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Company)
ATTN: Gene Geritz)
11750 Sorrento Valley Road)
Suite 118)
San Diego, CA 92121) [Space above for Recorder's Use]

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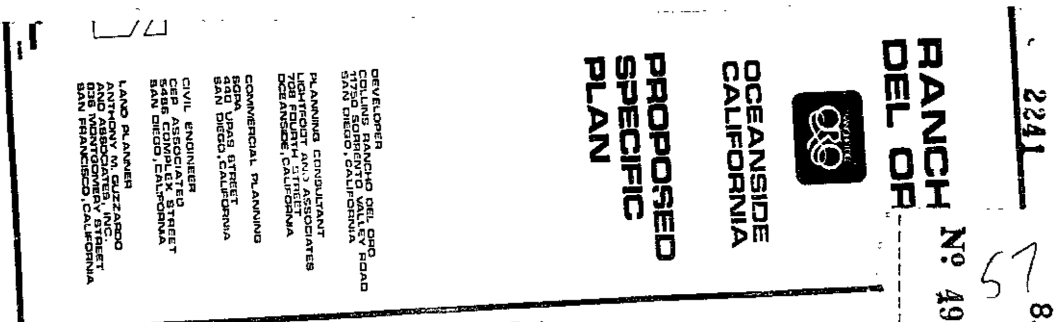
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
RANCHO DEL ORO PLANNED COMMUNITY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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR RANCHO DEL ORO PLANNED COMMUNITY

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR RANCHO DEL ORO PLANNED COMMUNITY ("Declaration") is made as of 23 December, 1985, by RANCHO DEL ORO DEVELOPMENTS, a California general partnership, and RANCHO DEL ORO INVESTMENTS, a California general partnership (collectively, "Declarant"), with reference to the following facts:

RECITALS

A. In November, 1985, the City of Oceanside ("City") adopted Specific Plan No. S-1-84 ("Specific Plan") covering approximately 1,941 acres of real property ("RDO Property"), located in the City of Oceanside, County of San Diego, California. A copy of the Specific Plan map, as of the date of recordation of this Declaration, is attached hereto as Exhibit "A" and made a part hereof.

B. Declarant intends to develop the RDO Property as a planned community known as Rancho Del Oro, in accordance with the Specific Plan, as the same may be amended from time to time. Portions of the RDO Property have been developed prior to the date of recordation of this Declaration.

C. Portions of the RDO Property zoned for industrial uses and certain areas zoned for commercial uses, as shown on Exhibit "B" attached hereto and made a part hereof, are covered by an Amended and Restated Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Technology Park, recorded by Declarant on September 21, 1984 as File No. 84-358564 of the Official Records of San Diego County ("Tech Park CC&Rs"). Declarant intends to annex to the property covered by the Tech Park CC&Rs all other portions of the RDO Property which are designated for industrial or office-professional uses on the Specific Plan, as shown on Exhibit "B", including the Commerce Center, the Corporate Office Park, and Industrial Units 3, 3A, 4, 5, 6 and 7.

D. Declarant intends to develop the real property described on Exhibit "C" attached hereto and made a part hereof as the Community of Rancho Del Oro ("Community"), in accordance with this Declaration. The Community consists of the RDO Property other than those portions shown on Exhibit "B" which are to be covered by the Tech Park CC&Rs. Declarant owns or has a contractual right to acquire the property to be included in the Community. The Community will be developed, in increments, by Declarant or by one or more persons or entities ("Developers") to whom Declarant intends to convey portions of such property, for residential, residential-professional,

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commercial and multi-use/town center uses, as may be permitted by the Development Agreement, Specific Plan and other applicable governmental regulations.

E. The real property ("Property") described on Exhibit "D" represents the initial increment of the Community. Upon recordation, this Declaration shall affect only the Property. Declarant shall, from time to time, annex portions of the property described on Exhibit "C" and any other property contiguous to the RDO Property which is subsequently acquired by Declarant, to the Property initially covered by this Declaration only by Annexation, as provided herein.

F. Approximately 1,814 acres of the RDO Property, including all of the Community, are covered by Development Agreement No. DA-1-85 ("Development Agreement") executed by City and Declarant and recorded concurrently herewith. The Development Agreement establishes certain phased improvement requirements to be completed by Declarant, for specified streets and other public improvements, and actual development may be subject to reasonable regulations interrelating such development with all necessary and reasonable related improvements. Under the terms of the Development Agreement, Declarant has agreed to establish a planning board to review development applications and plans and specifications for improvements for each portion of the Community, pursuant to recorded restrictions, in order to determine conformance with the Specific Plan, the Development Agreement and other applicable City requirements.

G. Approximately 1,729 acres of the RDO Property, including all of the Community, are covered by Master Tentative Map T-5-84, approved by City Council Resolution No. 85-242, and Master Final Subdivision Map No. 11409 ("Master Subdivision Map") recorded concurrently herewith, including the conditions of City approval attached thereto as set forth in a Declaration of Covenants executed by Declarant and recorded concurrently herewith.

H. Declarant desires to subject the Property to this Declaration to comply with the Development Agreement, to ensure Declarant's obligations under that development conforms to the Specific Plan and other City requirements, to set forth certain obligations owing to Declarant from each Developer, and to establish a general plan for the development of the Property for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property. This Declaration is intended to benefit those portions of the RDO Property which Declarant, or an Affiliate of Declarant, owns or has a contractual right to acquire (the "Benefitted Property"), as defined herein and more particularly described on Exhibit "E" attached hereto and made a part hereof.

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DECLARATION

NOW THEREFORE, Declarant hereby declares that the Property described on Exhibit "D" and all other real property subsequently made subject to this Declaration by Annexation, shall be owned, held, conveyed, mortgaged, encumbered, leased, used, occupied and improved subject to the covenants, conditions, restrictions, easements, liens and charges set forth below in this Declaration, all of which are equitable servitudes and shall run with the title to the Property until released as provided herein and shall inure to the benefit of Declarant and the fee owner of the Benefitted Property as a servitude in favor of the Benefitted Property. The Declaration is established to further a plan for subdivision, development and improvement of the real property included in the Community and for the purpose of enhancing the value, desirability and attractiveness of said real property and every portion thereof.

ARTICLE 1
DEFINITIONS

The following terms used in this Declaration shall have the specified meanings:

1.1 "Affiliate" means: (a) a general partner of Rancho Del Oro Developments or Rancho Del Oro Investments; (b) a partnership in which Rancho Del Oro Developments or Rancho Del Oro Investments, or any general partner of Rancho Del Oro Developments or Rancho Del Oro Investments, is a general partner; or (c) a corporation in which Rancho del Oro Developments, Rancho Del Oro Investments, and/or one or more general partners of Rancho Del Oro Developments and/or Rancho Del Oro Investments own, in the aggregate, at least fifty-one percent (51%) of the outstanding stock.

1.2 "Annexation" means the process by which additional real property may be added to the Property subject to this Declaration, as specified in Article 2 hereof. Declarant may annex all or any portion of the real property described on Exhibit "C", and any other property contiguous to the RDO Property which is subsequently acquired by Declarant, in one or more increments, from time to time.

1.3 "Benefitted Property" means the real property to which the benefit of the provisions of this Declaration inures. As of the date of recordation hereof, the Benefitted Property means the real property described on Exhibit "E", and consists of portions of the RDO Property which Declarant owns or has a contractual right to acquire. Declarant shall have the unilateral right, from time to time, and without the approval of any Developer or Owner, by executing and recording a Supplemental Declaration: (a) to add to the Benefitted Property any other portion of the RDO Property which Declarant, or an Affiliate of Declarant, owns or has a contractual right

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to acquire; or (b) to delete portions of the real property included in the Benefitted Property.

1.4 "Board" shall mean the Rancho Del Oro Planning and Development Board, established pursuant to Article 3.

1.5 "Board Rules" shall mean the rules adopted by the Board of Directors to regulate the subdivision, development and improvement of the Community.

1.6 "City" means the City of Oceanside, a municipal corporation.

1.7 "Community" means all of the real property subject to this Declaration, from time to time, and all of the improvements now or hereafter located thereon. Initially, the Community shall consist only of the Property described on Exhibit "D". Additional real property described on Exhibit "C" may become part of the Community only by Annexation.

1.8 "Declaration" means this Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Planned Community.

1.9 "Declarant" means RANCHO DEL ORO DEVELOPMENTS, a California general partnership, and RANCHO DEL ORO INVESTMENTS, a California general partnership. "Declarant" shall also mean a successor and assign of RANCHO DEL ORO DEVELOPMENTS and RANCHO DEL ORO INVESTMENTS who acquires all or any part of Declarant's interests in the real property described on Exhibits "C" and "D" for purposes of development of the Community or a portion thereof, and which is expressly named as successor Declarant in a document recorded by Declarant assigning the rights and duties of Declarant to such successor Declarant.

1.10 "Developer" means a person or entity, other than Declarant, which acquires fee title to all or any portion of real property included in the Community for development purposes.

1.11 "Development Agreement" means the Rancho Del Oro Development Agreement [Development Agreement No. DA-1-85] executed by Declarant (as "Master Developer") and City and recorded concurrently herewith, covering approximately 1,814 acres of the RDO Property, including the Community, as said Development Agreement may be amended from time to time.

1.12 "Local Association" means the governing body of a Village or a Tract which may be created to regulate, manage and maintain a Village or Tract.

1.13 "Local Board" means the governing body of a Local Association.

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1.14 "Local Restrictions" means a Declaration of Covenants, Conditions and Restrictions which is recorded with respect to a Village or Tract governed by a separate Local Association. Local Restrictions may cover one or more Tracts or Villages, and may provide for the annexation of one or more additional Tracts or Villages to the property initially subject thereto.

1.15 "Lot" means any improved or unimproved lot or parcel shown on any recorded subdivision map or parcel map within the boundaries of the Community.

1.16 "Master Development Plans" means the development standards and requirements adopted by the City pursuant to its Zoning Ordinance for portions of the RDO Property with appropriate zoning, as further described in Section 4.8.

1.17 "Master Subdivision Map" means Master Final Subdivision Map No. 11409, recorded concurrently herewith, which subdivides approximately 1,729 acres of the RDO Property, including the Community, into Tracts for purposes of sale, financing, land dedications, and land planning. The property covered by the Master Subdivision Map is subject to certain conditions of City approval as set forth in the Development Agreement, the Master Tentative Map, and a Declaration of Covenants executed by Declarant and recorded concurrently herewith. A copy of the Master Subdivision Map is attached hereto as Exhibit "F" and made a part hereof.

1.18 "Mortgage" means a mortgage or deed of trust which encumbers all or any part of the property described on Exhibits "C" and "D".

1.19 "Mortgagee" means the holder of a Mortgage or the beneficiary of a deed of trust defined as a Mortgage hereunder.

1.20 "Non-Residential Areas" means all portions of the Community other than the Residential Areas, including: Village Shopping Center, Mission Community Shopping Center, Town Center North, Town Center West, Town Center East, the General Commercial sites, and the Residential-Professional site [Village XI]. Provided, however, if any portion of the town center or residential-professional areas are actually approved for development for residential uses, as permitted under these designations, such portion(s) shall be included in the Residential Areas. The Community does not include the portions of the RDO Property described on Exhibit "B" which are to be covered by the Tech Park CC&Rs.

1.21 "Owner" means a record owner of fee simple title to any Lot or Unit of real property included in the Community, whether held by one or more persons or entities, and shall include Declarant and Developers unless the context expressly provides otherwise.

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1.22 "Property" means the real property subject to this Declaration, from time to time. Initially, the Property includes only the real property described on Exhibit "D". Upon Annexation of additional real property to this Declaration pursuant to Article 2, such annexed property shall be included in the Property.

1.23 "Residential Areas" means those portions of the RDO Property which are specified for residential development and uses on the Specific Plan. The Residential Areas are divided into Villages and Tracts, as shown on the Specific Plan and the Master Subdivision Map. The Residential Areas shall include any areas designated for town center or residential-professional uses if residential uses are actually approved for development as residential property, as permitted under these designations.

1.24 "RDO Property" means the 1,941 acres of real property subject to the Specific Plan.

1.25 "Specific Plan" means the Specific Plan for Rancho Del Oro [Specific Plan No. S-1-84] adopted by the City on November 20, 1985 pursuant to City Council Resolution No. 85-238, as shown on Exhibit "A", as said Specific Plan may be amended from time to time.

1.26 "Tract" means a residential increment of the Community, consisting of a portion of a Village, as shown on the Specific Plan and the Master Subdivision Map, which is developed as a separate subdivision or development, and established by a final subdivision map or final parcel map, condominium plan, or other development approval and by Local Restrictions stating that such property shall be a separate Tract or neighborhood, and providing for restrictions for the governing, operation and use thereof. Tracts may be established by Declarant or Developers in increments compatible with construction and marketing requirements.

1.27 "Unit" means any Unit which is a part of a condominium project in the Community as shown on any recorded subdivision map or condominium plan for such condominium project.

1.28 "Village" means a residential increment of the Community as shown on the Specific Plan and the Master Subdivision Map. As of the date of recordation of this Declaration, the Residential Areas are divided into eleven (11) Villages. A Village may be further divided into Tracts, as shown on the Master Subdivision Map.

ARTICLE 2
ANNEXATION

2.1 Declarant's Annexation Rights. Pursuant to the Development Agreement and the Master Subdivision Map, all property shown on Exhibits "C" and "D" is required to be subject

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to this Declaration after acquisition by Declarant and prior to any sale, transfer, or conveyance to any Developer. Declarant shall have the right to annex to the Property covered by this Declaration, from time to time, all or any portion of the real property described on Exhibit "C", as well as any other property contiguous to the RDO Property which is subsequently acquired by Declarant, without the vote or approval of any other Owners or Developers. Annexation by Declarant may be effected in increments. Annexation of each portion of the property described on Exhibit "C" shall occur prior to sale by Declarant of such portion to a Developer.

2.2 Annexation Procedure. The annexation of any such property by Declarant shall be effected by the recordation of a Supplemental Declaration executed by Declarant, describing the property to be annexed and specifying that all of the covenants, conditions and restrictions of this Declaration shall apply to such annexed property in the same manner as if it were part of the Property originally covered by this Declaration. A Supplemental Declaration may specify modifications of and complementary additions to the covenants, conditions and restrictions contained in this Declaration as Declarant may determine to be appropriate to reflect the different use, development or character, if any, of the annexed property. Provided, however, no Supplemental Declaration shall change or undermine the general plan of this Declaration.

