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DECLARATION
OF
PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS
WITH
ROAD MAINTENANCE AGREEMENT

FOR

CLOVER FARM

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Declaration is made August 10, 1999 by BR, LLC, hereinafter referred to as the "Declarant".

RECITALS

A. Declarant is the owner of that certain real property described in Exhibit "A" attached hereto and made a part hereof, hereinafter referred to as the "Real Property". Declarant has established a general plan, which is set forth in the Declaration, for the subdivision, improvement, and development of the Real Property, in each and every lot and parcel on the Real Property, as a Standard Subdivision and desires to secure the harmonious and uniform development of the Real Property in accordance with the plan.

ARTICLE I
DECLARATION

A. Declarant declares that the Real Property is, and shall be, held, conveyed, hypothecated, encumbered, leased, rented, used and occupied subject to the following limitations, restrictions, easements, covenants, conditions, servitudes, and charges herein set forth, all of which are declared and agreed to for the purpose of enhancing, maintaining, and protecting the value and attractiveness of the Real Property. All of the limitations, restrictions, easements, reservations, covenants, conditions, servitudes, and charges shall run with the land, shall be binding on and inure to the benefit of all parties having or acquiring any rights, title, or interest in the Real Property or any part thereof and shall be binding on and inure to the benefit of the successors in interest of such parties.

ARTICLE II
DEFINITIONS

2.1 ARCHITECTURAL AND ROADWAY EASEMENT MAINTENANCE COMMITTEE/COMMITTEE. - "Architectural and Easement Maintenance Committee" or "Committee" means the Committee of persons appointed and acting pursuant to **ARTICLE VI** of this Declaration entitled, **"ARCHITECTURAL CONTROL"** and **ARTICLE IX** of this Declaration entitled, **'MAINTENANCE/ROADWAY EASEMENT/ASSESSMENT".**

2.2 COUNTY - "County" means the County of Tehama, California, the County in which the Development is located.

2.3 DECLARANT - "Declarant" means BR, LLC, its heirs, successors and assigns, if such successors and assigns are assigned to the rights of the Declarant pursuant to subsection 3.4 of this Declaration, entitled **"ASSIGNMENT OF DECLARANT'S RIGHTS"**, or if such successor or assign is a mortgagee acquiring declarant's interest in the development by foreclosure or deed in lieu of foreclosure.

2.4 DECLARATION - "Declaration" means this Declaration of Covenants, Conditions and Restrictions with Road Maintenance Agreement and its amendments, modifications or supplements.

2.5 IMPROVEMENT - "Improvement" includes, without limitation, the construction, installation, alteration, or remodeling of any buildings, walls, decks, fences, swimming pools, landscaping, landscape structures, skylights, solar heating equipment, spas, antennas, utility lines, or any structure of any kind. In no event shall the term "Improvement" be interpreted to include projects which are restricted to the interior of any Residence.

2.6 INVITEES - "Invitees" means any persons within the Development at the express or implied invitation of an owner for business purposes, for mutual advantage, or for purely social purposes.

2.7 PARCEL - "Parcel" means any plot of land or any portion thereof, numbered 1 through 32, inclusive, as shown on the Record of Survey which is more fully described in the recitals above.

2.8 MORTGAGE; MORTGAGEE - "Mortgage" means a mortgage or deed of trust encumbering a Parcel or other portion of the Development. A "Mortgagee" shall include the beneficiary under a deed of trust and any guarantor or insurer of a Mortgage. "Institutional" Mortgagee is a Mortgagee that is a bank or savings and loan association or mortgage company or other entity chartered or licensed under Federal or State laws whose principal business is lending money on the security of real property or investing in such loans, or any insurance company or any Federal or State agency or instrumentality, including, without limitations, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. A "first" mortgage, or "first" Mortgagee is one having priority as to all other Mortgages or holders of Mortgages encumbering the same Parcel or other portions of the Development.

2.9 OWNER - "Owner" means each person or entity holding a record ownership interest in Parcel, including Declarant, and any contract seller under recorded contracts of sale. "Owner" shall not include persons or entities who hold an interest in Parcel merely as security for the performance of an obligation.

2.10 PARTY FENCES - "Party Fences" means any improvements that are constructed on the property line of any two (2) adjoining Parcels, a portion of which is located on each of the two (2) adjoining Parcels.

2.11 PRIVATE - "Private" is used to describe certain easements, such as, but not limited to streets, roadways and parking areas, traditionally recognized as being public in nature.

2.12 PROJECT; DEVELOPMENT - "Project" or "Development" means the Property that is to be developed as well as improved and the improvements on the property.

2.13 PROPERTY - "Property" means the Real Property described in the Recitals and such additional real property as may later be annexed to the Development, if any, and become subject to the provisions of the Declaration.

2.14 RECORD OF SURVEY - "Record of Survey" means the Record of Survey described in the section of the Declaration entitled, "RECITALS".

2.15 RESIDENCE - "Residence" means a private, single family dwelling constructed or to be constructed on a Parcel.

2.16 ROADWAY EASEMENT - "Roadway Easement" refers to the non-exclusive easements for street, roadway, vehicular traffic, pedestrian and equestrian purposes over and along the private streets within the Development.

2.17 STANDARD SUBDIVISION - "Standard Subdivision" means a subdivision where there are no common or mutual rights of ownership or use among the Owners of the Parcels.

ARTICLE III
PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT

3.1 PERSONS SUBJECT TO GOVERNING DOCUMENTS.

A. All present and future Owners, tenants and occupants of Parcels within the Development shall be subject to, and shall comply with, each and every provision of the Declaration, as it shall be amended from time to time, unless a particular provision is specifically restricted in its application to one (1) or more of such classes of person, i.e., Owners, tenants, invitees, etc. The acceptance of a deed to any Parcel, the entering into a lease, sublease or contract of sale with respect to any Parcel, or the occupancy of any residence shall constitute the consent and agreement of such Owner, tenant or occupant that each and all of the provisions of the Declaration, as the same or any of them may be amended from time to time, shall be binding upon said person and that said person will observe and comply with the Governing Documents.

3.2 RIGHTS OF ENTRY OR USE.

A. Each Parcel shall be subject to the following right of entry and use:

1. The right of the Declarant or its designees to enter upon any portion of the Development to construct the improvements to the Property and to make repairs and remedy construction defects, provided that such entry shall not interfere with the use of occupancy or any occupied Parcel unless authorized by its Owner, which authorization shall not be unreasonably withheld.

