein and annexed thereto and is made on the date hereinafter set forth by Sycamore Hills Homeowners Association, Inc.

WHEREAS, Sycamore Hills Homeowners Association, Inc. ("Association") is the homeowners' association for the Sycamore Hills project which is located within the City of Riverside, County of Riverside, State of California, and

WHEREAS, the above-referenced Declaration provides at Article VI, Section 3, for amendment by the vote or written assent of sixty-six and two-thirds percent (66-2/3%) of the owners within the Association, and

WHEREAS, the requisite majority of the owners within the Association have voted by written ballot to amend the Declaration as follows:

NOW, THEREFORE, the Association does hereby amend the aforesaid Declaration by adding Section (c)(1) to Article II, Section 1 of the Declaration, to wit:

> (c)(1). The Association, acting by and through and in the sole discretion of its Board of Directors, is hereby empowered to transfer Common Area Lots "G," "H" and "I," or any portion thereof, to one or more individual Owners whose Lots are immediately adjacent to any portion of said Common Area Lots.
>
> Provided, that upon transfer of Lots "G," "H" or "I," or any portion thereof, to any Owner(s), all past, present, or future obligations of the Association to maintain said property are fully extinguished and released upon transfer. Each individual Owner to whom title is transferred thereby covenants and agrees to assume all maintenance obligations for the property transferred to said Owner. It is further provided that any claim,

right, or interest of the Owners, or any them, by virtue of their membership in the Association, in or to or arising out of the aforesaid Common Area Lots, or any portion thereof, shall be fully and completely extinguished and released upon transfer to an individual Owner as provided herein.

Upon transfer of any portion of said Common Area Lots to any Owner, the Owner further covenants and agrees to enclose the transferred property within the Owner's rear-yard fencing in a manner consistent with the architectural control provisions of the Declaration. Said enclosure to be completed within 60 days from the date of transfer of the property.

IN WITNESS WHEREOF the undersigned Association has hereunto set its hand and seal this 29 day of October, 1991.

SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC.

By Miguel Puente J. President 10-29-91
MIGUEL PUENTE, JR., Its President

By Laurel Vance Secretary
LAUREL VANCE, Its Secretary

CERTIFICATION

The undersigned, being the duly appointed Secretary of Sycamore Hills Homeowners Association, Inc., a California nonprofit corporation, does hereby certify that the foregoing Amendment to the Declaration of Covenants, Conditions and Restrictions for Sycamore Hills Homeowners Association, Inc. has been duly approved and adopted by the vote of the requisite majority of the owners of such Association.

Laurel Vance Secretary
LAUREL VANCE, Secretary
Sycamore Hills Homeowners Association, Inc.

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

On Oct. 29 —, 1991, before me, the undersigned, a notary public in and for said state, personally appeared Miguel Puente, Jr., and proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as President of the known corporation, on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its bylaws or a resolution of the board of directors.

WITNESS my hand and seal.

Notary Public

OFFICIAL SEAL
RAYMOND A. CALABRESE
NOTARY PUBLIC-CALIFORNIA
LOS ANGELES COUNTY
My Comm. expires July 16, 1993

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

On Oct. 29 —, 1991, before me, the undersigned, a notary public in and for said state, personally appeared Laurel Vance, and proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as Secretary of the known corporation, on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its bylaws or a resolution of the board of directors.

WITNESS my hand and seal.

Notary Public

OFFICIAL SEAL
RAYMOND A. CALABRESE
NOTARY PUBLIC-CALIFORNIA
LOS ANGELES COUNTY
My Comm. expires July 16, 1993

OFFICIAL SEAL
RAYMOND A. CALABRESE
NOTARY PUBLIC-CALIFORNIA
LOS ANGELES COUNTY
My Comm expires July 16 1993

sycamore.amd

RECORDING REQUESTED BY, AND
WHEN RECORDED, RETURN TO:

The McCarthy Company of Southern California
2535 W. La Palma Avenue
Anaheim, CA 92801

257403

RECEIVED FOR RECORD
DEC 28 1977
Min. Past
At Request of
TITLE INSURANCE & TRUST CO.
Book 1977, Page 257403
Recorded in Official Records
of Riverside County, California
Wm. Dolph Recorder
FEE

(Space Above for Recorder's Use)

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

SYCAMORE HILLS

(Phase I)

THIS DECLARATION is made on December 27, 1977, by THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, a California corporation, hereinafter referred to as "Declarant".