2.3 Supplemental Restrictions. Declarant reserves the right to record and impose a Supplemental Declaration of Covenants, Conditions and Restrictions, or similar instrument, with respect to each additional increment annexed to the Property covered by this Declaration, containing such complementary additions and modifications of this Declaration as may be necessary to reflect and protect the different character, if any, of the annexed property, provided they are not in conflict with the general plan of this Declaration. Declarant shall give written notice of all such Supplemental Declarations to City within fifteen (15) days after recordation. In no event, however, shall any such Supplementary Declaration revoke, modify, or add to the Declaration herein established as to the Property previously made subject hereto except as otherwise permitted herein.

ARTICLE 3
PLANNING AND DEVELOPMENT BOARD

3.1 Establishment of Board. Declarant hereby establishes a Rancho Del Oro Planning and Development Board (the "Board") to control the development and improvement of the Community by Developers pursuant to Article 4. The Board shall consist of three (3) members initially appointed by Declarant. Each member of the Board appointed by Declarant shall be subject to removal at any time by and at the discretion of Declarant. Should any member of the Board appointed by Declarant cease to serve, his

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vacancy shall be filled by an appointment by Declarant. As long as Declarant retains ownership of a fee interest in any portion of the Benefitted Property, and subject to the provisions of Section 3.2, all members of the Board shall be appointed and removed by Declarant. Action by the Board shall be taken by a majority vote of its members. A majority of the Board may designate a representative to act for it.

3.2 <u>Election of Board by Owners' Association</u>. Declarant may, but shall not be obligated to, form a master association or nonprofit corporation, the members of which shall be the Owners or the Local Boards or Associations of Owners, and Declarant may delegate the functions and responsibilities of the Board by such master association or nonprofit corporation. In such event, the members of the Board shall be elected in accordance with the bylaws of such master association or nonprofit corporation, and the Board so elected shall exercise all the powers and perform all the duties granted to and imposed upon the Board under the terms of this Declaration. Each Owner or Developer to whom any portion of the Community has been conveyed as of the date of formation of such master association or nonprofit corporation, by acceptance of a deed for such property, consents to the formation of such master association or nonprofit corporation and agrees to execute, upon Declarant's request any Supplemental Declaration or other documents reasonably required to effect the formation and authorization of such entity. Notwithstanding any other provision of this Section or Declaration, Declarant acknowledges that during the term of the Development Agreement, Declarant may not delegate its responsibility to appoint and control the Board without the City's prior written consent.

3.3 <u>Termination of Board</u>. Within sixty (60) days after Declarant ceases to own a fee interest in, or a contractual right to acquire, any portion of the Benefitted Property, or upon substantial completion of development of the Community, and provided Declarant has not formed a master association or a nonprofit corporation as described in Section 3.2, Declarant may record a Supplemental Declaration indicating that Declarant will no longer maintain the Board or exercise the rights described in Article 4. Development of the Community shall be deemed substantially complete upon issuance of a building permit or at such earlier time as approved by the City for each portion of the Property. Provided that, no such Supplemental Declaration shall be recorded except upon the prior written approval of the City Attorney.

3.4 <u>Powers and Duties of Board</u>. The Board shall establish and maintain overall quality standards for the Community compatible with this Declaration, the Specific Plan, the Development Agreement (as long as it is in effect) the Master Subdivision Map, the Master Development Plans, and other development standards and regulations approved by the City for the Community, and the Development Guidelines adopted by the

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Board. The Board shall review and approve, conditionally approve or disapprove applications for development permits and approvals from City and plans and specifications for improvements to the Community pursuant to the provisions of Article 4.

ARTICLE 4
CONTROL OF IMPROVEMENTS BY DEVELOPERS

4.1 <u>Purpose of Improvement Regulations</u>. The purpose of the conditions, covenants and restrictions contained herein is to control the initial improvements constructed on each increment of the Community by Developers in order to ensure conformance with the Development Agreement, the Specific Plan, the Master Subdivision Map and the Master Development Plans, to insure proper development and use of the Community, and to enhance and protect its value in accordance with a ge eral plan for development of a compatible planned community. Ti e improvement regulations contained in Article 5 are intended to promote and preserve an efficient, attractive environment, to ensure construction of improvements of proper design and materials which enhance the economic or aesthetic value of the Community and every portion thereof, to provide for architectural compatibility and continuity for all buildings and landscaping, and in general to provide and maintain a high quality of improvements for the Community for the benefit of Declarant and all Owners thereof.

4.2 <u>Review of Development Applications and Plans</u>. Prior to submission to the City, each Developer shall submit to the Board for review and approval each application for any of the following development permits and approvals ("Development Applications"), including all exhibits attached thereto or required by City in connection therewith:

(a) proposed tentative and final subdivision and parcel maps;

(b) grading plans;

(c) improvement plans;

(d) zoning permits and variances;

(e) development plans, including building floor plans, elevations, materials and colors, site plans, landscape plans, and temporary and permanent signage; and

(f) all other applications for discretionary action by the City in connection with the subdivision, development, improvement and use of any portion of the Community.

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In addition, no Developer shall erect, place, alter, maintain or permit to remain any buildings, structures or other improvements on any portion of the Community until site and building plans and specifications (including working drawings) prepared by a licensed California architect, and landscape plans, prepared by a licensed landscape architect ("Plans"), have been submitted to and approved in writing by the Board. The Development Applications and the Plans shall be submitted to the Board in writing, in duplicate, signed by Developer or its authorized agent.

4.3 Review Fee. A review fee, in an amount set by the Board and identified in the Development Guidelines, shall be paid in advance to the Board each time Development Applications or Plans, or modifications thereof, are submitted by a Developer for approval. The amount of the fee may be modified from time to time by the Board to reflect changed circumstances, such as increased costs due to inflation.

4.4 Decision of the Board. The Board may approve, conditionally approve, or disapprove any Development Application or the Plans for any improvement. If the Board approves, such approval shall be endorsed on the Development Application or Plans and returned to Developer. If the Board disapproves, Declarant shall indicate the reasons for such disapproval, and the applicant may resubmit new or revised Development Applications or Plans within thirty (30) days after receipt of a notice of disapproval. The decision of the Board shall be final and binding on all parties. The Board may amend its decision only with the consent of the Developer who owns the site affected thereby. If the Board, or its designated representative, fails to approve or disapprove any Development Application or Plan in writing, within thirty (30) days after receipt by the Board, together with the architectural review fee and all other requirements specified in the Development Guidelines, the provisions herein requiring approval by the Board shall be deemed to have been waived by the Board with respect to such plans; provided, however, that such waiver shall not be deemed to be a waiver of any other covenant, condition or restriction provided herein.

4.5 Submission of Plans to City or Government. No Development Applications or Plans relating to improvements on the Property shall be submitted to the City or any other governmental agency prior to obtaining approval by the Board. If Development Applications or Plans which have been approved by Declarant are subsequently modified by the City or by other governmental action, the modifications must be submitted to and approved by the Board in writing, pursuant to the procedures specified in Section 4.2. Upon City or other governmental approval of any Development Application or Plans, whether or not they have been modified, one complete set of such approved Development Application and Plans shall be promptly delivered to the Board.

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4.6 Criteria for Review. In reviewing Development Applications and Plans, the Board shall consider, among other things, the following factors: (a) the adequacy of site dimensions; (b) conformity and harmony of external design with neighboring structures; (c) conformity and harmony of landscape design with street landscaping and adjoining Lots; (d) visual or aesthetic impact; (e) the effect of the location and use of the improvements on neighboring sites and the operations and uses thereon; (f) the topography, grade, and finished ground elevation of the site and the design, facing and height of the building elevations in relation to nearby streets and adjacent sites; (g) conformity with the improvement standards and limitations contained in Article 5; (h) conformity with the Development Guidelines; (i) conformity with the Specific Plan, the Development Agreement (so long as it is in effect), the Master Subdivision Map, the applicable Master Development Plan, the terms and conditions of any tentative or final subdivision or parcel map, and other applicable development standards and regulations approved by the City for the Community; and (j) conformity with the purpose and intent of this Declaration.

4.7 Development Guidelines. Declarant has prepared Development Guidelines to assist Developers and their design consultants in preparing Development Applications and Plans for submission to the Board. The Development Guidelines, which may be amended by the Board from time to time, are intended to supplement this Declaration and to facilitate the approval of development and improvements which achieve the high level of quality intended by this Declaration. If a conflict arises between the Development Guidelines and the provisions of this Declaration, the Declaration shall prevail.

4.8 Development Requirements of City of Oceanside. The City has approved the Development Agreement, the Specific Plan and the Master Subdivision Map for the RDO Property. The City has approved, or will subsequently approve, a PRD Master Plan for portions of the RDO Property with PRD zoning, a Commercial Master Development Plan Text for portions with commercial zoning, a Residential- Professional Master Development Plan Text for portions with residential-professional zoning, an Office-Professional Master Development Plan Text for portions with office-professional zoning, and a Town Center Master Development Plan Text for the portions with town center zoning (collectively, the "Master Development Plans"), pursuant to application made by Declarant and/or a Developer. The City may approve or adopt other development plans or specific requirements in connection with approval of subdivision map(s), parcel map(s), conditional use permit(s) or other development maps, permits and/or approvals on all or a portion of the Property. All improvements on any portion of the Community shall comply with the Specific Plan, the Master Subdivision Map, the applicable Master Development Plan, and all other applicable City requirements, as amended from time to time, in addition to the improvement regulations contained in this

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Declaration. If any such requirement imposed by the City is different from a requirement contained herein, the more restrictive requirement shall be enforceable by Declarant under this Declaration.

4.9 Development Agreement. The City has also approved, and City and Declarant have executed, the Development Agreement, recorded concurrently herewith. Pursuant to the Development Agreement, City has agreed not to modify the General Plan, the Specific Plan, the zoning, the Master Subdivision Map, and the Master Development Plans for the Property for a ten-year term, subject to certain exceptions set forth in the Development Agreement, and provided Declarant completes certain public improvements and performs certain other obligations specified therein. Declarant has the right to assign certain of its rights under the Development Agreement, with respect to a portion of the Community, to a Developer, subject to certain terms and conditions set forth in the Development Agreement and certain rights to modify or terminate the Development Agreement reserved by City, and provided such Developer complies with the development requirements contained in the Development Agreement, the Specific Plan, the Master Subdivision Map, the applicable Master Development Plan and the applicable terms and conditions of any other tentative or final subdivision or parcel map affecting such portion of the Property. City has the right to impose conditions on particular development proposals when such conditions are reasonably related and necessary for the proposed development, in accordance with the Development Agreement, the Specific Plan, the Master Subdivision Map, and all other applicable City rules, regulations and ordinances, which such conditions may include the right of the City to withhold the processing and/or approval of permits, maps or other approvals to ensure the construction, completion and/or commencement of certain improvements necessary and reasonably related to the particular portion of the Property. Each Developer shall comply with all such terms, conditions and development requirements.

4.10 Other Governmental Approvals. Each Developer shall obtain, at its sole expense, all governmental approvals and permits which may from time to time be required to develop the Property owned by such Developer, including a final subdivision public report from the Department of Real Estate (if applicable). All requests or applications (together with supporting documentation) for each such governmental approval or permit which requires discretionary action by a governmental agency shall be submitted to and approved by Declarant prior to filing with the governmental agency, and Declarant shall receive copies of all written communications between the Developer and the governmental agencies processing each request or application.

4.11 Construction Schedule; Commencement. Concurrently with submittal of a request for approval of Plans, Developer

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shall submit a proposed construction schedule. The Board shall approve, conditionally approve, or disapprove the construction schedule concurrently with its review of Plans. The Developer to whom an approval of Plans is given shall satisfy all conditions thereof and shall commence and complete all approved construction and alterations in accordance with the construction schedule as approved by the Board ("Construction Schedule"). The Board shall have the right to approve any subsequent changes in the Construction Schedule requested by Developer, including a request for extension of any specified deadline, but approval shall not be unreasonably withheld. If work is not commenced within the deadline stated in the Construction Schedule, and if such failure is not cured within thirty (30) days after written notice from the Board, the approval of Plans given by the Board pursuant to this Article shall be deemed revoked.

4.12 Completion of Work. If work in progress ceases for a period in excess of thirty (30) days, or if the work is not completed by the deadline set forth in the Construction Schedule, and if such failure is not cured within thirty (30) days after written notice from the Board, it shall be treated as though the failure were a non-compliance with approved plans, and the Board shall be entitled to all remedies provided herein for such non-compliance. Upon completion of construction of any improvement, one complete set of as-built site plans shall be submitted to the Board.

4.13 Force Majeure. Developer's obligation not to cease construction may be suspended and its obligation to complete construction within the time deadlines stated in the Construction Schedule may be extended, for the minimum time period reasonably required, as a result of strikes, fires, national emergencies, natural calamities, or other similar supervening forces beyond the control of the Developer or its contractors or agents. Provided, however, such suspension or extension shall be available only if Developer gives written notice to Declarant within thirty (30) days after the occurrence of such event.

4.14 Estoppel Certificate. From time to time, upon payment of a reasonable fee, in an amount set by the Board and identified in the Development Guidelines, and upon written request of any Developer, Mortgagee, Owner, or prospective tenant or purchaser of any portion of the Property, the Board shall issue an acknowledged certificate in recordable form certifying that, as of the date thereof, either: (a) all improvements or other work done on or within such portion comply with the provisions of this Declaration; or (b) such improvements or work do not so comply, in which event the certificate shall identify the non-complying improvements or work and set forth with particularity the reason(s) for such non-compliance. Such certificate shall be furnished by the Board within a reasonable time, but not to exceed thirty (30)

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days from the receipt of a written request for such certificate. Any tenant, purchaser or encumbrancer in good faith for value shall be entitled to rely on said certificate with respect to the matters set forth therein, such matters being conclusive upon all parties in favor of such subsequent parties in interest.