3.3 DELEGATION OF USE.

A. Any Owner may delegate his or her rights of use and enjoyment of the Development to the members of his or her family, his or her guests, tenants, employees, and invitees, and to

such other persons as may be permitted by the Declaration. However, if any Owner has sold his or her Parcel to a contract purchaser or has leased or rented it, the Owner, members of the Owner's
family, guests, tenants, employees, and invitees shall not be entitled to use and enjoy any such rights in the Development while the Owner's Parcel is occupied by the contract purchaser or tenant. Instead, the contract purchaser, or tenant, while occupying such Parcel shall be entitled to use and enjoy such rights and can delegate the rights of use and enjoyment in the same manner as if such

contract purchaser or tenant were an Owner during the period of his or her occupancy. No such delegation shall relieve Owner from liability to the other Owners for performance of the covenants, conditions and restrictions contained in the Declaration. Any lease, rental agreement or contract of sale entered into between an Owner and a tenant or contract purchaser of a Parcel shall require compliance by the tenant or contract purchaser with all of the covenants, conditions and restrictions contained in the Declaration, which provisions shall be for the express benefit of each Owner. Each Owner shall have a right of action directly against any tenant or contract purchaser of an Owner, as well as against the Owner, for nonperformance of any of the provisions of the Declaration to the same extent that such right of action exists against such Owner.

ARTICLE IV
COVENANTS AND USE RESTRICTIONS

4.1 **RESIDENTIAL USE.**

A. Parcels shall be used for residential, agricultural and livestock raising purposes only, and no part of the development shall be used or caused, allowed, or authorized to be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending, or other nonresidential purposes, except for the following:

1. Sales of produce and livestock raised or grown on any Parcel shall be permitted.
2. Horse training, horse shows, livestock events and agriculturally oriented exhibits are authorized, provided at least twenty (20) days prior to the holding of any of the above cited events permission to hold same is obtained in writing from each of the Parcel owners who are subject to the Declaration and whose authorization shall not be unreasonably withheld.
3. Any type of home occupation provided that the proposed occupation meets the following criteria:

(a) Any such occupation shall be conducted within not more than one (1) room of the residence not including garages and artist studios;

(b) There shall be no structural alterations of the exterior of the residence, and the existence of said occupation shall not be apparent beyond the boundaries of the premises;

(c) No displays, delivery or merchandise, or advertising signs shall be permitted on the premises;

(d) There shall be no more than five (5) customers, patients, clients, students, or other persons served by said occupation upon the premises at any one time; and

(e) Said occupation shall be strictly secondary and subordinate to the primary residential use and shall not change or detrimentally affect the residential character of the dwelling, property or neighborhood.

B. However, for a period of five (5) years from the date of recordation of the Declaration, Parcels owned by Declarant may be used by Declarant or its designees as models, sales offices, and construction offices for the purposes of developing, improving, and selling Parcels in the Development.

C. The above restraints are not intended to preclude construction of a guest house, barn or other outbuildings which are normally associated with the properly conducted use, care and maintenance of large rural acreage.

4.2 **LEASING.**

A. An Owner is permitted to lease or rent his or her Parcel. However, any lease or rental agreement shall be in writing and any tenant shall abide by and be subject to all the terms and provisions of the Declaration; and any lease or rental agreement shall comply with subsection 3.3 of the Declaration, entitled "DELEGATION OF USE", and shall specify that failure to abide by such provisions shall be a default under the lease or rental agreement.

4.3 **MAINTENANCE - OWNER RESPONSIBILITY.**

A. Each Owner of a Parcel shall be responsible for maintaining the structures located upon his or her Parcel, including the equipment and fixtures in the structure and its walls, roof, ceilings, windows and doors in a clean, sanitary, workable and attractive condition. However, each Owner has complete discretion as to the choice of furniture, furnishings and interior decorating, except that windows can only be covered by drapes, shutters, blinds or shades and cannot be

painted or covered by foil, cardboard, or other similar materials if they are visible from any street or neighboring Parcel. If an Owner is required to make any repair or if the Owner desires to construct any improvement or install any fixture or equipment that will affect the exterior appearance of the Parcel and/or any structure on the Parcel and will be visible from a roadway or Parcel within the Development, the prior written approval of the Architectural Committee must first be obtained. However, such approval need not be obtained to make emergency repairs, provided that the structure so affected is restored to its original condition at the Owner's expense.

B. Furthermore, each Owner shall water, plant, cut, remove and otherwise care for the landscaping located on his or her Parcel in a safe, neat and orderly manner.

4.4 **OFFENSIVE CONDUCT; NUISANCE.**

A. No noxious or offensive activities including, but not limited to, repair of automobiles or other motorized vehicles, except when screened from view from any street or neighboring Parcel, shall be conducted within the Development. Nothing shall be done on or within the Development that may be or may become an annoyance or nuisance to the residences of the Development, or that in any way interferes with the quiet enjoyment of occupants of Parcels, including, but not limited to, the reasonable control of barking dogs.

4.5 **PARKING RESTRICTIONS; USE OF GARAGES.**

A. No vehicle shall be parked or left in the Development other than within the enclosed garage, on the appurtenant driveway, any designated guest parking area or space, or an area screened from the view from any street or neighboring Parcel. No inoperable vehicle shall be parked or left in the Development for a period longer than forty-eight (48) hours over any two hundred forty (240)-hour period unless screened from view from any street or neighboring Parcel.

B. All driveways and garages shall be maintained in a neat and orderly condition and all garage doors shall remain closed except as is necessary to permit ingress or egress for vehicles and for the purpose of cleaning or working in the garage or the surrounding area, unless said garages are screened from view from any street or neighboring Parcel. All garages shall be used for the parking of vehicles only and shall not be converted for living, business or recreation activities, to do so would preclude the parking of vehicles in same.

4.6 **SIGNS.**

A. With the exception of subsection 4.6B. and C. below, no sign of any kind shall be displayed to the public view on or from any Parcel, unless such sign(s) have been approved in writing by the Architectural and Roadway Easement Maintenance Committee.

B. Signs may be used by Declarant or its designees for the purpose of developing, selling and improving Parcels within the Development for a period of time not to exceed the date on which the last Parcel is sold by Declarant or five (5) years from the date of recordation of the Declaration, whichever is sooner. In exercising its rights under this provision, Declarant shall not unreasonably interfere with the use of the Development by an Owner.

C. Each Parcel is permitted to have signs advertising the property for sale, rent or exchange, that are of customary and reasonable dimensions and design and located so that they do not adversely affect public safety.

D. During a period of the construction of an improvement, one (1) sign of appropriate size that is customarily used by a contractor and subcontractor for indentification may be erected and maintained where said construction is taking place.