P R E A M B L E:

A. Declarant is the owner of certain real property in the County of Riverside, State of California, described as:

> Lots 1 through 67, inclusive of Tract No. 4560-3, in the County of Riverside, State of California, as per map recorded in Book 91, Pages 63 and 64 of Maps and Lots F, G, H and I of Tract No. 4560, in the County of Riverside, State of California, as per map recorded in Book 91, Pages 98 and 99 of Maps, in the Office of the County Recorder of said County.

B. Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

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ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to the real property described above, and such additions thereto pursuant to this Declaration, as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners, including walkways, the landscaped green areas and any recreation building and facilities and any private streets. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

> Lots F, G, H and I of Tract No. 4560 in the County of Riverside, State of California, as per map recorded in Book 91, Pages 98 and 99 of Maps, in the Office of the County Recorder of said County.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Mortgage" shall mean the conveyance of a Lot or other portion of the Properties to secure the performance of an obligation, which conveyance shall be void upon full performance of the obligation secured. The term "Trust Deed" when used herein shall be synonymous with the term "Mortgage".

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area, and to reasonably limit the number of guests of owners;

(b) the right, after notice and hearing, of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period which any assessment against his Lot remains unpaid, and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations.

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility with the consent of such agency, authority or utility, for such purposes and subject to such conditions as may be agreed to by the Members.

No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of Members, agreeing to such dedication or transfer, has been recorded;

(d) the right of Declarant and its sales agents and representatives during the period for which an active sales program is conducted on the property by Declarant, in addition to the rights set forth in Article VII hereof, to the non-exclusive use without extra charge, of the Common Area and facilities for maintenance of sales facilities, display and exhibit purposes.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

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Section 3. Title to Common Area. Declarant covenants that it will convey fee simple title to the Common Area to the Association, free of all encumbrances, except current real property taxes, which taxes shall be prorated to the date of transfer, and easements, conditions, and reservations then of record including those set forth in this Declaration. The conveyance shall be made to the Association prior to or concurrently with the conveyance of the first Lot to a purchaser from Declarant. All improvements shall be completed by Declarant and at Declarant's expense, in accordance with plans and specifications filed with and approved by the County of Riverside. No mechanics' liens will be permitted by Declarant to remain on the property to be conveyed to the Association.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership.

Class A - Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B - The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs first:

(a) When the total outstanding votes held by Class A Members equal the total outstanding votes held by the Class B Members, or

(b) Two years from the date of the issuance of the most recent Public Report for a phase of the overall development, or

(c) Two years after the date of recording of this Declaration.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area, the landscaping on any individual Lot, upon the failure of the Owner to maintain such landscaping as required by Article VIII, Section 1 of this Declaration, such individual Lots being deemed areas subject to the exclusive control of an Owner for purposes of said Section, and all landscaped slope areas, easements for which have been granted to the Association.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner,

the maximum monthly assessment shall be Ten Dollars ($ 10.00) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership. No assessment shall be imposed on any Lot for the purpose of defraying the cost of original capital improvements placed upon the property of the Association by Declarant.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased more than five percent (5%) by the vote or written assent of sixty-six and 2/3rds percent (66-2/3%) of each class of Members at a meeting duly held for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the vote or written assent of sixty-six and 2/3rds percent (66-2/3%) of each class of Members at a meeting duly held for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Any action authorized under Sections 3 or 4 shall be taken at a meeting called for that purpose, written notice of which shall be sent to all members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. If the proposed action is favored by a majority of the votes cast at such meeting, but such vote is less than the requisite number of each class of Members, Members who were not

present in person or by proxy may give their assent in writing, provided the same is obtained by the appropriate officers of the Association not later than thirty (30) days from the date of such meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform amount for all Lots and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments: Due Date. The first annual assessment provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the first lot. The first annual assessment shall be adjusted according to the number of months remaining in a calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment. Written notice of the annual assessments shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. Said signed certificate shall be conclusive evidence to show that all assessments acknowledged therein have been paid. Such certificate shall be conclusive evidence as to third parties of payment of any assessment therein stated to have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance. Notwithstanding the foregoing, no assessment shall apply to a Lot within the properties until the first day of the first month following the month in which there is constructed on such Lot, a structure for use as a residential dwelling, and such structure is complete and available for occupancy. Each such lot shall be subject to a pro rata share of the then established assessment.