4.15 No Liability for Approval Errors. Declarant, the Board, and their delegated agents shall not be liable to any applicant, Developer or Owner for any damage, loss or prejudice suffered or claimed by any person on account of: (a) the approval or disapproval of any plans or specifications, whether or not defective; (b) the construction or performance of any work or improvement, whether or not pursuant to approved plans or specifications; (c) the development of any Lot or site within the Community; or (d) the execution and filing of an estoppel certificate pursuant to Section 4.14, whether or not the facts therein are correct; provided, however, that such parties have acted in good faith on the basis of such information as may be possessed by them.

ARTICLE 5
IMPROVEMENT REGULATIONS

5.1 Public Dedications and Improvements. Each Developer, at its expense, shall offer for dedication to the City all public streets, rights-of-way, easements and other public areas shown on any final subdivision or parcel map or development plan approved by City for the portion of the Property owned by such Developer, and shall timely complete all public facilities required as conditions to said map and any other land use permit or approval affecting such Developer's property, in accordance with applicable City rules, regulations, and procedures, including all requirements for the posting of bonds or other security to ensure such obligations. Declarant reserves the right to require a Developer to dedicate public rights-of-way and easements on or over such Developer's property which are reasonably required as a condition to any map, development plan or other permit or approval for any other portion of the Community. Declarant reserves the right to require a Developer to grant to the City, to Declarant and/or to any other Developer a license to enter the property of such Developer for the purpose of constructing any necessary improvements required as conditions to any map, development plan or other permit or approval for any other portion of the Community. Declarant reserves the right to require appropriate reimbursement agreements among Declarant and/or other Developers to allocate the cost of construction of public or private improvements reasonably related to the development of the property owned by such Developer in addition to and/or including improvement requirements set forth in the conditions.

5.2 Residential Density Management. The density of development permitted for the Residential Areas is regulated by

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the Residential Density Management Map and Table ("Density Table") included in the Specific Plan. The Density Table specifies a maximum and minimum density and a current allocation of density for each Tract included in the Residential Areas. The maximum density for any Tract may not be exceeded without an amendment to the Specific Plan approved by Declarant pursuant to Article 4 of this Declaration, and by City. Development at less than the minimum density must be approved by Declarant pursuant to Article 4 of this Declaration, and by City. The current allocation of density for any Tract may not be modified unless an amendment to the current allocation is approved by Declarant pursuant to Article 4 and by City. The final density of development for each Tract must be approved by Declarant pursuant to Article 4, and by City, and may be less than the current allocation based upon product type design factors such as unit size, parking and open space criteria specified in the applicable zone and Master Development Plan. Upon approval of any Tentative Map or Development Plan for any Tract, the final density allocation for the Tract shall be fixed at the density indicated and approved thereon. No further amendments to increase or decrease such final density allocation shall be permitted without an amendment to the Specific Plan approved by Declarant pursuant to Article 4 and by City.

5.3 Signs. Specific sign standards and specifications shall be established by the Board and included in the Development Guidelines. No sign, symbol, billboard, advertising or other identifying markings ("sign") on any Lot, site or other portion of the Property shall be permitted unless the Board has approved the design, specifications, and location of the sign, in writing, prior to construction or installation. Declarant shall review each request for sign approval in order to ensure conformance with the sign standards and specifications included in the Design Guidelines and any other sign requirements or regulations set forth in the Specific Plan and the applicable Master Development Plan. During the period of construction of any improvements by Declarant or Developers, identification signs regarding financing and construction may be permitted, subject to approval by Declarant and conformance with sign criteria developed by Declarant. Declarant may locate within the Community any and all signs as Declarant deems necessary or desirable in its sole discretion to facilitate the marketing of Lots and Units in the Community. Declarant may permit Developers to place such signs within Community for the same purpose, as Declarant deems appropriate.

ARTICLE 6
COMMUNITY MAINTENANCE

6.1 Formation of District. Pursuant to requirements of the City, Declarant has agreed, on behalf of itself and all successor owners of the Community, to the formation of a master maintenance district, or other appropriate governmental district, for the entire RDO Property, to be known as the

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Rancho Del Oro Maintenance District ("District"). The District shall be formed and utilized to finance the maintenance of landscaping, lighting and other improvements located within public street rights-of-way through and adjacent to the RDO Property and within landscape easements granted to the City which are adjacent to such public rights-of-way. The City shall initiate proceedings to form the District upon petition by Declarant prior to or concurrently with recordation of the first implementing subdivision map or parcel map or approval of the first development plan subsequent to the date hereof for property covered by the Master Subdivision Map. The District shall have the power to levy assessments against the RDO Property, including the Community, commercially and industrially-zoned property, and other property within the Specific Plan area, to pay for the costs of such District. The District may also maintain certain open-space areas and other common areas and facilities within the RDO Property, to the extent the District is legally authorized to perform such maintenance and to the extent a Local Board or Association or a Community master association or nonprofit corporation is not obligated to maintain such areas and facilities. Each portion of the Community shall be annexed to the District as development occurs, upon recordation of a final subdivision or parcel map, or approval by City of a development plan if no map is filed, and prior to sale, transfer, or conveyance to a Developer by Declarant. Declarant, on behalf of each portion of the Property owned or to be acquired by Declarant, including all property added by Annexation, hereby consents to the formation of the District; and each Developer and Owner to whom any portion of the Community has been conveyed as of the date of initiation or formation of the District, by acceptance of a deed for property within the Community, consents thereto and agrees to execute any documents reasonably required by City to evidence the formation and authorization of the District. Unless and until formation of the District, maintenance of interim and permanent landscaping and facilities shall be carried out by the Owner of the property underlying or adjacent to such public rights-of-way, slope easements or open-space areas, or by the Local Board or Association or Community master association or nonprofit corporation, to the extent required in any applicable City condition of approval of a map, development plan or other permit or approval.

6.2 Maintenance Assessments. Each Lot and Unit within the District shall be subject to assessments for the costs of maintenance to be performed by the District. Assessments shall be allocated and levied in accordance with a procedure approved by the City in accordance with the laws and regulations governing formation of the District. It is intended that separate portions of the Property may be subject to one or more levels of assessments based upon the land use and nature and extent of development approved for such portion and the nature and extent of maintenance properly allocable to such portion, as determined by the City in the formation process. For example,

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one level of assessment may be used to pay the costs of maintenance adjacent to major Circulation Element streets. Other levels of assessment may be used to pay the costs of other "local" maintenance which benefits less than all portions of the Community or which does not benefit all portions equally; and such assessments shall be allocated in accordance with the degree of benefit, or such other equitable formula as the City may approve. Standards for all such maintenance shall be approved by City. Declarant, on behalf of each portion of the Property owned or to be acquired by Declarant, including all property added by Annexation hereby covenants and agrees to pay such assessments, and each Developer and Owner, by acceptance of a deed for property within the Community, covenants and agrees to pay the same.

6.3 Master Association. Declarant may, but shall not be obligated to, form a master association or nonprofit corporation pursuant to recorded restrictions for purposes of managing and maintaining certain common areas and facilities which benefit the RDO Property, with the power and responsibility to impose, collect and enforce assessments against the RDO Property to cover the costs of such maintenance. Such common areas and facilities may include, without limitation, hillside recreational areas, tot lots, and other areas which are not maintained by the District or by a Local Board or Association. The master association or nonprofit corporation may cover the Community and other portions of the RDO Property. The members of such master association or nonprofit corporation on behalf of the Community shall be the Owners or the Local Boards or Associations of Owners, as determined by Declarant and set forth in the bylaws of such association or corporation. Each Owner or Developer to whom any portion of the Community has been conveyed as of the date of formation of such master association or nonprofit corporation, by acceptance of a deed for such property, consents to the formation of such master association or nonprofit corporation and agrees to execute, upon Declarant's request, any Supplemental Declaration or other documents reasonably required to effect the formation and authorization of such entity.

6.4 Maintenance by Local Associations. Declarant and/or City may require certain areas, facilities and improvements which are not maintained by the District or by a master association or nonprofit corporation to be maintained by one or more Local Associations, in accordance with standards approved by Declarant and described in the Local Restrictions, and approved by City. Such requirements shall be identified during the process of obtaining Declarant's approvals pursuant to Article 4 and the City's approvals pursuant to applicable City rules and regulations, and Declarant may require recordation of the Local Restrictions and establishment of the Local Association prior to recordation of a final subdivision or parcel map, or approval of a development plan if no map is required, for the property covered by such Local Restrictions.

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Such maintenance may include, but is expressly not limited to, the following: open space areas, landscaped areas, recreational or other common areas, drainage facilities, parking areas, private streets and sidewalks, and tot lots. Until such time as a Local Association or master association is established, the Developer shall maintain all areas to be maintained by the Local Association and master association.

ARTICLE 7
LOCAL RESTRICTIONS; RESIDENTIAL AREAS

7.1 Local Restrictions. Each Residential Area shall have Local Restrictions which shall: (a) implement the provisions of this Declaration; (b) specify the procedures for operation and management of the Area; (c) establish the permitted and prohibited uses; (d) provide for architectural review and approval of improvements, alterations and additions; and (e) provide for maintenance of common areas and other appropriate areas, facilities and improvements pursuant to Section 6.4. The Local Restrictions may be imposed on one or more Villages or one or more Tracts, as determined by Declarant. The Local Restrictions shall be established by the Developer prior to the sale of the first Lot or Unit in the Area and shall be subject to review and approval by Declarant to assure consistency and compatibility with the standards and procedures of this Declaration and City requirements. There shall be no amendment of the provisions in any such Local Restrictions regarding the uses permitted or prohibited in the Area covered thereby, except with the written consent of the Declarant, until ten (10) years after the date of recordation of this Declaration. Declarant may require the Local Restrictions to provide for easements for the benefit of Declarant and/or other portions of the Community, including utility, access and encroachment easements and easements for signs identifying the Community and construction and sales activities thereon. No Local Restriction shall be inconsistent or in conflict with any applicable City requirement, ordinance, rule, regulation or policy.

ARTICLE 8
NON-RESIDENTIAL AREAS

8.1 Non-Residential Areas. The Non-Residential Areas in the Community shall be owned and improved for the uses approved in the Specific Plan. Prior to the conveyance of property in such Non-Residential Areas to Developers or Owners, Declarant shall establish Supplemental Restrictions relating to the nature and requirements for the use thereof, compatible with the standards established for the Community.

ARTICLE 9
MISCELLANEOUS PROVISIONS

9.1 Amendments. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of

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836 MONTGOMERY STREET
SAN FRANCISCO, CALIFORNIA

№ 490781

85-57

EXHIBIT A

fifty-five (55) years from the date this Declaration is recorded or until released as provided herein. This Declaration may be amended by the vote or written consent of Declarant and the Owners of fifty-one percent (51%) of the acreage then subject to this Declaration. No amendment shall conflict with or prevent compliance with the Development Agreement, the Master Subdivision Map or the Specific Plan. The amendment shall become effective upon recordation of an instrument reflecting such change.

9.2 City Requirements. All development, operation and maintenance of the Property shall be in conformance with applicable City rules, regulations, ordinances and policies. Nothing contained in this Declaration shall be construed to limit the City's ability to approve, conditionally approve or deny any map, development plan, or other permit or approval application, nor shall any provision in this Declaration be deemed to constitute a waiver of any City rule, ordinance, regulation or policy. In the event of any conflict between any City ordinance, rule, regulation or policy and this Declaration, the City ordinance, rule, regulation or policy shall prevail; provided, however, Declarant shall have the right to enforce any provision, restriction or requirement of this Declaration which is in addition to or more restrictive than City requirements. As provided in Condition 25 of the Master Subdivision Map, neither this Declaration nor any other Declaration of Conditions, Covenants, and Restrictions, contract of sale, lease or other written document or other means or method shall be established or shall attempt to establish any requirement restriction or limitation on any Owner, Developer or any person, individual or entity which would operate, directly or indirectly, to prevent or preclude said Owner, Developer or other person, individual or entity from complying with all applicable provisions of the Development Agreement, the Specific Plan, the Master Tentative Map, any other applicable tentative map or development plan, or any other City approval. Notwithstanding any other provision of this Declaration, the following provisions of this Declaration shall not be amended, modified or deleted without the prior written approval of the City Attorney, which such consent shall not be unreasonably withheld and shall be deemed given if the City Attorney fails to deliver a written response within ten (10) business days after receipt of a written request: Article 3 and Sections 4.2, 4.9, 5.1, 9.1, 9.2 and 9.3. The City shall have the right, but not the obligation, to enforce the foregoing provision of this Declaration requiring its consent, and shall be entitled to recover reasonable attorneys' fees in the event the City elects to enforce such right. Wherever the action or decision of the City Attorney is required under this Declaration, the action or decision of the City Attorney may be appealed to the City Council of City.

9.3 Release. Upon the sale of a Lot or Unit by a Developer to a member of the homebuying public, but not upon

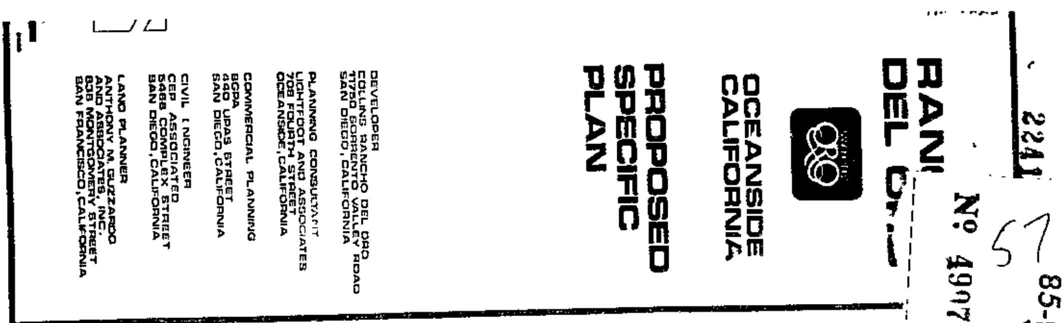

EXHIBIT A

the bulk sale of more than one Lot or Unit to any person or entity for resale to the public, Declarant shall, upon written request from such Developer, release such Lot or Unit from the encumbrance of this Declaration, provided that: (a) such Developer is not then in breach of any of the terms and provisions of this Declaration and that Local Restrictions have been recorded for such Lot or Unit; and (b) the written consent of the City Attorney has been obtained (or as may otherwise be provided under the conditions of approval of the map, development plan or other City approval affecting the property). Declarant may also release a Lot or other portion of the Property upon sale to an Owner who is not a Developer, or upon substantial completion of development of such Lot or portion (as defined in Section 3.3), provided that: (a) Local Restrictions or Supplemental Restrictions have been recorded for such Lot or portion; and (b) the prior written consent of the City Attorney has been obtained (or as may otherwise be provided under the conditions of approval of the map, development plan or other City approval affecting the property). Such release shall be evidenced by a writing executed by Declarant in recordable form, and, upon the recordation thereof, such Lot or Unit or portion shall no longer be deemed a part of the Property and shall be free of all of the terms and provisions of this Declaration. Declarant shall also, upon written request from a Developer, so release any portion of the Property dedicated or otherwise conveyed to and accepted by a public entity or public utility, upon acceptance of the dedication and the written consent of the City Attorney.