4.7 **EXTERIOR LIGHTING AND FIXTURES.**

A. Fluorescent, mercury vapor, sodium, or amber vapor lights, or standard outdoor lights of the type used for security must be enclosed in a manner that directs the light in a specific area without causing a visual impairment to passing motorists or a nuisance to neighboring properties. The issue of whether a nuisance exists shall be determined by the Architectural and Roadway Easement Committee in its sole discretion.

4.8 **GAS OR LIQUID STORAGE.**

A. With the exception of a propane gas tank that is screened from view from any street or Parcel, no tank for the storage of gas, caustic chemicals, or hazardous waste shall be installed on or in the Development unless such installation has been approved by the Architectural and Roadway Easement Committee.

4.9 **FENCES AND WALLS.**

A. Each Parcel and its Owner shall be responsible for the maintenance, repair and reconstruction of that portion of any wall or fence which is located upon his or her Parcel. Any such maintenance, repair or reconstruction so undertaken must be done in a manner which will restore said wall or fence to its original appearance and condition.

B. Fences that are used as an enclosure for animals must be a minimum of four (4) feet in height.

4.10 **ANIMALS.**

A. Each person bringing or keeping an animal(s) upon the Development shall be liable to other Owners, their family members, guests, invitees, tenants and contract purchasers, and their

respective family members, guests and invitees for any damage to person or property caused by said animal(s) brought in or kept upon the Development by the person or by members of his or her family, his or her guests or invitees.

4.11 USE OF VEHICLES.

A. No boat, truck, trailer, van, camper, recreational vehicle or tent shall be used as a living area while located within the Development. However, trailers or temporary structures for use incidental to the initial construction of the Development, the initial sales of Parcels in addition to weekend or vacation visits, may be maintained within the Development, provided that such use does not unreasonably interfere with any Owner's use of the Development. Such trailers or structures will be promptly removed upon completion of all initial construction, all initial sales and/or any vacation visits.

4.12 TRASH DISPOSAL.

A. No trash, garbage, rubbish, fill materials, lawn and shrubbery clippings or other waste material of any kind shall be placed in the Roadway Easement or allowed to accumulate on any Parcel unless stored in appropriate sanitary, covered disposal containers located within an enclosed area and screened from view from any street or Parcel Except, on the scheduled day for trash pickup when such containers are to be made available to the refuse collection franchise holder, these receptacles may be located in the places specifically designated for such purposes. Any extraordinary accumulation of rubbish, trash, garbage or debris, such as, but not limited to, debris generated upon vacating the premises or during the construction of modifications and improvements, shall be removed from the Parcels to a public dump or trash collection area by the Owner or tenant at his or her expense.

B. No toxic or hazardous materials, such as, but not limited to, fuels, oils, other petroleum products, chemicals, detergents or cleaners shall be disposed of within the Development by dumping them on the surface of ground, in drainage ways, waterways, or adjacent to the property.

4.13 MACHINERY AND EQUIPMENT.

A. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any parcel except such machinery or equipment as is usual, customary and reasonable in connection with the use, maintenance or repair of agricultural operations, livestock raising, produce sales, allowable commercial activities, private residence and appurtenant structures within the Development.

4.14 CHANGING GRADES, SLOPES AND DRAINAGE.

A. No owner shall do any work, construct any improvement, place any landscaping or suffer the existence of any conditions whatsoever which shall alter or interfere with the drainage

pattern for the Owner's or any adjacent Parcel or parcels, except to the extent such alteration in drainage pattern is approved in writing by the Architectural Committee, the County and all other public authorities having jurisdiction.

4.15 COMPLIANCE WITH LAW.

A. Nothing shall be done or kept in or on any Parcel that might increase the rate of, or cause the cancellation of, liability insurance for the Development, or any portion of the Development, without the prior written consent of the Architectural Committee. No Owner shall permit anything to be done, including, but not limited to, hunting or discharge of firearms, nor allow anything to be kept in or on his or her Parcel that violates the law, ordinance, statute, rule or regulation of any local, county, state or federal body.

4.16 LEGAL REMEDIES FOR OWNER NONCOMPLIANCE.

A. The failure of any Owner and/or the Declarant to comply with any provisions of the Declaration shall give rise to a cause of action in any aggrieved Owner for the recovery of damages or for injunctive relief, or both.

B. The Complaining Party shall send to the other party, hereinafter referred to as the "Responding Party", a thirty (30)-day written notice of the nature of the dispute, the facts giving rise to its claim, his or her intent to initiate litigation, hereinafter referred to as the "Litigation Notice". Should either party commence a judicial action, arbitration, or other proceeding without sending a Litigation Notice, the Responding Party shall be entitled to stay the action or request a Litigation Notice from the Complaining Party.

C. Before instituting any judicial action, arbitration, or other proceeding arising out of the Declarant's, any Owner's or resident's failure or alleged failure to comply with any of the provisions of this Declaration, the Entity or Person who desires to initiate such action, hereinafter referred to as the "Complaining Party", should make a good-faith attempt to mediate the dispute pursuant to this subsection 4.16.

D. Recognizing the Arbitration is discretionary and is not mandatory, nevertheless, in an effort to preserve and promote a harmonious atmosphere which will be conducive to an open and congenial Development community, while at the same time avoiding or reducing the substantial costs and expenditure of time that are often associated with litigation, it is earnestly recommended that the following procedure be utilized.

E. The Litigation Notice shall name a mediator. The Complaining Party shall be obligated to pay any fee to initiate mediation; however, the cost of mediation, including any attorney's fees, shall ultimately be borne as determined by the parties if the mediation results in a settlement of the dispute. If the Responding Party does not agree with Complaining Party's choice

of a mediator, the parties shall ask that the American Arbitration Association select a mediator from its panel within ten (10) days from Responding Party's receipt of Mediation Notice. Within thirty (30) days after the mediator is chosen, the parties shall schedule and attend a mediation session and make a good-faith effort to resolve their dispute. If the mediation session does not resolve the dispute or if the Responding Party refuses to attend, the dispute shall be submitted to, and conclusively determined by, arbitration in accordance with subsections 4.16F through 4.16L below, provided, however, that the provisions of this subsection 4.16E shall not preclude any party from seeking injunctive or other provisional or equitable relief in order to preserve the status quo of the parties pending resolution of the dispute, and the filing of an action seeking injunctive or other provisional relief shall not be construed as a waiver of that party's arbitration rights.

F. The arbitrators shall be selected and arbitration conducted in accordance with the Commercial Arbitration rules of the American Arbitration Association.

G. The arbitrators shall be selected by the parties from individuals affiliated with the Judicial Arbitration and Mediation Services, Inc. The arbitration shall be conducted in Tehama County.