Section 8. Effect of Nonpayment of Assessments: Remedies. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 6% per annum. Suit to

recover a money judgment for unpaid assessments may be maintained against the owner personally obligated to pay the same without foreclosing or waiving the lien securing said assessment. The Association may endorce the lien by sale in accordance with the provisions of the California Civil Code applicable to the exercise of powers of sale in mortgages and trust deeds, or by foreclosure or in any other manner permitted by law. The Association through duly authorized agents shall have the power to bid on the lot at any such sale and to hold, lease, mortgage and convey the same. No owner may waive or otherwise escape liability for the asessments provided for herein by non-use of the Common Area or abandonment of his Lot. If any suit or action is brought to collect any such charge, then there shall be added to the amount thereof costs of suit and reasonable attorney's fees to be fixed by the Court and included in any judgment in any such suit or action.

Section 9. Notice of Lien. No action shall be brought by the Association to foreclose said assessment lien or to proceed under the power of sale herein provided until thirty (30) days after the date a notice of claim of lien is deposited in the United States Mail, certified or registered, postage prepaid, to the owner of said Lot, and a copy thereof is recorded by the Association in the office of the County Recorder in which the properties are located, whichever date occurs later; said notice of claim shall contain a sufficient legal description of any such Lot, the record owner or reputed owner thereof, the amount claimed (which may at the Association's option include interest on the unpaid assessment at the legal rate, plus reasonable attorneys' fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the Association. Upon the timely curing of any default for which a notice of claim or lien was filed by the Association, any two of the officers thereof are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting owner of a reasonable fee, to be determined by the Association, to cover the costs of preparing and filing or recording such release.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage of record prior to the date on which the assessment lien became effective. The assessment lien shall become effective on the due date as established by the Board of Directors of the Association. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosures of mortgages or any proceeding in lieu thereof with respect to a mortgage recorded prior to the assessment lien, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Mortgage Protection. No breach of the covenants, conditions or restrictions in this Declaration, nor the enforcement thereof or of any lien provision herein, shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value. However, all of the covenants, conditions and restrictions in this Declaration shall be binding upon any owner whose title is derived through foreclosure or exercise of a power of sale.

ARTICLE V

ARCHITECTURAL CONTROL

Section 1. Approval Required. No building, fence, wall or other structure shall be commenced, erected, painted, or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, color, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Review Committee and the Lot owner has obtained a building permit as may be required by local governmental authorities. In the event the Committee fails to approve or disapprove such design and location within

thirty (30) days after the plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

Section 2. Architectural Review Committee. An Architectural Review Committee is hereby authorized with the rights and powers set forth herein. It shall consist of three members, and in the event of the failure or inability to act of any member of said Committee, the remaining member or members shall designate a successor. Notwithstanding the foregoing, Declarant may appoint all the original members of the Committee and all replacements until the first anniversary of the issuance of a public report by the Department of Real Estate affecting the Properties. Declarant reserves to itself the power to appoint a majority of the members of the Committee until ninety percent (90%) of the Lots in the overall development have been sold to Class A Members or until the fifth anniversary of the issuance of the final public report for the first phase of the development, whichever first occurs. After one year from the date of the sale of the first Lot to a Class A Member, the Class A Members shall have the right to appoint one member to the Committee until ninety percent (90%) of the Lots in the overall development have been sold to Class A Members or until the fifth anniversary date of the issuance of the final public report for the first phase of the development, whichever first occurs. Thereafter the Board of Directors of the Association shall have the power to appoint all of the members of the Committee. Members appointed to the Committee by the Board of Directors shall be Members of the Association, but members appointed to the Committee by Declarant need not be Members of the Association. No member of the Committee shall be liable to any person for his decisions or failure to act in making decisions as a member of said Committee.