9.4 Rights of Mortgagees. All restrictions and other provisions herein contained shall be deemed subject and subordinate to all Mortgages now or hereafter executed upon the Property or any portion thereof, and none of said restrictions shall supersede or in any way reduce the security or affect the validity of any such Mortgage; provided, however, that if a portion of the Property is sold under a foreclosure of any Mortgage, any purchaser at such sale, including without limitation the lender, and the successors and assigns of such purchaser, shall hold any and all property so purchased subject to all of the restrictions and other provisions of this Declaration. The foregoing proviso shall also apply to a deed in lieu of foreclosure and to the transferee of the lender after such deed in lieu.

9.5 Enforcement. Except as otherwise provided in Section 9.2, only Declarant, and/or any successor Declarant specifically designated as provided in Section 1.9, shall have the right to enforce, by proceedings at law or in equity, all restrictions, conditions, covenants and reservations, now or hereafter imposed by the provisions of this Declaration, as amended from time to time, including the right to prevent the violation of any such restrictions, conditions, covenants, or reservations and the right to recover damages or other costs

RANCHO DEL ORO
OCEANSIDE CALIFORNIA
PROPOSED SPECIFIC PLAN

DEVELOPER
COLLINS RANCHO DEL ORO
1750 SORRENTO VALLEY ROAD
SAN DIEGO, CALIFORNIA

PLANNING CONSULTANT
LIGHTFOOT AND ASSOCIATES
708 FOURTH STREET
OCEANSIDE, CALIFORNIA

COMMERCIAL PLANNING
BGPA
440 UPAS STREET
SAN DIEGO, CALIFORNIA

CIVIL ENGINEER
CEP ASSOCIATED
5466 COMPLEX STREET
SAN DIEGO, CALIFORNIA

LAND PLANNER
ANTHONY M. GUZZARDO
AND ASSOCIATES, INC.
836 MONTGOMERY STREET
SAN FRANCISCO, CALIFORNIA

No 490781

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EXHIBIT A

for such violation. A Developer shall have no right to enforce the terms hereof or to require Declarant to enforce such terms against another Developer. Failure by Declarant to enforce any covenant, condition, or restriction herein contained in any certain instance or on any particular occasion shall not be deemed a waiver of such right on any such future breach of the same or any other covenant, condition or restriction by the Developer which committed such breach or by any other Developer. All rights, options and remedies of Declarant under this Declaration are cumulative, and no one of them shall be exclusive of any other, and Declarant shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief which may be provided by law, whether or not stated in this Declaration.

9.6 Binding. This Declaration shall be binding upon all Owners and Developers of Lots or Units in the Community, and their respective heirs, legatees, devisees, executors, administrators, guardians, conservators, successors, purchasers, lessees, encumbrancers, donees, grantees, mortgagees, lienors and assigns.

9.7 Notices. Any and all notices required to be made under this Declaration shall be in writing, signed by the party, person or entity giving such notice, and either personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the party, person or entity to be notified at the address specified below, or at such other address as such party, person, or entity may from time to time designate in writing. Any such mailed notice shall be deemed to have been given and received on the date of personal delivery to the party, person or entity, or five (5) business days after deposit in the U.S. mail, as the case may be.

Declarant's Address:	Rancho Del Oro Developments c/o Collins-Rancho Del Oro Company ATTN: Gene Geritz 11750 Sorrento Valley Road, #118 San Diego, California 92121
City's Address:	City Attorney's Office ATTN: Charles R. Revlett, Esq. City of Oceanside 321 North Nevada Oceanside, California 92054

9.8 Severability of Provisions. The provisions hereof shall be deemed independent and severable, and the invalidity or unenforceability of any one provision shall not affect the validity or enforceability of any other provision hereof.

9.9 Gender, Number and Captions. As used herein, the singular shall include the plural and the masculine shall

LAND PLANNER
ANTHONY M. GUZZARDO
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336 MONTGOMERY STREET
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5488 COMPLEX STREET
SAN DIEGO, CALIFORNIA

COMMERCIAL PLANNING
SGPA
440 UPAS STREET
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708 FOURTH STREET
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DEVELOPER
COLLINS RANCHO DEL ORO
11750 SORRENTO VALLEY ROAD
SAN DIEGO, CALIFORNIA

PROPOSED SPECIFIC PLAN

OCEANSIDE CALIFORNIA

RANC
DEL OR

2241

No 490781

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EXHIBIT A

include the feminine. The titles and captions of each paragraph hereof are not a part hereof and shall not affect the construction or interpretation of any part hereof.

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of the date first set forth above.

DECLARANT:

RANCHO DEL ORO DEVELOPMENTS, a California general partnership

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ____________________

Title: PRES

By: ____________________

Title: Vice Pres.

RANCHO DEL ORO INVESTMENTS, a California general partnership

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ____________________

Title: PRES

By: ____________________

Title: Vice Pres.

EBS:0983M
122085

APPROVED AS TO FORM
OCEANSIDE CITY ATTORNEY
ASSISTANT CITY ATTORNEY

2241

RANCHO DEL ORO

OCEANSIDE CALIFORNIA

PROPOSED SPECIFIC PLAN

DEVELOPER
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836 MONTGOMERY STREET
SAN FRANCISCO, CALIFORNIA

No 490781

85-

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EXHIBIT A

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On December 23, 1985, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Eugene Seritz and Ronald G. Sigler, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the President and Vice President, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
Dorothy C. Brockmoller
Notary Public-California
Principal Office In
San Diego County
My Comm. Exp. Oct. 18, 1988

Dorothy C. Brockmoller
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On December 23 1983 before me, the undersigned, a Notary Public in and for said County and State, personally appeared Eugene Seritz and Ronald G. Sigler, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the President and Vice President, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO INVESTMENTS, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
Dorothy C. Brockmoller
Notary Public-California
Principal Office In
San Diego County
My Comm. Exp. Oct. 18, 1988

Dorothy C. Brockmoller
Notary Public in and for Said County and State

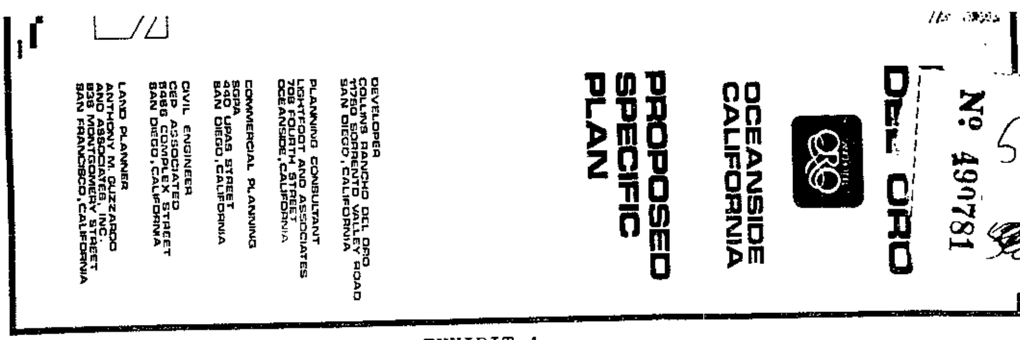


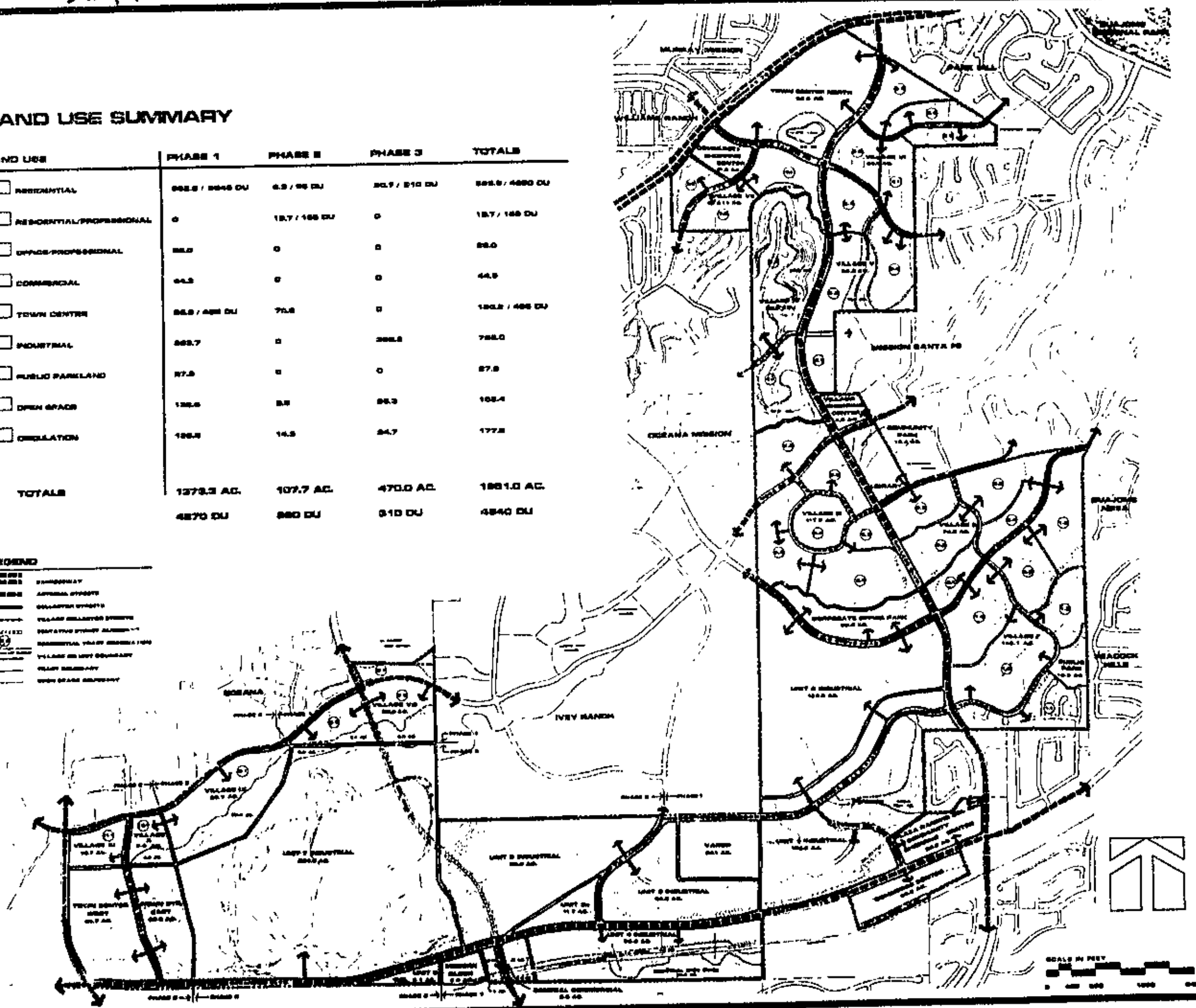
EXHIBIT A

2240

LAND USE SUMMARY

LAND USE	PHASE 1	PHASE 2	PHASE 3	TOTALS
RESIDENTIAL	[illegible] / [illegible] DU	[illegible] / [illegible] DU	[illegible] / 210 DU	[illegible] / 4[illegible] DU
RESIDENTIAL/PROFESSIONAL	0	19.7 / 1[illegible] DU	0	19.7 / 1[illegible] DU
OFFICE/PROFESSIONAL	[illegible]	0	0	[illegible]
COMMERCIAL	[illegible]	0	0	44.[illegible]
TOWN CENTER	[illegible] / [illegible] DU	70.[illegible]	0	1[illegible] / 4[illegible] DU
INDUSTRIAL	[illegible].7	0	[illegible]	7[illegible].0
PUBLIC PARKLAND	27.[illegible]	0	0	27.[illegible]
OPEN SPACE	1[illegible]	[illegible]	[illegible]	1[illegible].4
CIRCULATION	1[illegible]	14.[illegible]	34.7	177.[illegible]
TOTALS	1273.3 AC.	107.7 AC.	470.0 AC.	1851.0 AC.
	4270 DU	860 DU	310 DU	4840 DU