H. The parties shall submit to the arbitration all written, documentary, or other evidence and oral testimony as is reasonably necessary for a proper resolution of the dispute. Copies of all written submittals shall be provided to arbitrator(s) and the parties on each side. The arbitrator(s) shall conduct such hearings as (s)he/they consider necessary, may require the submission of briefs or points and authorities, and may submit written questions to the parties. The parties shall respond to such questions in writing. If a question is addressed to less than all of the parties, copies of the questions and answers thereto shall be served on the other parties.

I. At the hearing, any relevant evidence may be presented by any party and the formal rules of evidence applicable to judicial proceedings shall not govern. Evidence shall be admitted or excluded at the sole discretion of the arbitrator(s).

J. Except as provided above, the arbitration procedures set forth in the California Arbitration Act Statutes, Civil Code Section 1282-1294.2, shall apply to the arbitration.

K. The arbitration shall proceed with due dispatch and a decision shall be rendered within sixty (60) days after appointment of arbitrator(s). The arbitrator(s)' decision shall be in writing and in a form sufficient for entry of a judgment in any court of competent jurisdiction in the State of California.

L. Any decision of arbitrator(s) shall be subject to the limitations set forth in the immediate succeeding paragraph: party's actual out-of-pocket expenses and the costs of undertaking any repairs, maintenance or reconstruction relating to the dispute and the award of any injunction or other equitable relief. In no event shall the arbitrator(s)' award include any component for punilive or exemplary damages. Costs of the arbitration proceeding shall be borne as determined by the arbitrator(s).

ARTICLE V
PROTECTION OF MORTGAGEES

5.1 MORTAGE PERMITTED.

A. Any Owner may encumber his or her Parcel with a Mortgage.

5.2 CONTROL OF AMENDMENT OR REVOCATION OF DEVELOPMENT DOCUMENTS.

A. In addition to the requirements of subsection 10.1 of the Declaration, ,entitled "AMENDMENT OF DECLARATION", and unless a greater percentage is expressly required by the Declaration or by law, the prior written consent or deemed consent as provided below in this clause, or at least seventy-five percent (75%) of the first Mortgagees of the Parcels encumbered by first Mortgages shall be required to add or amend any material provisions of the Declaration or the Record of Survey, which establish, provide for, govern, or regulate any of the following:

1. Boundaries of any Parcel;
2. The leasing of Parcels;
3. Imposition of any right or first refusal or similar restriction on the right of the Owner to sell, transfer, or otherwise convey his or her Parcel; or
4. Any provisions that are for the express benefit of first Mortgagees or insurers or governmental guarantors of first Mortgages.

B. For the purposes of this provision, an addition or amendment shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any first Mortgagee who receives a written request to approve additions requiring consent under this provision who does not deliver or post to the requesting party a negative response within thirty (30) days after such receipt shall be deemed to have concurred with such request.

5.3 LIEN NOT INVALIDATED.

A. No breach of any provision of the Declaration shall invalidate the lien of any Mortgage made in good faith and for value; but all of the covenants, conditions and restrictions shall be binding on any Owner whose title is derived through foreclosure sale, trustee sale, or otherwise.

5.4 MORTGAGEE NEED NOT CURE BREACH.

A. Any Mortgagee who acquires title to a Parcel by foreclosure or by deed in lieu of foreclosure or assignment in lieu of foreclosure shall not be obligated to cure any breach of the

Declaration that is non-curable or a type that is not practical or feasible to cure.

5.5 STATUS OF LOAN TO FACILITATE RESALE.

A. Any first Mortgage given to secure a loan to facilitate the resale of Parcel after acquisition by foreclosure or by deed in lieu of foreclosure or by any assignment in lieu of foreclosure shall be deemed to be a loan made in good faith and for value and entitled to all of the rights and protection of the Mortgages under the Declaration.

5.6 CONTROL IF MORTGAGEE PROTECTION CONFLICTS WITH OTHER PROVISIONS.

A. In the event any conflict between any of the provisions of subsections 5.1 through 5.5 of the Declaration and other provisions of the Declaration, the provisions of subsection 5.1 through 5.5 of the Declaration shall control.

ARTICLE VI
ARCHITECTURAL CONTROL

6.1 PURPOSE AND FUNCTIONS OF THE ARCHITECTURAL AND ROADWAY EASEMENT MAINTENANCE COMMITTEE.

A. The purpose of the Architectural and Roadway Easement Maintenance Committee is to achieve and maintain the aesthetic goals of the Development together with managing and overseeing the maintenance obligations prescribed in ARTICLE IX of the Declaration, entitled "MAINTENANCE/ROADWAY EASEMENT/ASSESSMENTS". The function of the Architectural and Roadway Easement Maintenance Committee is to:

1. Enforce the restrictions in the Declaration by the review of plans and specifications required to be submitted for approval and by the inspection of actual construction in progress to ensure conformity with said plans and specifications as approved; and
2. Establish, enforce and collect assessments for the maintenance obligations as delineated in ARTICLE IX of the Declaration.

B. It is not the intent of Declarant to prevent an owner from having a home of unique design, but to assure each Owner that the Development will have quality workmanship and materials as well as harmony of architectural design and location, especially in relation to surrounding structures, setback lines, topography and finish grade elevation.

6.2 APPOINTMENT AND ELECTION OF ARCHITECTURAL AND ROADWAY EASEMENT MAINTENANCE COMMITTEE.

A. Authorized Number of Members. The Architectural and Roadway easement Maintenance Committee shall consist of five (5) persons, which will constitute the number of authorized members.

B. Appointment and Term of Office. The Declarant shall appoint all of the original members of the Architectural and Roadway Easement Maintenance Committee, and any replacements, none of whom need be owners in the Development. Said original appointees, and any replacements, shall be subject to removal at any time by the Declarant. The initial appointees, and any replacements, shall hold office until the first to occur of the following events: (i) the first (1st) anniversary of the original issuance of a final Subdivision Public Report by the California Commissioner of Real Estate; (ii) or until eleven (11) of the Parcels have been sold and deeds to them recorded in favor of Owners, other than Declarant, at which time, the Owners, other than the Declarant, shall have the power to elect one (1) member of the Architectural and Roadway Easement Maintenance Committee, which power shall continue until all of the Parcels have been sold and deeds to them recorded in favor of Owners, other than the Declarant, or until the third (3rd) anniversary of the original issuance of a final Subdivision Public Report, whichever is first to occur. Thereafter, the Owners shall have the power to elect all of the members of the Architectural and Roadway Easement Maintenance Committee. A majority of the Committee may, at any time, designate a representative to act on its behalf. Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed pursuant hereto.