ARTICLE VI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, the County of

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Riverside, 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 provisions of this Declaration. Failure by the Association, the County of Riverside, or by any Owner to enforce any covenant or restriction contained herein shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period. by an instrument signed by not less than sixty-six and 2/3rds percent (66-2/3%) of Class A members of the Association and thereafter by an instrument signed by not less than fifty-one percent (51%) of Class A members of the Association. Any amendment must be recorded.

Section 4. (a) Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of sixty-six and 2/3rds percent (66-2/3%) of each class of Members.

(b) Staged Developments. Additional real property legally described as follows may be annexed by the Declarant without the consent of members within three (3) years of the date of this instrument:

> Lots 1 through 46, inclusive, and Lots A through I, inclusive, of Tract No. 4560, in the County of Riverside, State of California, as per map recorded in Book 91, Pages 98 to 99 of Maps, in the Office of the County Recorder of said County.

If the Federal Housing Administration or Veterans Administration or both are insuring or guaranteeing loans on a portion of the Properties, then a condition precedent to such annexation shall be that the Federal Housing Administration and Veterans Administration determine that the annexation is in accord with the general plan heretofore approved by them. Declarant

in the event that such activities are undertaken by the Association, in which case the approval of the Architectural Review Committee shall not be required.

No weeds, rubbish, debris or other materials shall be placed or permitted to accumulate upon any portion of the Properties in a manner which, in the opinion of the Architectural Review Committee, renders the Lot unsanitary, unsightly or offensive. In the event of the failure of an Owner to comply with any of the foregoing requirements, the Association or its authorized agents, shall have the right to enter upon the offending Lot and remove weeds, rubbish or other materials and do all things necessary to place such Lot in compliance with this Section. The Owner of the offending Lot shall be personally liable, and his Lot shall be subject to a mechanic's lien, for all costs and expenses incurred by the Association in taking such corrective acts, plus all costs incurred in collecting the amounts due. Each Owner shall pay all amounts due for such work within five (5) days after receipt of written demand therefor.

Section 12. Common Areas. No improvements, excavation or work which in any way alters any Common Area from its natural or existing state on the date such Common Area is conveyed by Declarant to the Association shall be made or done except upon strict compliance with, and within the restrictions and limitations of, the following provisions of this section:

(a) No person other than the Association or its duly authorized agents shall alter any portion of the Common Areas or any landscaping thereon.

(b) The Association may at any time, and from time to time:

(1) Reconstruct, replace, construct or refinish any improvement or portion thereof upon the Common Area in accordance with the original design, finish or standard of construction of such improvement, or of the Properties, as the case may be, and not in accordance with such original design, finish or standard of construction with the consent of 75% of the voting power of the Association;

(2) Construct, reconstruct, replace or refinish any road improvement or surface upon any portion of Common Area designated on a

subdivision map as a private road or parking area;

(3) Replace destroy trees or other vegetation and planted trees, shrubs and ground cover upon any portion of Common Area;

(4) Place and maintain upon the Common Area such signs as the Association may deem necessary for identification, for regulation of traffic, including parking, the regulation and use of the Common Area, and for the health, welfare and safety of Owners and guests.

ARTICLE VIII

DUTIES AND OBLIGATIONS OF THE ASSOCIATION

Section 1. Maintenance. In the event that the need for maintenance or repair of the Common Area is caused through the willful or negligent act of an Owner, his family or guests or invitees, the cost of such maintenance or repair shall be added to and become a part of the assessment to which such Lot is subject. Further, it shall be the duty of each Owner to maintain, repair, replace and restore areas subject to his exclusive control, in a neat, sanitary and attractive condition, subject to the approval of the Association. Upon the failure of said Owner to maintain and repair areas subject to his exclusive use, the Association shall have the duty to make such repairs or to perform such maintenance, and the cost thereof shall be charged to the Owner. Said cost shall be a separate assessment and shall create a lien enforceable in the same manner as other assessments as set forth in this Declaration.

Section 2. Common Area Maintenance. The Association shall maintain, or provide for the maintenance of all Common Areas and all improvements thereon in good order and repair. The Association shall provide all necessary landscaping and gardening to properly maintain and periodically replace when necessary the trees, plants, grass and other vegetation originally placed on the Common Area by Declarant.

Section 3. Replacement or Repair of Properties. In the event of damage to or destruction of the Properties of the Association or any part thereof, the Association shall repair or replace the same

from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a special assessment against all Lot Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other regular assessments made against such Lot Owners.