LEGEND



RANCHO DEL ORO

OCEANSIDE CALIFORNIA

PROPOSED SPECIFIC PLAN

DEVELOPER
COLLINS RANCHO DEL ORO
11750 SORRENTO VALLEY ROAD
SAN DIEGO, CALIFORNIA

PLANNING CONSULTANT
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836 MONTGOMERY STREET
SAN FRANCISCO, CALIFORNIA

EXHIBIT A

№ 490781

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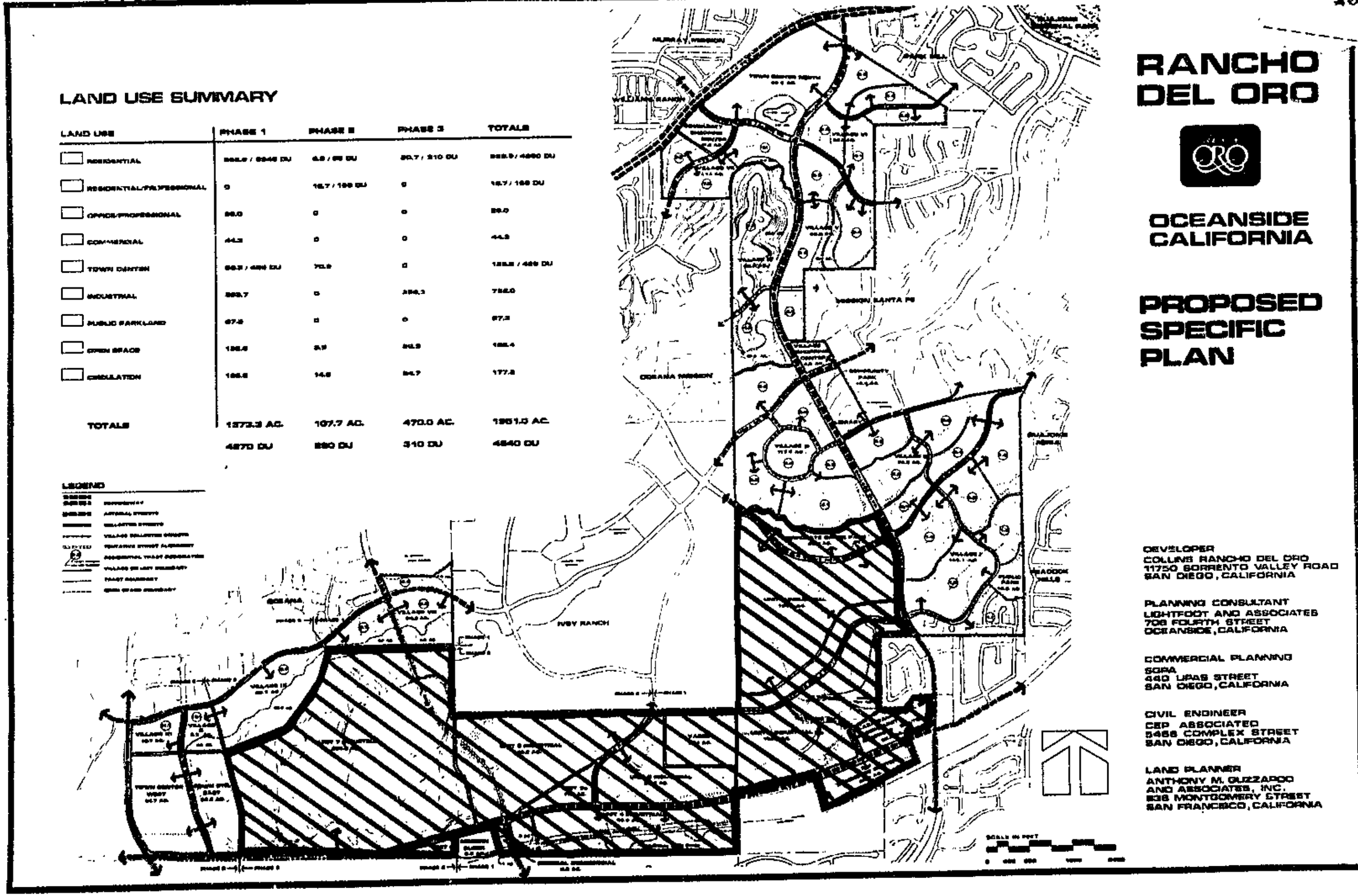

EXHIBIT B
PROPERTY TO BE COVERED BY TECH PARK CC&R's.

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2245 № 490781

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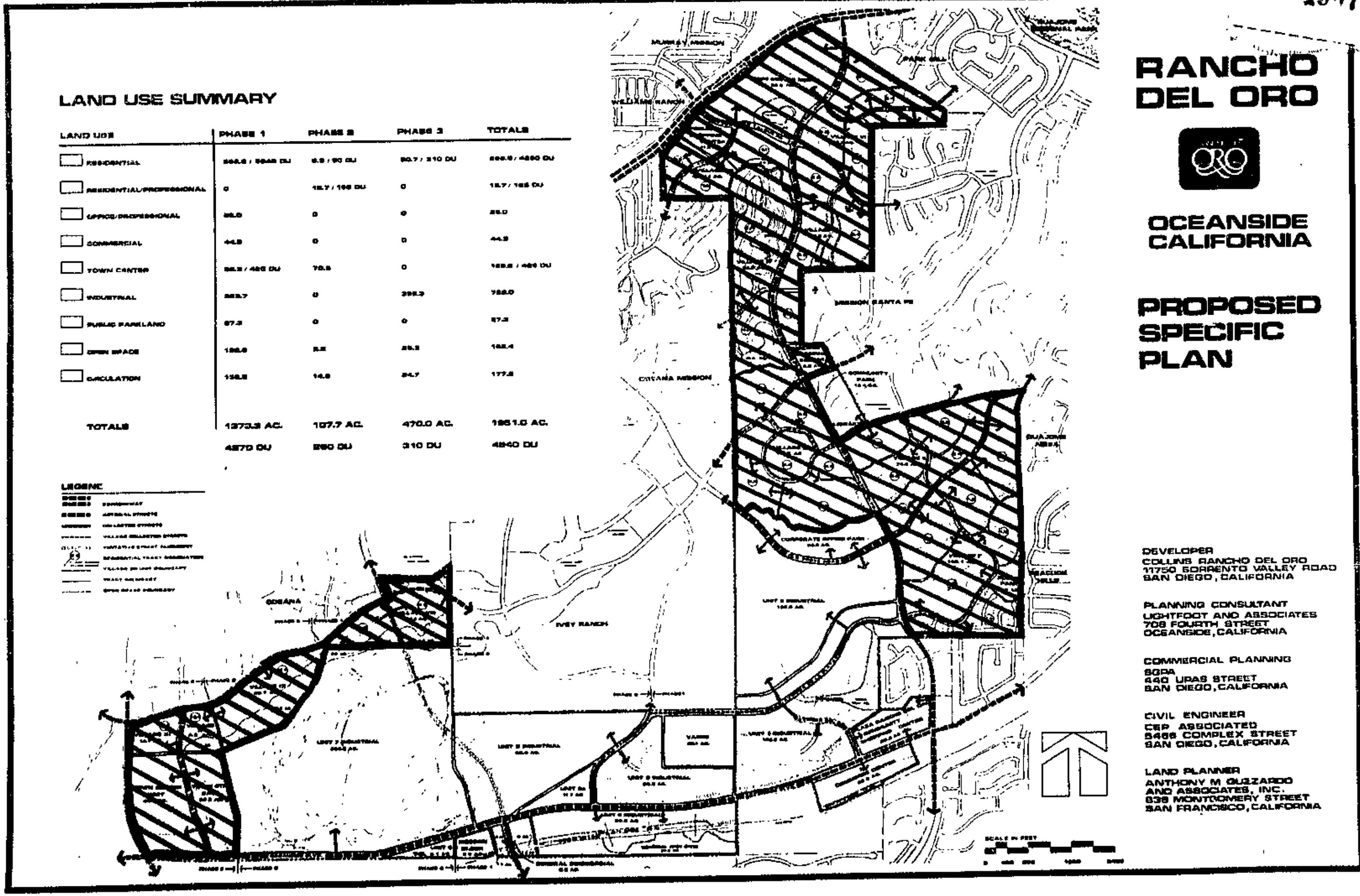

EXHIBIT C
PROPERTY TO BE INCLUDED IN COMMUNITY.

2246

CEP ASSOCIATED
December 23, 1985

RANCHO DEL ORO DEVELOPMENT
Job Number: 311-02
Page 1 of 1

EXHIBIT "D"

LEGAL DESCRIPTION

FOR

RANCHO DEL ORO

VILLAGES I, II AND III

All of Tract 1.1, 1.2, 1.3, 1.4, 1.5, 1.6, 2.1, 2.2, 2.3, 2.4, 2.5, 3.1, 3.2, 3.3, 3.4, 3.5, 3.6 and "K" of Map No. 11409 in the City of Oceanside, County of San Diego, State of California, as filed in the Office of the County Recorder of said County on December 27, 1985, File No. 85-490777.

2250

1 OF 13 SHEETS

EXHIBIT F-1

No 490781

EXHIBIT "E"

LEGAL DESCRIPTION OF BENEFITTED PROPERTY

PARCEL 1:

Parcel A of Parcel Map No. 13476 in the City of Oceanside, County of San Diego, State of California, filed September 12, 1984 in the Office of the County Recorder of the County of San Diego.

PARCEL 2:

Parcels A, C and D of Parcel Map No. 12801, as modified by boundary adjustment PLA-11-84, in the City of Oceanside, County of San Diego, State of California, filed July 12, 1983 in the Office of the County Recorder of the County of San Diego.

PARCEL 3:

Parcels A and C of Parcel Map No. 11774 in the City of Oceanside, County of San Diego, State of California, filed October 30, 1981 in the Office of the County Recorder of the County of San Diego.

PARCEL 4:

Parcels A and B of Parcel Map No. 12543 in the City of Oceanside, County of San Diego, State of California, filed January 28, 1983 in the Office of the County Recorder of the County of San Diego.

PARCEL 5:

Parcel 4 of Parcel Map No. 6270, filed in the Office of the County Recorder of San Diego County, August 18, 1977, being a portion of the North Half of the Southwest Quarter of Section 22, Township 11 South, Range 4 West, San Bernardino Meridian, in the City of Oceanside, in the County of San Diego, State of California, according to Official Plat thereof.

EXCEPTING THEREFROM that portion lying within Parcel Map No. 12543.

PARCEL 6:

Lots 1, 3, 5, 6, 7, 10 through 15 inclusive, 17, 18, 28 through 30 inclusive, 35 and 36 of Rancho Del Oro Industrial Park Unit 1 in the City of Oceanside, County of San Diego, State of California, according to Map 10248 filed October 18, 1981 in the Office of the County Recorder of the County of San Diego.

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1 OF 13 SHEETS

No 490781

EXHIBIT F-1

PARCEL 7:

Parcels A, C, and N through P inclusive of Parcel Map No. 12314 in the City of Oceanside, County of San Diego, State of California, filed September 15, 1982 in the Office of the County Recorder of the County of San Diego.

PARCEL 8:

Parcels E, G and L of Parcel Map No. 13489 in the City of Oceanside, County of San Diego, State of California, filed September 19, 1984 in the Office of the County Recorder of the County of San Diego.

PARCEL 9:

Parcels A and B of Parcel Map No. 12195 in the City of Oceanside, County of San Diego, State of California, filed June 25, 1982 in the Office of the County Recorder of the County of San Diego.

PARCEL 10:

Parcel A of Parcel Map No. 11774 in the City of Oceanside, County of San Diego, State of California filed October 30, 1981 in the Office of the County Recorder of the County of San Diego, upon acquisition of said Parcel by Rancho Del Oro Developments.

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1 OF 15 SHEETS

T-9-84

No 490781

85-

EXHIBIT F-1

2249

EXHIBIT F

MAP NO. 2250

Nº 490781

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SHEET 1 OF 15 SHEETS

T-5-84

RANCHO DEL ORO - MASTER SUBDIVISION MAP EAST

IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA

BEING A SUBDIVISION OF PORTIONS OF SECTIONS 3, 9, 10, 14, 15 AND 22, TOWNSHIP 11 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY.

SUBDIVISION GUARANTEE BY CONTINENTAL LAND TITLE INSURANCE COMPANY, ORDER NUMBER [illegible].

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF OR ARE INTERESTED IN THE LANDS INCLUDED WITHIN THE SUBDIVISION SHOWN ON THIS MAP WITHIN THE DISTINCTIVE BORDER LINES, AND WE CONSENT TO THE PREPARATION AND FILING OF SAID MAP AND SUBDIVISION.

WE HEREBY DEDICATE IN FEE TO THE PUBLIC USE ALL STREETS, HIGHWAYS AND OTHER PUBLIC WAYS SHOWN ON SAID MAP.

RANCHO DEL ORO DEVELOPMENTS HEREBY GRANTS TO CITY OF OCEANSIDE ANY AND ALL SLOPE EASEMENTS NECESSARY FOR THE CONSTRUCTION OF THE PUBLIC STREETS BEING OFFERED FOR DEDICATION HEREON. SUCH EASEMENTS SHALL BE MORE PRECISELY DEFINED AT A LATER DATE UPON CITY APPROVAL OF IMPROVEMENT PLANS FOR THESE STREETS.

RANCHO DEL ORO DEVELOPMENTS AGREES TO GRANT TO THE CITY OF OCEANSIDE, UTILITY EASEMENTS AND LICENSE TO ENTER UPON THE PROPERTY FOR THE PURPOSE OF CONSTRUCTING UTILITIES, TO THE EXTENT THAT SUCH EASEMENTS AND LICENSES TO ENTER MAY BE REQUIRED TO SERVE PORTIONS OF THE PROPERTY IN ACCORDANCE WITH THE INFRASTRUCTURE PHASING DIAGRAMS OF THE SPECIFIC PLAN (5-1-84). SUCH EASEMENTS AND LICENSES SHALL BE MORE PRECISELY DEFINED AT A LATER DATE CONCURRENT WITH THE APPROVAL OF IMPLEMENTING TENTATIVE MAPS AND/OR IMPLEMENTING DEVELOPMENT PLANS.

WE HEREBY GRANT LOT "C" IN FEE SIMPLE TO THE CITY OF OCEANSIDE.

RANCHO DEL ORO DEVELOPMENTS, A CALIFORNIA GENERAL PARTNERSHIP AS TO PARCEL "A" OF PARCEL MAP NUMBER 13476 AND PARCELS "A" AND "B" OF PARCEL MAP NUMBER 12195.

BY: ______________ DATE: ______________
GENERAL PARTNER

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON (S) WHO EXECUTED THE WITHIN INSTRUMENT AS THE ______________ OF THE PARTNERS OF ______________ THE PARTNERSHIP THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH PARTNERSHIP EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ______________

____
NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

OCEANSIDE REALTY AND DEVELOPMENT CO., A DELAWARE CORPORATION, AS TO THE REMAINDER.

BY: LAND TITLE INSURANCE TITLE COMPANY, A CALIFORNIA CORPORATION, ITS ATTORNEY-IN-FACT.