C. Surrender of Power of Appointment. Declarant may, at any time, relieve itself of the obligation of appointing and maintaining members of the Architectural and Roadway Easement Maintenance Committee by recording in the Recorder's Office of the County a notice stating that Declarant has surrendered the powers of appointment. Upon the recording of such notice, even if not specified therein, all such powers and obligations shall immediately vest in the majority of the Owners.

D. The term of any Committee member shall be terminated if and when any one (1) of the following events shall occur:

1. At the death or resignation of such member, or
2. By removal of such member by the vote or request of at least fifty-one percent (51%) of the Owners.

E. After all of the Parcels have been sold and deeds to them recorded to Owners, and a vacancy shall occur in the Committee, for whatever reasons, the remaining member(s) shall appoint a successor or successors to fill the vacancy or vacancies until an election is held.

F. At any time, but not more frequently than once every two (2) years, upon the written request of fifty-one percent (51%) of the Owners, an election shall be held to elect a member to each position on the Committee.

1. Nomination for election to the Committee shall be made by the Owners and may be composed of non-Owners.
2. The Committee shall adopt procedures that provide for an equitable opportunity for nominees to communicate their qualifications and

reasons for candidacy to the Owners and to solicit votes, as well as a reasonable time for all Owners to choose among the nominees.

3. The election of members shall be by secret written ballot and the nominees receiving the highest number of votes up to the number of positions to be filled shall be elected. Each parcel is entitled to one vote.

6.3 ACTION BY COMMITTEE.

A. The members of the Architectural and Roadway Easement Maintenance Committee shall work as a panel for the purpose of carrying out its obligations under the Declaration. The Committee shall meet from time to time as may be necessary to perform its duties. Further, the Committee shall have the power by a majority of its members to make all decisions appropriate to the fulfillment of its responsibilities and to adopt such rules and regulations governing the organization and administration of its function as it may in its discretion determine.

6.4 ARCHITECTURAL REVIEW.

A. Plans and specifications for the proposed improvement shall be submitted to the Architectural and Roadway Easement Maintenance Committee, prior to tendering same to the County, by personal delivery or certified mail to the chairman of the Committee, whose name and address said chairman will provide to each and every Owner immediately after she or he is named to said chairmanship. In the event the committee fails to approve or disapprove such design and location within forty-five (45) days after said plans and specifications have been submitted to it, the request shall be deemed to have been approved. Approval of the Committee can contain conditions or requests for modification of particular aspects of the Owner's plan and specification.

6.5 ARCHITECTURAL RULES.

A. The Architectural and Roadway Easement Maintenance Commitee may, subject to review by the Owners from time to time, adopt, amend and repeal a set of governing rules and regulations to be known as "Architectural Rules". Said rules shall interpret and implement the provisions of the Declaration by setting forth the standards and procedures for the review and approval of proposed improvements and guidelines for architectural design, placement of work of improvement or color schemes, exterior finishes and materials and similar features which are recommended for use within the Development, provided that said rules shall not be in derogation of the minimum standards required by the Declaration. In the event of any conflict between the Architectural Rules and the Declaration, the Declaration will prevail.

6.6 **BASIC CHARACTER OF DEVELOPMENT.**

A. While architectural conformity is not required, each Parcel is to be developed in a manner consistent with the preservation of the integrity of the surrounding community as well as the enhancement of the Development.

6.7 **VARIANCE.**

A. The Committee may authorize variances from the compliance with any of the provisions of the Declaration or the Architectural Rules, when the Committee, in its discretion, determines that circumstances such as topography, natural obstructions, hardships, aesthetics or environmental considerations warrant such a variance. Any such variances granted by the Committee are subject to the conditions in subsection 6.7A.1 and 6.7A.2 below. All variances must be evidenced in writing and signed by at least two (2) members of the Committee. If variances are granted, no violation of the Declaration will be deemed to have occurred with respect to the matter for which the variance was granted. The granting of a variance shall not operate to waive any of the other terms and provisions of the Declaration, nor shall it in any way relieve the Owner from complying with any requirements of any governmental or quasi-governmental agency or authority. No granting of a variance will consitute any waiver by the Committee of its right to enforce as to any other Owner or Parcel, the requirements to which the waiver was granted.

1. If the requested variance will necessitate deviation from or modification of a property use restriction that would otherwise apply under the Declaration, the Committee must conduct a hearing on the proposed variance after giving at least ten (10) days prior written notice to all the Owners of Parcels within the Development. The Owners receiving notice of the proposed variance shall have thirty (30) days in which to submit to the Committee written comments or objections with respect to the variance. No decision shall be made with respect to the proposed variance until the thirty (30) day comment period has expired.

2. The Committee must make a good faith determination that:

   i. The requested variance does not constitute a material deviation from the overall plan within the Development or from any restriction contained herein or that the proposal allows the objectives of the violated requirement(s) to be substantially achieved despite noncompliance; or

   ii. The variance relates to a requirement hereunder that it is unnecessary or burdensome under the circumstances; or

   iii. The variance, if granted, will not result in a material detriment, or create an unreasonable nuisance, with respect to any other Parcel, Residence, Easement, or Owner within the Development.

6.8 **ESTOPPEL CERTIFICATE.**

A. Within thirty (30) days after written demand for an Estoppel Certificate is delivered to the Architectural and Roadway Easement Maintenance Committee by an Owner, and upon payment to said Committee of a reasonable fee, fixed from time to time by the Owners, the Committee shall issue an Estoppel Certificate, executed by any two (2) of its members, certifying, with respect to any Residence owned by the applicant Owner, that as of the date thereof, either:

1. All improvements made and other work completed by said Owner comply with the Declaration; or
2. That such improvements or work does not so comply, in which event the certificate shall also identify the noncomplying improvements or work and set forth with particularity the basis of such noncompliance. Any purchaser or anyone deriving any interest in the Parcels or improvements thereon through the Owner, shall be entitled to rely on said certificate with respect to the matters therein set forth, such matters being conclusive as between all Owners and any persons deriving any interest through said Owners.

ARTICLE VII
MINIMUM CONSTRUCTION

7.1 **CONFORMING.**

A. Unless a variance is requested from, and granted by, the Architectural and Roadway Easement Maintenance Committee in accordance with subsection 6.7 of the Declaration, entitled "VARIANCE", improvements constructed on any Parcel shall conform to the following minimum construction standards.

7.2 **DILIGENCE IN CONSTRUCTION.**

A. Unless the Committee has granted to the Owner an extension of time to complete the improvement project, any construction, reconstruction, refinishing or alteration of such improvement must be complete within thirty-six (36) months after construction has commenced, except for so long as such completion is rendered impossible or would result in significant hardship to the Owner due to strikes, fires, national emergencies, natural calamities or other supervening forces of God or nature beyond the control of the Owner or his or her agents.