ARTICLE XI

POWERS AND AUTHORITY OF THE ASSOCIATION

Section 1. General Powers. The Association shall have all of the powers set forth in its Articles of Incorporation, together with its general powers as a non-profit corporation, generally to do any and all things that a corporation organized under the laws of the State of California may lawfully do in operating for the benefit of its members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Articles, the By-Laws and in this Declaration, and to do all lawful things which may be permitted to be done by the Association under this Declaration and to perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers of the Association or for the peace, health, comfort, safety and general welfare of the Owners of Lots and their guests.

Section 2. Right of Entry. Without in any any limiting the generality of the foregoing, the Association shall have the power at any time, and from time to time, without liability to any Owner, to enter upon any Lot and the exterior of any Dwelling Unit, fence or wall subject to this Declaration for the purpose of enforcing any and all of the provisions of this Declaration. The Association shall also have the power from time to time, and in its own name, on its own behalf or on behalf of any Owner or Owners who consent thereto, to maintain actions to enjoin any breach or threatened breach of this Declaration, and to enforce, by mandatory injunction or otherwise, all of the provisions of this Declaration.

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ARTICLE X

ASSOCIATION RULES

Section 1. Adoption, Amendment and Repeal. The Association may, from time to time, and subject to the provisions of this Declaration adopt, amend and repeal rules and regulations, to be known as "the Association Rules", governing, among other things:

(a) Use of the Common Area;

(b) Signs;

(c) Collection and disposal of refuse;

(d) Minimum standards of maintenance of property;

(e) Use of any closed circuit television broadcasting system.

Section 2. Restriction of Use. The Association Rules may, without limitation and to the extent deemed necessary by the Association in order to preserve the benefits of the Common Areas for all Owners, and the families, invitees, guests, licensees, and lessees of Owners, restrict and govern the use of Common Areas, by any guest, by any Owner, by the family of such Owner, or by an invitee, licensee, or lessee of such Owner; provided, however, that with respect to use of Common Areas, the Association Rules may not discriminate between Owners and the families and lessees of Owners.

Section 3. Restrictions and Limitations. The Association Rules may include with respect to the Common Areas, but not the public streets adjacent thereto,

(a) Parking restrictions and limitations on and adjacent to such areas;

(b) Limitations upon vehicular travel;

(c) The type or types of vehicles which may be permitted to use the Common Areas.

ARTICLE XI

LIMITATION OF RESTRICTIONS ON DECLARANT

Declarant is undertaking the work of constructing residential dwellings and incidental improvements upon the Lots included within the Properties. The completion of that work and the sale, rental and other disposal of said residential units is essential to the establishment and welfare of the Properties as a residential community. In order that the work may be completed and the Properties be established as a fully occupied residential community as rapidly as possible, nothing in this Declaration shall be understood or construed to:

Section 1. Prevent Declarant, its employees, contractors, or subcontractors from doing on any Lot owned by Declarant whatever is reasonably necessary or advisable in connection with the completion of said work; or

Section 2. Prevent Declarant or its representatives from erecting, constructing and maintaining on any Lot owned by Declarant, such structures as may be reasonably necessary for the conduct of its business of completing the work and disposing of the same by sale, lease or otherwise, in accordance with any permit granted by the County or Riverside; or

Section 3. Prevent Declarant from maintaining such signs on any Lot owned by Declarant as may be necessary for the sale, lease or disposition thereof.

Section 4. Declarant shall have the right at any time prior to acquisition of title by a purchaser from Declarant to amend this Declaration, to establish on the Properties additional easements, reservations and rights of way to itself, to utility companies or to others as may from time to time be reasonably necessary to the proper development and disposal of the Properties. Declarant or the organization for whose benefit said easements, reservations and rights of way have been established shall have the right at any time to cut and remove any trees or branches or any other unauthorized object from such easements,

reservations and rights of way.

ARTICLE XII

ADDITIONAL PROVISIONS

Section 1. Financing Improvement of the Common Areas and Facilities. The Association shall have the right in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Areas and facilities, and the incidentals thereto with the approval of sixty-six and 2/3rds percent (66-2/3%) of the membership of each class of Members, and to mortgage said Common Areas and facilities. The right of such mortgagee in said Common Areas and facilities shall be subordinate to the right of the Owners hereunder. The duties and obligations of the Association shall be binding upon the Association, its mortgagees, trustees, receivers or any purchaser at any foreclosure sale.