BY: ______________
VICE PRESIDENT

BY: ______________
SECRETARY

WE, COUNTY TREASURER-TAX COLLECTOR OF THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND DIRECTOR - DEPARTMENT OF PUBLIC WORKS OF SAID COUNTY, HEREBY CERTIFY THAT THERE ARE NO UNPAID SPECIAL ASSESSMENTS OF BONDS WHICH MAY BE PAID IN FULL, SHOWN ON THE ANNEXED MAP AND [illegible] IN THE [illegible] THEREOF.

COUNTY TREASURER-TAX COLLECTOR:

______ DATED ______ BY: ______________ DEPUTY

DIRECTOR, DEPARTMENT OF PUBLIC WORKS:

______ DATED ______ BY: ______________ FOR DIRECTOR [illegible]

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE ______________ VICE PRESIDENT, AND ______________ PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE ______________ SECRETARY OF THE CORPORATION THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BYLAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ______________

____
NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

SECURITY ALLIED SERVICES, A CALIFORNIA CORPORATION, AS TRUSTEE UNDER DEED OF TRUST RECORDED [illegible] 15, 1984 AS FILE/PAGE NUMBER 84-[illegible] OF OFFICIAL RECORDS.

BY: ______________ PRESIDENT BY: ______________ SECRETARY

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE ______________ PRESIDENT, AND ______________ PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE ______________ SECRETARY OF THE CORPORATION THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BYLAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ______________

____
NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

I, KATHRYN A. NELSON, CLERK OF THE BOARD OF SUPERVISORS, HEREBY CERTIFY THAT THE PROVISIONS OF THE SUBDIVISION MAP ACT (DIVISION 2 OF TITLE 7 OF THE GOVERNMENT CODE) OF THE STATE OF CALIFORNIA, AS AMENDED, REGARDING (A) DEPOSITS FOR TAXES, AND (B) CERTIFICATION OF THE ABSENCE OF LIENS FOR UNPAID STATE, COUNTY, MUNICIPAL, OR LOCAL TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES EXCEPT THOSE NOT YET PAYABLE, HAVE BEEN COMPLIED WITH FOR THE PROPERTY WITHIN THIS SUBDIVISION.

KATHRYN A. NELSON
CLERK OF THE BOARD OF SUPERVISORS

______ DATED ______ BY: ______________ DEPUTY

I, [illegible], ACTING CITY TREASURER OF THE CITY OF OCEANSIDE, CALIFORNIA, HEREBY CERTIFY THAT, ACCORDING TO THE RECORDS OF MY OFFICE, THERE ARE NO LIENS AGAINST THE SUBDIVISION OR ANY PART THEREOF FOR UNPAID STATE, COUNTY, MUNICIPAL, OR LOCAL TAXES OR SPECIAL ASSESSMENTS NOT YET PAYABLE, AND THAT ANY SPECIAL ASSESSMENTS OR BONDS, THE LAW OF WHICH IS PROVIDED [illegible] HAVE BEEN PAID IN FULL, OR SECURITY, THEREFORE, HAS BEEN DEPOSITED WITH THE CLERK OF THE [illegible] BOARD OF SUPERVISORS.

IN WITNESS WHEREOF, I HAVE [illegible] MY HAND THIS ______ DAY OF ______________, 198__

BY: ______________
ACTING CITY TREASURER, CITY OF OCEANSIDE

THE CITY COUNCIL OF THE CITY OF OCEANSIDE, CALIFORNIA HEREBY APPROVES THE ANNEXED MAP AND THE DEDICATIONS [illegible] THEREON ARE ACCEPTED [illegible] AND THOSE STREETS SHOWN HEREON AS [illegible] MESA DRIVE, [illegible] AVENUE, MISSION AVENUE, [illegible] ROAD AND [illegible] ROAD, BY ORDER OF THE CITY COUNCIL.

SIGNED THIS ______ DAY OF ______________, 198__

BY: ______________
MAYOR, CITY OF OCEANSIDE

ATTEST: ______________ CITY CLERK

I, RICHARD L. [illegible], HEREBY CERTIFY THAT I AM A REGISTERED CIVIL ENGINEER OF THE STATE OF CALIFORNIA; THAT THIS FINAL MAP, CONSISTING OF 15 SHEETS, IS A TRUE AND COMPLETE SURVEY AS SHOWN AND WAS MADE BY ME OR UNDER MY DIRECTION FROM SEPTEMBER 1980 TO OCTOBER 1980; THAT THE MONUMENTS OF THE CHARACTER AND LOCATIONS SHOWN HEREON ARE IN PLACE OR WILL BE IN PLACE WITHIN TWENTY-FOUR MONTHS FROM THE FILING DATE OF THIS MAP; THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED AND THAT THE NOTES TO ALL CENTERLINE MONUMENTS SHOWN AS "TO BE SET" WILL BE ON FILE IN THE OFFICE OF THE CITY ENGINEER WITHIN TWENTY-FOUR MONTHS FROM THE FILING DATE SHOWN HEREON.

______ DATE ______ BY: ______________
RICHARD L. [illegible], R.C.E. 22934

I, RONALD A. BECKMAN, CITY ENGINEER OF THE CITY OF OCEANSIDE, CALIFORNIA, HEREBY CERTIFY THAT I HAVE EXAMINED THE ANNEXED MAP AND FIND IT TO BE SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP AND ANY APPROVED ALTERATION THEREOF; THAT THE PROVISIONS OF THE STATE SUBDIVISION MAP ACT AND CITY OF OCEANSIDE LOCAL ORDINANCE NUMBER 946 HAVE BEEN COMPLIED WITH, AND I AM SATISFIED THAT THE MAP IS TECHNICALLY CORRECT.

______ DATE ______ BY: ______________
RONALD A. BECKMAN, R.C.E. 17911
CITY ENGINEER, CITY OF OCEANSIDE

WE, THE UNDERSIGNED, HEREBY CERTIFY THAT WE HAVE EXAMINED EACH LOT SHOWN ON THE ANNEXED MAP AS TO ITS VALUE FOR RESIDENTIAL PURPOSES AND WE FIND THE SAID SUBDIVISION SUITABLE FOR SUCH PURPOSES.

______ DATE ______ BY: ______________
RONALD A. BECKMAN, R.C.E. 17911
CITY ENGINEER, CITY OF OCEANSIDE

______ DATE ______ BY: ______________
SECRETARY, PLANNING COMMISSION

APPROVED BY THE PLANNING COMMISSION OF THE CITY OF OCEANSIDE, CALIFORNIA.

______ DATE ______ BY: ______________
SECRETARY, PLANNING COMMISSION

APPROVED AS TO FORM AFTER EXAMINATION OF THE ANNEXED MAP AND CERTIFICATE THEREON.

______ DATE ______ BY: ______________
CITY ATTORNEY, CITY OF OCEANSIDE

I HEREBY APPROVE THE NAME RANCHO DEL ORO MASTER SUBDIVISION MAP EAST FOR THE SUBDIVISION SHOWN ON THE ANNEXED MAP.

______ DATE ______ BY: ______________
VERA L. LYLE
COUNTY RECORDER

FILE NUMBER: ______________

I, VERA L. LYLE, COUNTY RECORDER OF THE COUNTY OF SAN DIEGO, CALIFORNIA, HEREBY CERTIFY THAT I HAVE ACCEPTED FOR RECORDATION THIS MAP FILED AT THE REQUEST OF RICHARD L. [illegible] THIS ______ DAY OF ______________, 198__ AT ______ O'CLOCK.

VERA L. LYLE,
COUNTY RECORDER

______ DATE ______ BY: ______________ DEPUTY

CAPA NA 911-84

EXHIBIT F-1

EXHIBIT F

MAP NO.________

85-

Nº 490781

RANCHO DEL ORO - MASTER SUBDIVISION MAP EAST

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED FEBRUARY 28, 1930, IN BOOK 820, PAGE 68, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SOUTHERN CALIFORNIA TELEPHONE COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED NOVEMBER 28, 1941, IN BOOK 1278, PAGE 262, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED JULY 26, 1950, IN BOOK 3711, PAGE 430, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED NOVEMBER 22, 1954, IN BOOK 5436, PAGE 253, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED NOVEMBER 22, 1954, IN BOOK 5436, PAGE 255, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED NOVEMBER 29, 1954, IN BOOK 5443, PAGE 125, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF A WATER LINE EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED MAY 9, 1982, AS FILE NUMBER 79867, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED AUGUST 28, 1969, AS FILE NUMBER 158746, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED JULY 7, 1970, AS FILE NUMBER 118510, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF A WATER LINE EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED SEPTEMBER 24, 1975, AS FILE/PAGE NUMBER 75-261165, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF A WATER LINE EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED SEPTEMBER 13, 1977, AS FILE/PAGE NUMBER 77-373609, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF A PUBLIC HIGHWAY EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED MARCH 16, 1982, AS FILE/PAGE NUMBER 82-071326, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF A PUBLIC HIGHWAY EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED MARCH 16, 1982, AS FILE/PAGE NUMBER 82-071327, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF A PUBLIC HIGHWAY EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED MARCH 16, 1982, AS FILE/PAGE NUMBER 82-071328, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED MARCH 4, 1985, AS FILE NUMBER 85-071426, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST BEING SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

RANCHO DEL ORO DEVELOPMENTS, A CALIFORNIA GENERAL PARTNERSHIP A OPTIONEE UNDER OPTION TO PURCHASE, RECORDED SEPTEMBER 13, 1984 A FILE NO. 84-347026 OF OFFICIAL RECORDS.

BY:________________ DATE:____________
GENERAL PARTNER

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ____________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ____________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON (S) WHO EXECUTED THE WITHIN INSTRUMENT AS THE ____________ OF THE PARTNERS OF ____________ THE PARTNERSHIP THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH PARTNERSHIP EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES:____________

NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

IN LIEU OF DEDICATION, SAN DIEGO GAS & ELECTRIC COMPANY HEREBY CONSENTS THAT PUBLIC STREETS MAY BE CONSTRUCTED AND MAINTAINED OVER, UPON AND ACROSS PORTIONS OF THE SAN DIEGO GAS & ELECTRIC COMPANY'S EASEMENTS AND RIGHT OF WAY RECORDED:

1) FEBRUARY 28, 1930, BOOK 820, PAGE 68
2) JULY 26, 1950, BOOK 3711, PAGE 430
3) NOVEMBER 22, 1954, BOOK 5436, PAGE 253
4) NOVEMBER 22, 1954, BOOK 5436, PAGE 255
5) NOVEMBER 29, 1954, BOOK 5443, PAGE 125
6) AUGUST 28, 1969, F/P 158746
7) JULY 7, 1970, F/P 118510
8) MARCH 4, 1985, F/P 85-071426

ALL OF OFFICIAL RECORDS OF SAN DIEGO COUNTY, LYING WITHIN THE BOUNDARY OF THE FOLLOWING STREETS: TALONE ROAD, FRAZEE ROAD, MISSION AVENUE, COLLEGE BOULEVARD, CITRUS AVENUE, VESA DRIVE, RIDGE ROAD, RIDGE COURT, AVENIDA DE LA PLATA, AND OLD GROVE ROAD HEREINAFTER REFERRED TO AS AREAS SUBJECT TO THE FOLLOWING:

A) IN THE EVENT THAT THE FUTURE USE OR ALTERATION OF SAID AREAS BY THE CITY FOR STREETS OR PUBLIC IMPROVEMENTS INCIDENTAL THERETO, SHALL AT ANY TIME OR TIMES NECESSITATE A REARRANGEMENT, RELOCATION OR RECONSTRUCTION OF ANY OF THE COMPANY'S FACILITIES OR THE ACQUISITION OF ADDITIONAL PROPERTY EASEMENTS, OR BOTH, PURSUANT THERETO, THE SAME SHALL BE PERFORMED BY THE COMPANY, OR BY ANY OTHER PARTY WITH THE CONSENT OF THE COMPANY, AT THE COST OF THE CITY.

B) IN THE EVENT THAT THE FUTURE USE OF SAN DIEGO GAS & ELECTRIC COMPANY'S EASEMENTS OR PROPERTIES BY THE COMPANY SHALL AT ANY TIME OR TIMES NECESSITATE A REARRANGEMENT, RELOCATION OR RECONSTRUCTION OF THE PUBLIC IMPROVEMENTS INCIDENTAL THERETO, THE SAME SHALL BE PERFORMED AT THE COST OF THE COMPANY.

C) ALL USES OF SAID AREAS BY EITHER PARTY SHALL BE SUCH AS WILL NOT PERMANENTLY INTERRUPT THE USE OR OPERATION OF THE FACILITIES THEREIN OF THE OTHER PARTY. USES OF SAID AREAS BY EITHER PARTY WHICH TEMPORARILY INTERFERE WITH THE USE OF THE OTHER PARTY, WILL BE MADE ONLY WHEN REASONABLY NECESSARY AND WILL BE PROMPTLY TERMINATED AS SOON AS THE NECESSITY THEREFORE NO LONGER EXISTS.

D) IF THE CITY SHALL HEREAFTER VACATE OR ABANDON IN WHOLE OR PART, THE AREAS WHICH ARE OCCUPIED BY SAN DIEGO GAS & ELECTRIC COMPANY'S EASEMENTS OR PROPERTIES, THE CITY SHALL, IN THE VACATION OR ABANDONMENT PROCEEDINGS, RESERVE TO THE COMPANY ALL RIGHTS HELD BY THE COMPANY PRIOR TO THE EXECUTION OF THIS CERTIFICATION.

E) EXCEPT AS EXPRESSLY HEREIN SET FORTH, THIS AGREEMENT SHALL NOT IN ANY WAY ALTER, MODIFY, OR TERMINATE ANY OF THE COMPANY'S PRIOR RIGHTS IN SAID AREA.

IN WITNESS WHEREOF, SAN DIEGO GAS & ELECTRIC COMPANY HAS CAUSED THIS INSTRUMENT TO BE EXECUTED UNDER ITS CORPORATE NAME AND SEAL BY ITS PROPER OFFICERS THEREUNTO DULY AUTHORIZED, THIS ______ DAY OF ____________, 19__.