B. All improvements shall be suitably painted, colored or stained immediately upon construction pursuant to the plans and specifications that have been approved by the Committee and shall be on permanent foundations.

C. In the case of building improvements, construction shall be deemed to have been completed when either a Certificate of Occupancy has been issued for the building by the appropriate governmental agency, or, permanent electrical services have been connected to the building, whichever is the first to occur.

7.3 MINIMUM SQUARE FOOTAGE REQUIREMENTS.

A. The ground floor area of the main Residence structure, when completed, exclusive of open or roofed patios, decks, terraces, carports, garages and other outbuildings, shall be not less than one thousand two hundred (1200) square feet.

7.4 MINIMUM ROOF REQUIREMENTS.

A. All roofs shall overhang on the gable ends by no less than eighteen (18) inches and shall overhang on the eye-ends no less than thirty-six (36) inches or shall have as a minimum a 4-12 roof pitch.

7.5 BUILDING SETBACKS.

A. No building shall be located on any Parcel nearer than forty-five (45) feet to the roadway or closer than thirty (30) feet to the side or rear parcel lines.

ARTICLE VIII
INSURANCE

8.1 LIABILITY INSURANCE.

A. Each Owner shall procure and maintain at all times during the term of the Agreement comprehensive general public liability insurance covering the Non-Exclusive Easement and insuring against the risks of bodily injury, property damage, and personal injury liability occuring or arising during the policy period. The insurance required under this paragraph shall have a minimum combined single limit of liability of Five Hundred Thousand Dollars ($500,000.00) and a general aggregate limit of at least Five Hundred Thousand Dollars ($500,000.00).

8.2 POLICY REQUIREMENTS.

A. The insurance an Owner is required under the Agreement to procure and maintain shall be issued by a responsible insurance company or companies licensed to do business in the State of California, rated A+XII or better in Best's Insurance Guide, and shall provide that it may not be cancelled, terminated, or changed as long as this Agreement is in effect or they are an Owner. The amount of a deductible under any insurance required under this Article shall not exceed Two Thousand Five Hundred Dollars ($2,500.00). Any Owner may maintain all or part of the insurance required under this Article by means of a blanket insurance policy so long as all provisions of this Article relating to specific insurance coverage are met.

8.3 INDEMNITY.

A. Each Owner shall defend, indemnify, protect, and hold each other Owner harmless from any and all damages, claims, causes of action, costs, expenses, and any other liability arising from, related to, or incurred in connection with the death of any person or the injury or damage to any person or property occuring in or on said Owner's parcel, unless the liability is caused by the negligence or willful act or omission of the indemnified Owner, the agents or employees of the Indemnified Owner, or any Occupant of the Owner's Parcel.

8.4 COMMITTEE MEMBER LIABILITY INSURANCE.

A. To the extent insurance is available, the Committee shall purchase and maintain insurance in an amount up to Five Hundred Thousand Dollars ($500,000.00) on behalf of any member of the Committee, collectively hereinafter referred to as the "Agents", against any liability asserted against or incurred by the Agents in such capacity or arising out of the Agents' status as such, regardless of whether the Committee would have the power to indemnify the Agents against such liability under applicable law.

ARTICLE IX
MAINTENANCE/ROADWAY EASEMENT/ASSESSMENTS

9.1 NON-EXCLUSIVE ROADWAY EASEMENT.

A. Every Owner of Lots 6, 7, 12, 13, 14, and 16 through 32, inclusive, collectively hereinafter referred to as the "Easement Parcels", has a non-exclusive right of use, enjoyment, ingress and egress, in, to and throughout the private streets in the Development.

1. The street, roadway and paved parking areas, subject to the terms of such roadway easement and the rights and restrictions set forth in the Declaration.

B. Each such non-exclusive Roadway Easement shall be appurtenant to the respective Easement Parcel it serves and shall pass with the title to the Easement Parcel. The Roadway Easement shall be subject to the following rights and restrictions:

1. Any emergency vehicle access easement or public utility easements.

9.2 MANAGEMENT, CONTROL AND MAINTENANCE.

A. Subject to any agreements that might be negotiated with adjoining land owners, the full right and authority of management, control and maintenance of the Roadway Easement shall be

and is hereby vested in the Architectural and Roadway Easement Maintenance Committee as constituted and appointed in the Declaration, which shall have all the powers necessary or appropriate to function in this capacity.

9.3 MAINTENANCE, REPAIR AND RESTORATION.

A. The Committee shall, from its annual assessments and subject to the provisions of the Declaration:

1. Maintain, repair, replace, restore, and otherwise improve the Roadway Easement to standards of roads for maintenance of the existing road, to conform to the Tehama County standards and conditions in developments or projects of this type in this county.

9.4 INTERFERENCE WITH ROADWAY EASEMENT.

A. No structure, planting or material shall be placed or permitted to remain within the Roadway Easement which may damage or interfere with the installation, maintenance and use of these areas.

9.5 AGREEMENT TO PAY ASSESSMENTS.

A. Declarant covenants and agrees, and each Owner, by acceptance of a deed to an Easement Parcel, covenants and agrees, for each Easement Parcel owned, to pay to the Architectural and Roadway Easement Maintenance Committee or any successor, any assessment levied in accordance with the Declaration, and to allow the Architectural and Roadway Easement Maintenance Committee or any successor to enforce any assessment by any means authorized by law, except by judicial or non-judicial proceedings under a power of sale as expressly waived by subsection 9.13 herein.

9.6 SCOPE OF ASSESSMENT AUTHORITY.

A. The assessments levied pursuant to the Declaration shall be used exclusively to fund and pay for the maintenance obligations and responsibilities set forth in the Declaration, together with any reasonable costs of the Architectural and Roadway Easement Maintenance Committee, or any successor related thereto, including costs of insurance, collections and professional management services.

9.7 ASSESSMENTS AS PERSONAL OBLIGATION OF OWNER.

A. Each assessment or installment, together with any late charge, interest, collection costs, and reasonable attorney's fees, shall be the personal obligation of the Owner at the time such assessment or installment becomes due and payable. If there is more than one (1) Owner of a

particular Easement Parcel, each Owner shall be jointly and severally liable. The personal obligation for any delinquent assessment or installments and related sums shall not pass to an Owner's successor in interest unless expressly assumed by the successor in interest. No Owner of the Easement Parcels subject to an Assessment may be relieved from the obligation to pay assessments or installments by waiving the use or enjoyment of all or any portion of the Roadway Easement, or by abandoning the Easement Parcel.