Section 2. Severability of Membership in the Association from Ownership of a Lot. No purchaser or Owner of any Lot shall convey his interest in any such Lot separately from his membership in the Association and no member of the Association shall convey or otherwise dispose of his membership rights in the Association without at the same time conveying his interest in the Lot to which his membership attaches. Membership shall be transferred on the records of the Association only to a new Owner of the Lot to which membership attaches. A tenant of an Owner shall not be a member of the Association, but the tenant of an Owner, with the consent and delegation of the rights of said Owner, shall have the right to use the facilities of the Association in the same manner as if he were an Owner.

Section 3. Reciprocal Easements. Reciprocal easements are hereby reserved for the benefit of adjoining Lot Owners for the control, maintenance and repair of the utilities of adjoining Lot Owners. Declarant expressly reserves for the benefit of all Properties reciprocal easements of access, ingress and egress over all Lots, and over the Common Areas, for installation and repair of utility services, for drainage over, across and upon adjacent Lots for water resulting from the normal use of adjoining

Lots, for maintenance and repair of any dwelling. Such easements may be used by Declarant, its successors, purchasers and all Owners, their guests, tenants and invitees, residing on or temporarily visiting the Properties, for pedestrian walkways, vehicular access and such other purposes reasonably necessary for the use and enjoyment of a Lot and the Common Areas. Each dwelling unit shall be constructed on or adjacent to lot lines separating adjacent, contiguous Lots. Declarant and the Lot Owners of each Lot on which there is constructed a dwelling unit along or adjacent to said Lot line shall have an easement appurtenant to said Lot over the Lot line to and over the adjacent Lot for the purposes of accommodating any natural movement or settling of any dwelling unit located on said Lot, any encroachment of any dwelling unit due to minor engineering or construction variations, and any encroachment of eaves, roof overhangs and architectural features as parts of the original construction of any dwelling located on said Lot.

Section 4. Right of Entry of Association. Any person authorized by the Board of Directors or the Association shall have the right of entry to a Lot in case of any emergency originating in or threatening the Lot or adjacent Lots, whether the Owner is present at that time or not.

Section 5. Right of Entry of Owners. Each Owner shall permit other Owners or their representatives, when so required, to enter his Lot for the purpose of repairing or maintaining a party wall, or for the purpose of performing installations, alterations or repairs, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right

257403

of entry shall be immediate.

Declarant has executed this Declaration on the date first written above.

THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, a California corporation

By: George K. Scott
President

By: K. V. Hansen
Assistant Secretary

(SEAL)

2574

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On this 27th day of December, 1977, before me, the undersigned, a Notary Public in and for said County and State, personally appeared George R. Santi, known to me to be the President, and K. V. Hansen, known to me to be the Assistant Secretary, respectively, of THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

OFFICIAL SEAL
VALERIE J. IMMEGART
NOTARY PUBLIC - CALIFORNIA
ORANGE COUNTY
My comm. expires JUN 17, 1978

Valerie J. Immegart
Notary Public in and for said
County and State
Valerie J. Immegart

END RECORDED DOCUMENT

W. D. RALOGH, COUNTY RECORDER

22826

Recording Requested by, and
when recorded return to:

THE McCARTHY COMPANY
2531 West La Palma Avenue
Anaheim, California 92801

RECEIVED FOR RECORD
FEB 6 1978
AT 9:00 O'CLOCK A.M.
At Request of
TITLE INS. & TRUST CO.
Book 1978, Page 22826
Recorded in Official Records
of Riverside County, California
Fee $

(Space above for Recorder's Use)

DECLARATION OF ANNEXATION OF TERRITORY

TO

SYCAMORE HILLS

(Phase II)

The Declaration of Annexation of Territory is made this 1st day of February, 1978, by THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, a California corporation, hereinafter referred to as "Declarant."