SAN DIEGO GAS & ELECTRIC COMPANY,
A CORPORATION

BY ____________ VICE PRESIDENT BY ____________ SECRETARY

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ____________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ____________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE ____________ VICE PRESIDENT, AND ____________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS ____________ SECRETARY OF THE CORPORATION THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BYLAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES:____________

(SEAL)

NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

NO SALE, TRANSFER, CONVEYANCE, SUBDIVISION OR DEVELOPMENT OF ANY INDIVIDUAL TRACT, LOT OR PORTION OF PROPERTY IN VILLAGES 1 THROUGH 10 (EXCLUDING TRACT 1.1 OF VILLAGE 1 AND VILLAGE 8) SHALL OCCUR UNTIL APPROVAL OF AN IMPLEMENTING TENTATIVE MAP (OR IMPLEMENTING TENTATIVE PARCEL MAP) AND CONCURRENT IMPLEMENTING DEVELOPMENT PLAN FOR THE ENTIRE VILLAGE, IN ACCORDANCE WITH CONDITION NO. 23 OF RESOLUTION NO. 85-242 APPROVING THIS MASTER TENTATIVE MAP, AND CONDITION NO. 6 OF RESOLUTION NO. 85-230, APPROVING THE RANCHO DEL ORO SPECIFIC PLAN. NO DEVELOPMENT OF AN ENTIRE VILLAGE SHALL OCCUR PRIOR TO THE APPROVAL OF THE IMPLEMENTING TENTATIVE MAP AND CONCURRENT IMPLEMENTING DEVELOPMENT PLAN FOR THE ENTIRE VILLAGE.

NO SALE, TRANSFER, CONVEYANCE, SUBDIVISION OR DEVELOPMENT OF ANY TRACT, LOT OR PORTION OF PROPERTY CONTAINED WITHIN A NON-RESIDENTIAL/NON-INDUSTRIAL SITE SHALL OCCUR UNTIL APPROVAL OF A MASTER DEVELOPMENT PLAN OR IMPLEMENTING DEVELOPMENT PLAN FOR THE ENTIRE SITE FOR THE ENTIRE NON-RESIDENTIAL/NON-INDUSTRIAL SITE AND IMPLEMENTING TENTATIVE MAP (OR IMPLEMENTING TENTATIVE PARCEL MAP), IN ACCORDANCE WITH CONDITION NO. 23 OF RESOLUTION NO. 85-242, APPROVING THIS MASTER TENTATIVE MAP. NO DEVELOPMENT OF AN ENTIRE NON-RESIDENTIAL/NON-INDUSTRIAL SITE SHALL OCCUR UNTIL APPROVAL OF THE MASTER DEVELOPMENT PLAN OR IMPLEMENTING DEVELOPMENT PLAN FOR THE ENTIRE NON-RESIDENTIAL/NON-INDUSTRIAL SITE. A SITE DEVELOPMENT PLAN OR IMPLEMENTING DEVELOPMENT PLAN MAY ALSO BE REQUIRED PRIOR TO ANY DEVELOPMENT OF THE ENTIRE NON-RESIDENTIAL/NON-INDUSTRIAL SITE, OR PRIOR TO DEVELOPMENT OF ANY TRACT, LOT OR PORTION OF PROPERTY WITHIN A NON-RESIDENTIAL/NON-INDUSTRIAL SITE, WHERE DETAIL FOR SUCH SITE, OR PORTION OF SUCH SITE, SUFFICIENT TO COMPLY WITH THE CITY ZONING ORDINANCE AND/OR SUBDIVISION ORDINANCE HAS NOT BEEN PREVIOUSLY PROVIDED IN THE MASTER DEVELOPMENT PLAN OR IMPLEMENTING DEVELOPMENT PLAN FOR THE ENTIRE NON-RESIDENTIAL/NON-INDUSTRIAL SITE CONTAINING THE TRACT, LOT OR PORTION PROPOSED TO BE DEVELOPED.

NO SALE, TRANSFER, CONVEYANCE, OR SUBDIVISION OF ANY TRACT, LOT OR PORTION OF PROPERTY CONTAINED WITHIN AN INDUSTRIAL SITE SHALL OCCUR UNTIL APPROVAL OF AN IMPLEMENTING DEVELOPMENT PLAN OR MASTER DEVELOPMENT FOR THE ENTIRE INDUSTRIAL SITE AND AN IMPLEMENTING TENTATIVE MAP (OR IMPLEMENTING TENTATIVE PARCEL MAP), IN ACCORDANCE WITH CONDITION NO. 23, OF RESOLUTION NO. 85-242, APPROVING THIS MASTER TENTATIVE MAP. NO DEVELOPMENT OF ANY LOT, TRACT PORTION OF PROPERTY CONTAINED WITHIN AN INDUSTRIAL SITE SHALL OCCUR UNTIL APPROVAL OF AN IMPLEMENTING DEVELOPMENT PLAN OR MASTER DEVELOPMENT PLAN FOR THE ENTIRE INDUSTRIAL SITE AND A SITE DEVELOPMENT PLAN FOR THE TRACT, LOT OR PORTION OF PROPERTY PROPOSED FOR DEVELOPMENT, IN ACCORDANCE WITH CONDITION NO. 23 OF RESOLUTION NO. 85-242 APPROVING THIS MASTER TENTATIVE MAP; AND NO DEVELOPMENT OF THE ENTIRE INDUSTRIAL SITE SHALL OCCUR UNTIL APPROVAL OF THE MASTER DEVELOPMENT PLAN OR IMPLEMENTING DEVELOPMENT PLAN, AND SITE DEVELOPMENT PLAN, FOR THE ENTIRE SITE.

LOT NUMBERS "SHALL" MATCH THAT OF SPECIFIC PLAN VILLAGE. TRACT AND LOT NUMBERING.

EXHIBIT F-1

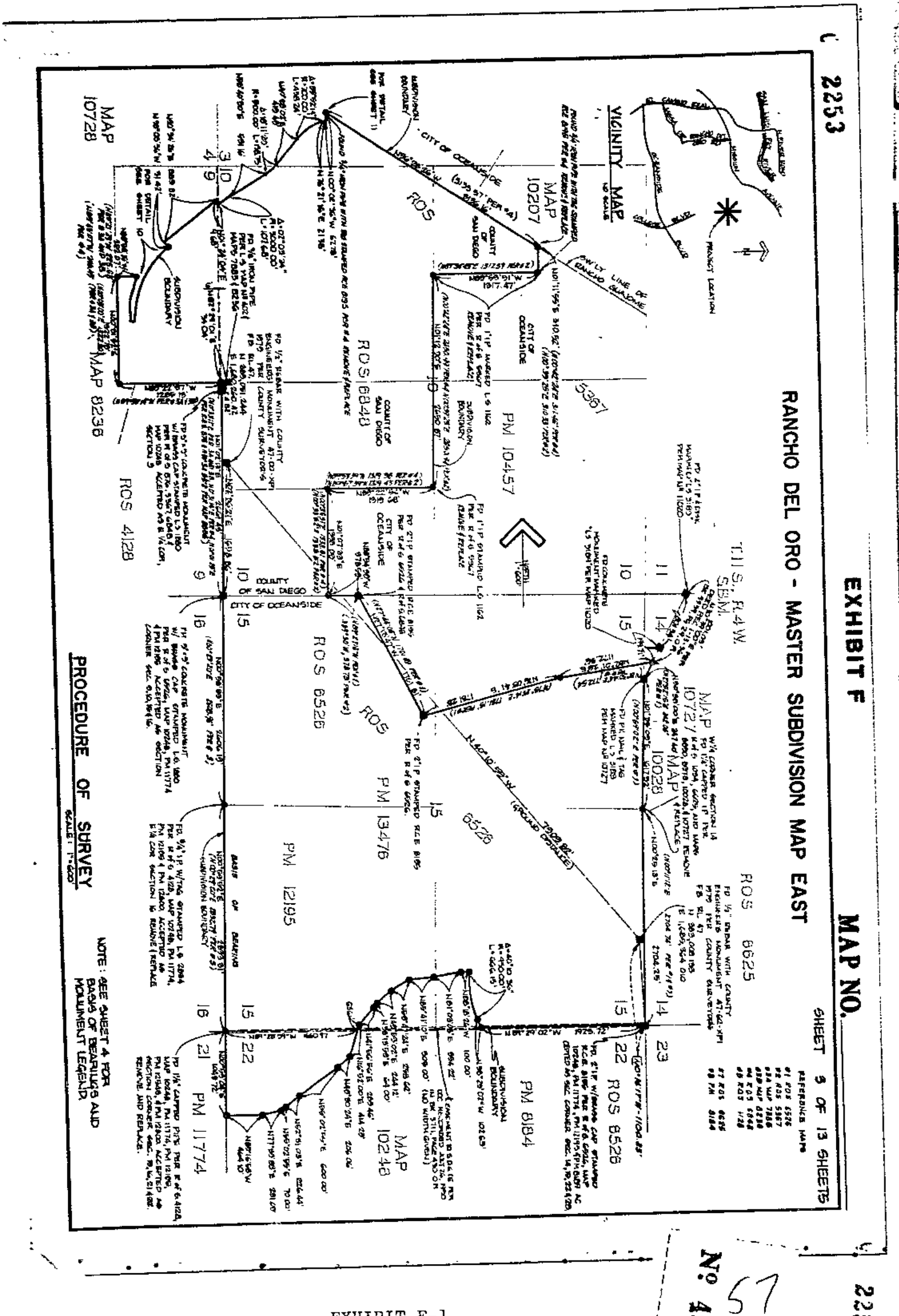


EXHIBIT F
RANCHO DEL ORO - MASTER SUBDIVISION MAP EAST
MAP NO.
SHEET 5 OF 13 SHEETS
VICINITY MAP
PROCEDURE OF SURVEY
CITY OF OCEANSIDE
COUNTY OF SAN DIEGO
ROS 6526
ROS 6625
ROS 4128
PM 10457
PM 13476
PM 12195
PM 11774
PM 8184
MAP 10207
MAP 10728
MAP 8236
MAP 10248
NOTE: SEE SHEET 4 FOR BASIS OF BEARINGS AND MONUMENT LEGEND.
2253
2254
No 490781

EXHIBIT F-1

2255

EXHIBIT F

MAP NO.________

SHEET 4 OF 13 SHEETS

RANCHO DEL ORO - MASTER SUBDIVISION MAP EAST

KEY MAP

BASIS OF BEARINGS

THE BASIS OF BEARING FOR THIS MAP IS THE LINE FROM THE SE CORNER TO THE EAST 1/4 CORNER OF SECTION 16 AS SHOWN ON MAP Nº.10248 O.R. I.E. N 00°59'52" E

LEGEND

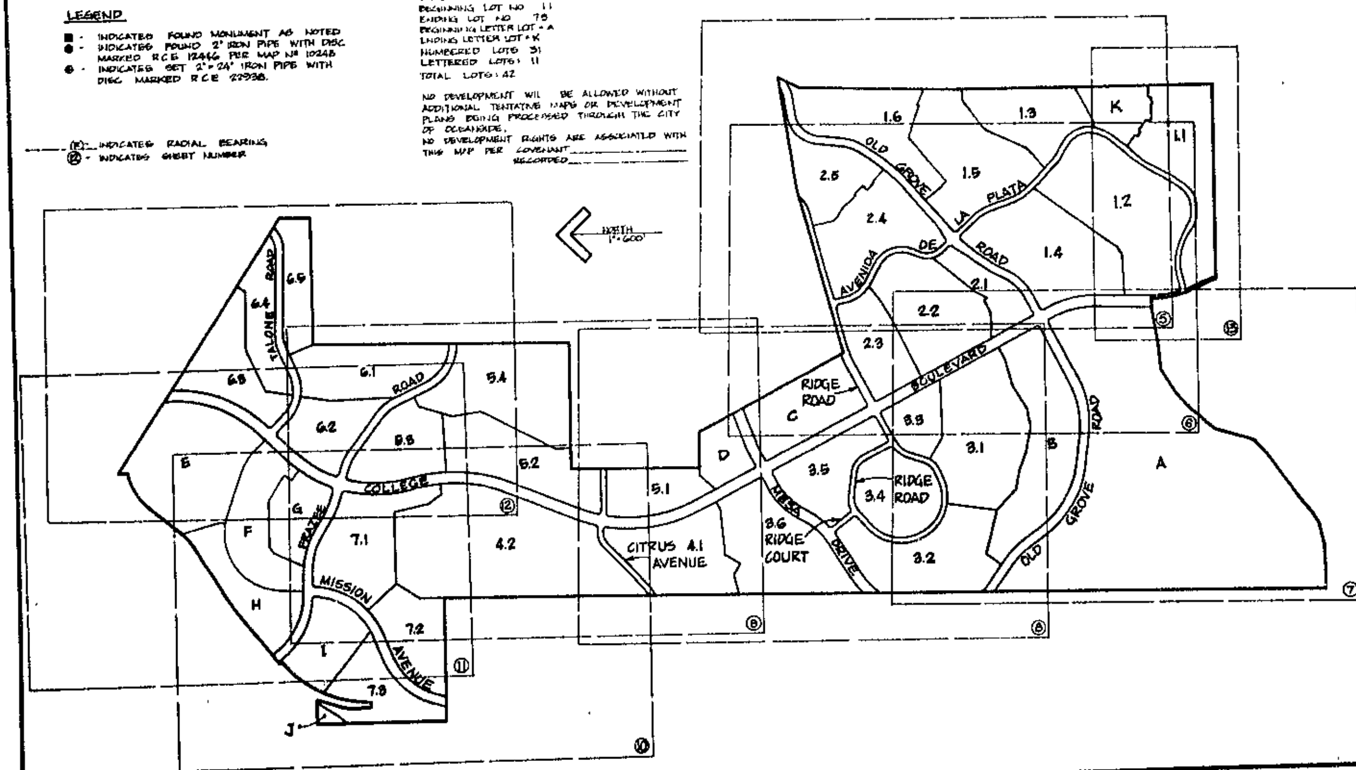
■ - INDICATES FOUND MONUMENT AS NOTED
● - INDICATES FOUND 2" IRON PIPE WITH DISC MARKED RCE 12446 PER MAP Nº 10248
● - INDICATES SET 2" x 24" IRON PIPE WITH DISC MARKED RCE 22938.