9.8 REGULAR ASSESSMENTS.

A. Not less than forty-five (45) nor more than ninety (90) days prior to the beginning of each fiscal year, the Committee shall estimate the total amount required to fund the expenses for the next succeeding fiscal year, including additions to any reserve fund established to defray the costs of future replacement or additions to the Roadway Easement, by preparing and distributing to all of the Owners a budget, hereinafter referred to as the "Budget". If the Committee fails to distribute the budget for any fiscal year within the time period provided for in this section, the Committee shall not be permitted to increase Regular Assessments for the fiscal year unless the Committee first obtains the written approval of Owners casting a majority of the votes of the Easement Parcels.

B. The total annual expenses estimated in the Budget, less projected income from sources other than assessments, shall become the aggregate Regular Assessments for the next succeeding fiscal year, provided that, except as provided in subsection 9.8A. above and subsection 9.8C. below, the Committee may not impose a Regular Assessment that is more than ten percent (10%) greater than the Regular Assessment for the immediately preceding fiscal year without the vote or written assent of the Owners of the Easement Parcels, constituting a majority of the votes.

C. The requirement of an Owner to vote to approve Regular Assessment increases in excess of ten percent (10%) of the previous year's Regular Assessment shall not apply to assessment increases necessary to address emergency situations. For purposes of this subsection 9.8C, an emergency situation is any of the following:

1. An extraordinary expense required by an order of the Court.
2. An extraordinary expense necessary to repair or maintain the Roadway Easement that could not have been reasonably foreseen by the Committee in preparing and distributing the budget pursuant to subsection 9.8A above, provided that, prior to the imposition or collection of an assessment under this subsection 9.8C.2., the Committee shall prepare written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. The Committee's findings shall be distributed to the Owners of the Easement Parcels together with the notice of assessment.

D. The Committee shall mail to each Owner of an Easement Parcel, at the street address of the Owner's Parcel or at such other address as the Owner may from time to time designate in writing to the Committee, a statement of the amount of the Regular Assessment for the next succeeding fiscal year not less than forty-five (45) days prior to the beginning of the next fiscal year.

E. If, for any reason, the Committee fails to make an estimate of the expenses for any fiscal year, then the Regular Assessment made for the preceding fiscal year, together with any Special Assessment made pursuant to subsection 9.9, entitled, "SPECIAL ASSESSMENTS-PURPOSE OF AND PROCEDURE FOR LEVYING", for that year, shall be assessed against each Owner and his or her Easement Parcel on account of the then current fiscal year.

9.9 SPECIAL ASSESSMENTS - PURPOSE OF AND PROCEDURE FOR LEVYING.

A. A Committee may levy a special assessment if they, in their discretion, determine that the available funds are or will become inadequate to meet the estimated expenses, including the maintenance of appropriate reserves, for a particular fiscal year for any reason, including, but not limited to, unanticipated delinquencies, costs of construction, unexpected repairs or replacement of capital improvements or otherwise. The Committee shall determine the amount necessary to meet the estimated expenses, and if the amount is approved by the majority vote of the Owners of the Easement Parcels to be subject to such an Assessment, it shall become a special assessment.

B. After compliance with due process requirements the Committee may impose a monetary penalty and levy a special assessment against a particular Easement Parcel to reimburse them for costs incurred in repairing damage to the Roadway Easement, or any one of them, or any improvements of personal property located thereon, for which the Owner was allegedly responsible or bringing the Owner or the Owner's Easement Parcel into compliance with the Declaration, provided, however, this special assessment may not become a lien against the Owner's Easement Parcel that is enforceable by a power of sale under Civil Code Section 2924, 2924b, and 2924c.

9.10 ALLOCATION OF ASSESSMENTS.

A. The regular and special assessments levied by the Committee shall be allocated among each Easement Parcel subject to the assessment as follows:

1. Except as otherwise provided herein, an assessment shall be allocated among each Easement Parcel subject to assessment by dividing the total amount of the assessment by the total number of Easement Parcels subject to the assessment.

B. Special assessments levied against a particular Easement Parcel to reimburse the

other Owners for costs incurred in bringing the Owner of the Easement Parcel into compliance with this Declaration shall not be subject to these allocation provisions.

9.11 **ASSESSMENT PERIOD.**

A. Unless the Owners determine otherwise, the fiscal year shall be a calendar year, and the regular assessment period shall commence on January 1 of each year and shall terminate on December 31 of that year, provided that the first regular assessment period for all Easement Parcels shall commence on the first day of the calendar month following the date of the closing of the first conveyance of an Easement Parcel, and shall terminate on December 31 of that year. The regular assessment shall be payable in semi-annual installments unless the Committee adopts some other method for payment. The initial regular assessment shall be adjusted according to the number of months remaining in the fiscal year and shall be payable in equal monthly installments unless the Owners adopt some other method for payment.

9.12 **DUE DATES, LATE CHARGES, AND INTEREST.**

A. At least ten (10) days prior to the commencement of any regular or special assessment, each Owner of an Easement Parcel shall be given written notice of the amount of assessment, and the due date, or due dates if paid in installments, and the amount of each installment. The notice need only be given once for any assessment paid in installments. Unless the notice specifies otherwise, the first installment due date shall be the first day of each year.

B. Any assessment payment, including any installment payment, shall become delinquent if payment is not received within fifteen (15) days after its due date. There shall be a late charge of ten percent (10%) or Ten Dollars ($10.00), whichever is greater. A late charge may not be imposed more than once on any delinquent payment, but it shall not eliminate or supersede any charges imposed on prior delinquent payments.

C. Interest also shall accrue on any delinquent payment at the highest rate allowed by law. Interest shall commence thirty (30) days after the assessment becomes due.

9.13 **ENFORCEMENT OF ASSESSMENTS.**

A. The Committee has the right to collect and enforce assessments. The Committee may enforce delinquent assessments, including delinquent installments, by suing the Owner directly on the debt established by the assessment. In any action instituted by the Committee to collect delinquent assessments, accompanying late charges, penalties, or interest, the prevailing party shall be entitled to recover costs and reasonable attorney's fees, provided, however, that in no case may an assessment become a lien against the Owner's Parcel that is enforceable by a power of sale under Civil Code Section 2924, 2924b and 2924c.

9.14 MAINTENANCE OF ASSESSMENT FUNDS.

A. All sums received or collected by the Committee from assessments, together with any interest or late charges thereon, shall be promptly deposited in an insured checking, savings or money market account in a bank or savings and loan association selected by the Architectural and Roadway Easement Maintenance Committee which has offices located within the County of Tehama, State of California. The Committee shall have exclusive control of said account and shall be responsible to the Owners for the maintenance at all times of accurate records thereof. The withdrawal of funds from this account shall require the signature of at least two (2) persons who shall be members of the Committee.