P R E A M B L E:

A. Declarant has previously executed a Declaration of Covenants, Conditions and Restrictions dated December 27, 1977 (the "Declaration"). The Declaration was recorded on December 28, 1977, as Instrument No. 257403, Book 1977, Pages 257403, inclusive, Official Records of Riverside County, California. The Declaration is binding upon all Owners of certain Lots in the Sycamore Hills subdivision.

B. Declarant is the owner of certain real property in the County of Riverside, California described as:

> Lots 1 through 46, inclusive of Tract 4560, in the County of Riverside, State of California, as per map recorded in Book 91, Pages 98 and 99 of Maps, in the Office of the County Recorder of said County (hereinafter referred to as the "Annexed Territory").

C. Pursuant to Article VI of the Declaration, Declarant now desires to add the Annexed Territory to the Sycamore Hills subdivision:

NOW, THEREFORE, DECLARANT HEREBY DECLARES AS FOLLOWS:

1. Declarant is the Owner of the Annexed Territory and

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hereby declares that the Annexed Territory is annexed to and made a part of the Properties subject to the Declaration.

2. The rights and obligations of all Owners of Lots located in the Annexed Territory shall be the same as the rights and obligations of the Owners of Lots affected by the Declaration described in Paragraph A of this Declaration of Annexation of Territory.

3. The provisions of this Declaration of Annexation of Territory shall run with the Annexed Territory and shall be binding on all parties having or acquiring any rights, title or interest in the Annexed Territory or any part thereof, and shall inure to the benefit of each Owner thereof and are imposed upon the Annexed Territory and every part thereof as a servitude in favor of each and every parcel thereof as the dominant tenement or tenements, and shall inure to the benefit of and be binding upon each successor in interest of Declarant, and may be enforced by any Owner as defined in the Declaration, the Declarant, or their successors in interest.

This Declaration of Annexation of Territory has been executed on the date first written above.

DECLARANT:

(Corporate Seal)

THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, a California corporation

By: _____
Executive Vice President

By: _____
Assistant Secretary

22823G

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On this 1st day of February, 1977, before me, the undersigned, a Notary Public in and for said State, personally appeared Louis J. Maldne, known to me to be the Executive Vice President, and K. V. Hansen, known to me to be Assistant Secretary of the corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

OFFICIAL SEAL
JACQUELYN L. GUY
NOTARY PUBLIC - CALIFORNIA
ORANGE COUNTY
My Commission Expires Aug 7, 1981

Notary Public in and for said
County and State
Jacquelyn L. Guy

END RECORDED DOCUMENT W. D. BALOGH, COUNTY RECORDER

124636

RECORDING REQUESTED BY, AND
WHEN RECORDED, RETURN TO:

Sycamore Hills Homeowners Association
P.O. Box 564
Riverside, California 92501

RECEIVED FOR RECORD
Min. Past 3 o'clock P M.
At Request of
Book 1981, Page 12416 16
JUL - 1 1981
Recorded in Official Records of Riverside County, California
Recorder
Fee $

(Space Above for Recorder's Use)

AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
SYCAMORE HILLS

The Declaration made on December 27, 1977, by THE McCARTHY COMPANY OF SOUTHERN CALIFORNIA, a California Corporation, hereinafter referred to as "Declarant" is hereby amended, in accordance with the provisions of ARTICLE VI, Section 3 of the Declaration, by the SYCAMORE HILLS HOMEOWNERS ASSOCIATION, INC., a California Corportation, hereinafter referred to as the "Association" dated July 1, 1981.

Said amendment is as follows:

ARTICLE VI, Section 1 of the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SYCAMORE HILLS is amended to read:

Section 1. Enforcement. The Association of the County of Riverside, or any owner, shall have the right to enforce by any proceeding at law or in equity, all restrictions, conditions, covenants, liens, and charges now or hereinafter imposed by the provisions of this Declaration.

"When the Association is required to take steps to enforce any covenant or restrictions, all costs, including reasonable attorney's fees and expenses will be the liability of the prevailing party. Failure by the Association, the County of Riverside, or by any owner to enforce any covenant or restriction contained herein, shall, in no event, be deemed a waiver of the right to do so thereafter."

The Association has executed this amendment to the Declaration on the date first written above.

THE SYCAMORE HILLS HOMEOWNERS ASSOCIATION, a California Corporation

By: _____
Director

By: _____
Director