B. To preclude multiplicity of bank accounts, the proceeds of all assessments may be commingled in one (1) account and need not be deposited in separate accounts so long as the separate accounting records described herein are maintained. Any interest received on such deposits shall be credited proportionately to the balances of the various Assessment Fund accounts maintained on the books of the Committee as provided in subsection 9.12C. above.

C. Except as provided below, the proceeds of each Assessment shall be used only for the purpose for which such assessment was made, and such funds shall be received and held in trust by the Committee for such purpose. Notwithstanding the foregoing, the Committee, in its discretion, may make appropriate adjustments among the various line items in the Committee's approved general operating budget if the Committee determines that it is prudent and in the best interest of the Owners to make such adjustments. If the proceeds of any Special Assessment exceed the amount required to accomplish the purpose for which such assessment was levied, such surplus may, in the Committee's discretion, be returned proportionately to the contributors thereof, reallocated among the Development's reserve accounts if any such account is, in the Committee's opinion, underfunded, or credited proportionately on account of the Owner's future Regular Assessment obligations.

D. For the purposes of accounting, but without requiring any physical segregation of assets, the Committee shall maintain a separate accounting of all funds received by it in payment of each assessment and all of the disbursements made therefrom, provided that receipts and disbursements of Special Assessments made pursuant to this Article IX shall be accounted for together with the receipts and disbursements of Regular Assessments; and separate liability accounts shall be maintained for each capital improvement for which reserve funds for replacement are allocated.

ARTICLE X
AMENDMENT OF DECLARATION

10.1 AMENDMENT OF DECLARATION.

A. Before the close of the first sale of a Parcel in the Development to a purchaser other than Declarant, the Declaration and any amendments to it may be amended in any respect or revoked by the execution by Declarant and any Mortgagee of record of an instrument amending or revoking the Declaration.

B. After the close of the first sale of a Parcel in the Development to a purchaser, other than Declarant, the Declaration may be amended or revoked in any respect by the vote or written consent of not less than:

1. Fifty-one percent (61%) of all the Owners. However, if any provision of the Declaration requires a greater percentage of the voting Owners in order to take affirmative or negative action under such provision, the same percentage of such owners shall be required to amend or revoke such provision. Also, if the consent or approval of any governmental authority, Mortgagee or other person, firm, agency, or entity is required under the Declaration with respect to any amendment or revocation of any provision of the Department no such amendment or revocation shall become effective unless such consent or approval is obtained.

10.2 RELIANCE ON AMENDMENTS.

A. Any amendments made in accordance with the terms of the Declaration shall be presumed valid by anyone relying on them in good faith.

ARTICLE XI
GENERAL PROVISIONS

11.1 HEADINGS.

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

11.2 SEVERABILITY OF THE PROVISIONS.

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

11.3 CUMULATIVE REMEDIES.

A. Each remedy provided for in the Declaration shall be cumulative and not exclusive. Failure to exercise any remedy provided for in the Declaration shall not, under any circumstances, be construed as a waiver of the remedy.

11.4 VIOLATIONS AS NUISANCE.

A. Every act or omission in violation of the provisions of the Declaration shall constitute a nuisance and, in addition to all other remedies set forth, may be abated or enjoined by any Owner.

11.5 NO DISCRIMINATORY RESTRICTIONS.

A. No Owner shall execute or cause to be recorded any instrument that imposes a restriction upon the sale, leasing or occupancy of his or her Parcel on the basis of race, gender, marital status, national ancestry, color, or religion.

11.6 LIBERAL CONSTRUCTIONS.

A. The provisions of the Declaration should be liberally construed to effectuate its purpose. Failure to enforce any provision of the Declaration shall not constitute a waiver of the right to enforce the provision thereafter.

11.7 NUMBER; GENDER.

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

11.8 BINDING EFFECT.

A. This Declaration shall inure to the benefit of and be binding on the successors and assigns of the Declarant, and the heirs, personal representatives, grantees, tenants, successors, and assigns of the Owners.

11.9 NO FIXED TERM.

A. The Declaration shall continue in full force and effect until the Declaration is revoked purusant to subsection 10.1 of the Declaration, entitled "AMENDMENT OF DECLARATION".

11.10 **NOTICES.**

A. Any notice permitted or required by the Declaration may be delivered either personally or by mail. If delivery is by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of same has been deposited in the United States mail, first class, certified, postage prepaid, addressed to the person to be notified.

IN WITNESS WHEREOF, Declarant has executed this Declaration this 3 day of May, ~~1999~~ 2000 wcp

BR, LLC

By: William C Payne
William C. Payne

STATE OF CALIFORNIA, } S.S.
COUNTY OF Tehama

On May 3, 2000, before me, Susan K Reynolds, a Notary Public in and for said County and State, personally appeared William C. Payne

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

FOR NOTARY SEAL OR STAMP

SUSAN K. REYNOLDS
NOTARY PUBLIC-CALIFORNIA
TEHAMA COUNTY
COMMISSION NO. 1115332
MY COMMISSION EXP NOV. 8, 2000

WITNESS my hand and official seal.

Signature Susan K Reynolds

STATE OF CALIFORNIA, } S.S.
COUNTY OF _____

On _____, before me, _____, a Notary Public in and for said County and State, personally appeared _____

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

FOR NOTARY SEAL OR STAMP

WITNESS my hand and official seal.

Signature _____

This form is furnished by Chicago Title Company

EXHIBIT "A"

Parcel One:

Lots 1 through 10, 14 through 21, and 23 through 31, as shown on that certain Record of Survey filed September 21, 1998, in the Office of the County Recorder of the County of Tehama, State of California, in Book Y of Maps at pages 164, 165 and 166 (being a survey of Lot Line Adjustment No. 98-26 of a portion of Clover Farm Tract as recorded in Book B of Maps at page 69, also being a portion of Sections 20 and 21, in Township 24 North, Range 5 West, Mount Diablo Meridian).

Excepting therefrom an undivided 78.75 percent interest in all oil, gas and other minerals in and under and that may be produced from the above described lands, as excepted and conveyed by mesne documents of record.

Parcel Two:

Lots 11, 12, 13, 22 and 32, as shown on that certain Record of Survey filed March 23, 1999, in the Office of the County Recorder of the County of Tehama, State of California, in Book Y of Maps at page 182 (being a survey of revised Lot Line Adjustment No. 98-26 of a portion of Clover Farm Tract as recorded in Book B of Maps at page 69, also being a portion of Sections 20 and 21, in Township 24 North, Range 5 West, Mount Diablo Meridian).

Excepting therefrom an undivided 78.75 percent interest in all oil, gas and other minerals in and under and that may be produced from the above described lands, as excepted and conveyed by mesne documents of record.

END OF DOCUMENT