——(R)— INDICATES RADIAL BEARING
⑫ - INDICATES SHEET NUMBER

GENERAL NOTES

TOTAL AREA : 917.062 ACRES
BEGINNING LOT NO 11
ENDING LOT NO 75
BEGINNING LETTER LOT : A
ENDING LETTER LOT : K
NUMBERED LOTS 31
LETTERED LOTS : 11
TOTAL LOTS : 42

NO DEVELOPMENT WILL BE ALLOWED WITHOUT ADDITIONAL TENTATIVE MAPS OR DEVELOPMENT PLANS BEING PROCESSED THROUGH THE CITY OF OCEANSIDE.
NO DEVELOPMENT RIGHTS ARE ASSOCIATED WITH THIS MAP PER COVENANT________ RECORDED________



2256

Nº 490781

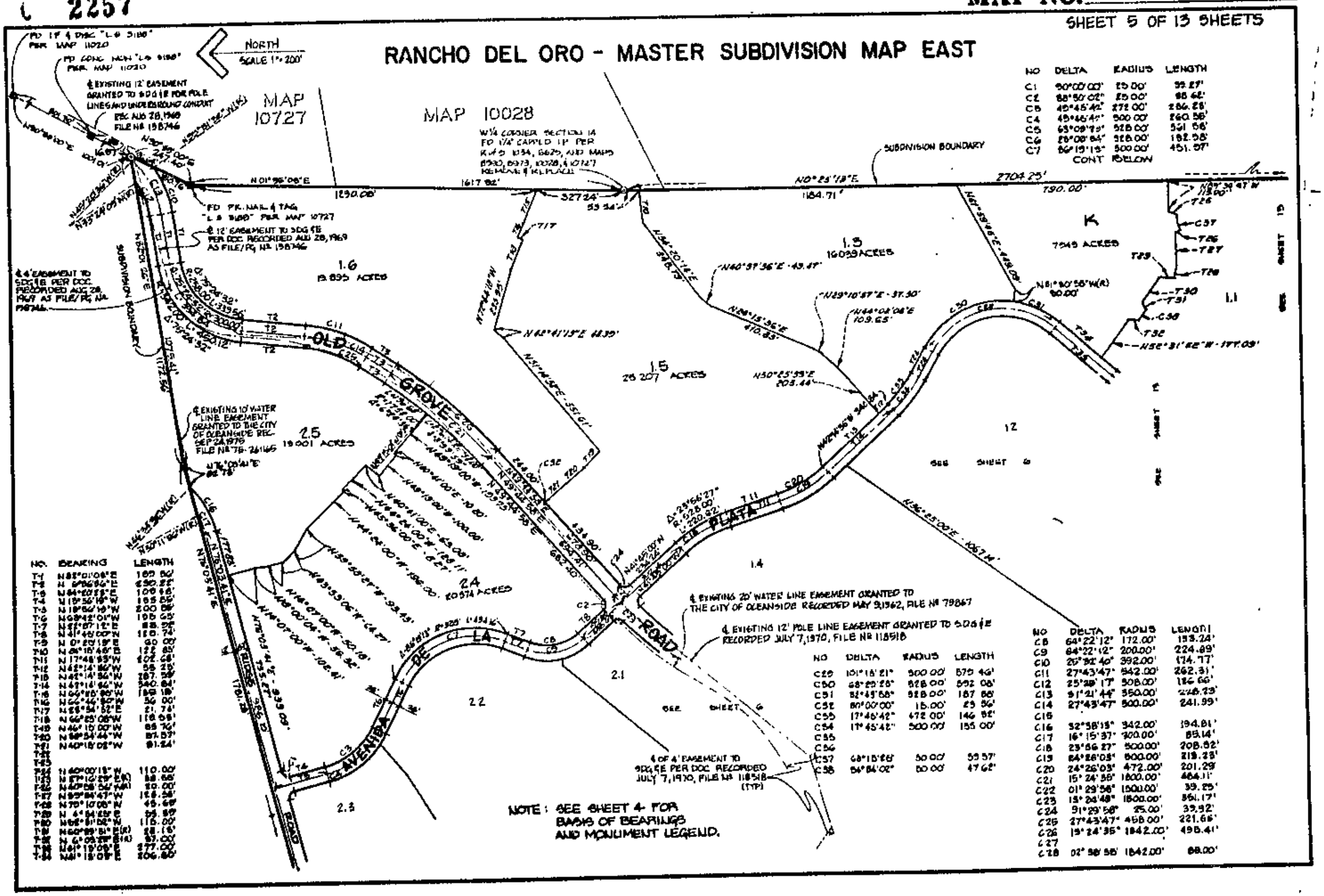
57 85-

EXHIBIT F-1

2257

EXHIBIT F

MAP NO.



2258

85-

№ 490781

EXHIBIT F-1

2259

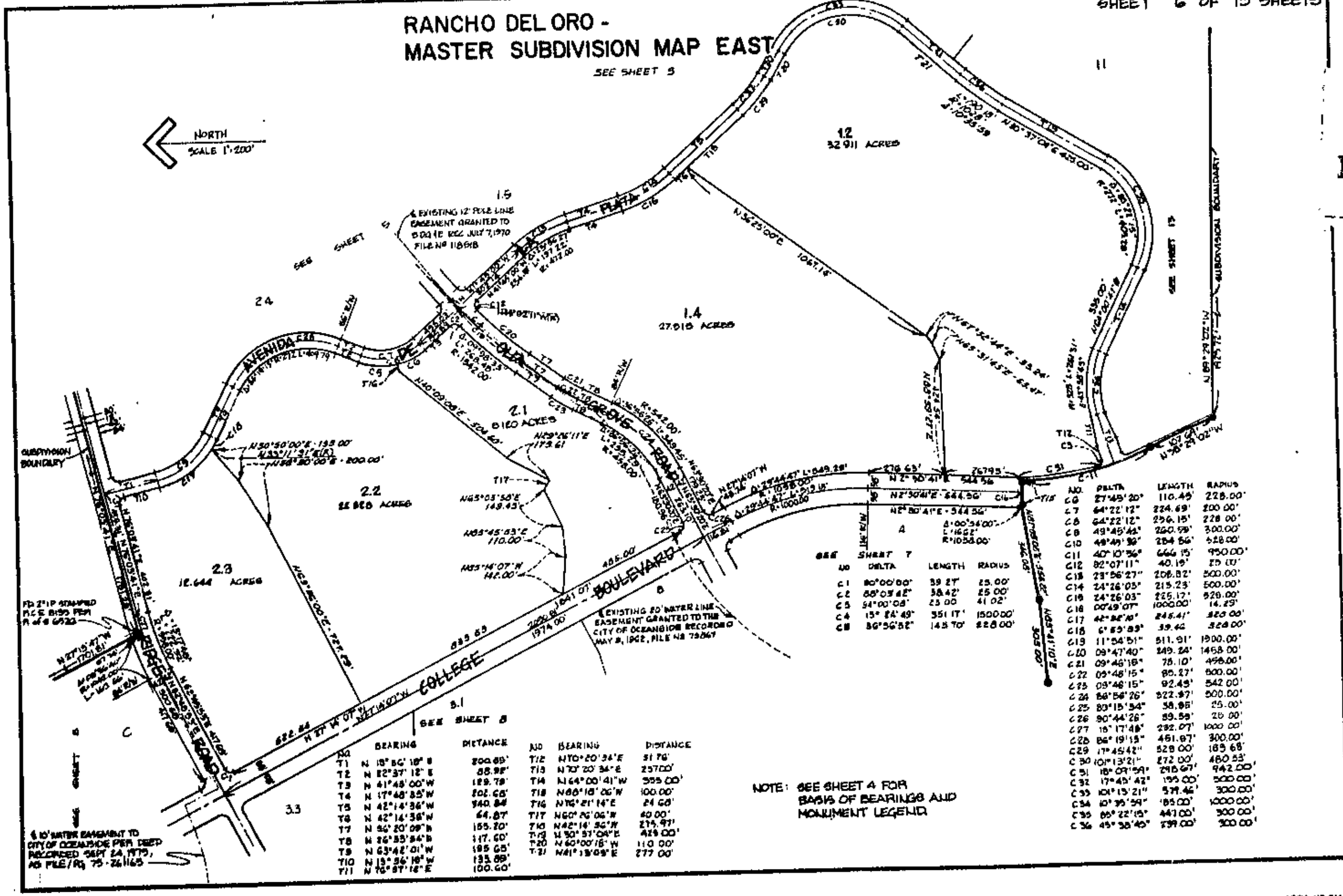
EXHIBIT F

MAP NO.

2260

SHEET 6 OF 15 SHEETS

RANCHO DEL ORO - MASTER SUBDIVISION MAP EAST



NO.	BEARING	DISTANCE
T1	N 18°56'18" E	200.69'
T2	N 22°37'12" E	66.98'
T3	N 41°48'00"W	129.79'
T4	N 17°48'35"W	202.66'
T5	N 42°14'36"W	340.84
T6	N 42°14'36"W	64.87'
T7	N 56°20'09"W	155.20'
T8	N 26°33'34"W	117.60'
T9	N 63°42'01"W	195.65'
T10	N 13°56'18"W	135.89'
T11	N 76°57'16"E	100.60'
T12	N 70°20'34"E	51.76'
T13	N 70°20'34"E	257.00'
T14	N 64°00'41"W	355.00'
T15	N 66°16'06"W	100.00'
T16	N 16°21'14"E	24.60'
T17	N 60°26'06"W	40.00'
T18	N 42°14'36"W	215.97'
T19	N 30°57'04"E	429.00'
T20	N 60°00'16"W	110.00'
T21	N 41°19'09"E	277.00'

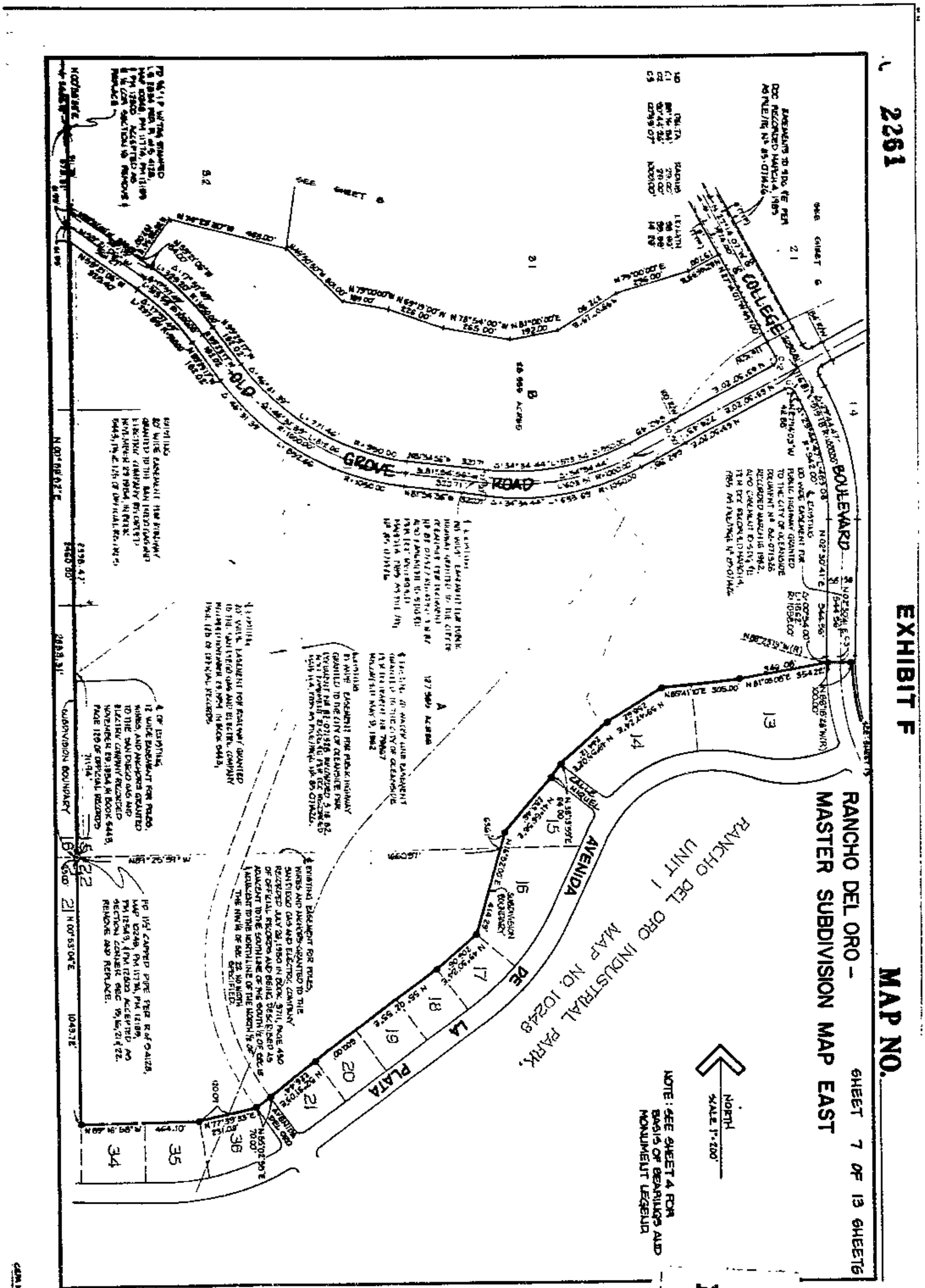
NO	DELTA	LENGTH	RADIUS
C1	90°00'00"	39.27'	25.00'
C2	88°05'42"	38.42'	25.00'
C3	94°00'08"	25.00	41.02'
C4	15°24'49"	351.17'	1500.00'
C5	36°56'52"	145.70'	228.00'
C6	27°45'20"	110.49'	228.00'
C7	64°22'12"	224.69'	200.00'
C8	64°22'12"	256.15'	228.00'
C9	49°45'42"	260.59'	300.00'
C10	49°45'39"	284.56'	328.00'
C11	40°10'56"	666.15'	950.00'
C12	82°07'11"	40.19'	25.00'
C13	23°56'27"	206.82'	500.00'
C14	24°26'03"	213.23'	500.00'
C15	24°26'03"	225.17'	528.00'
C16	00°49'07"	1000.00'	14.29'
C17	42°52'10"	245.41'	328.00'
C18	6°53'53"	39.46	328.00'
C19	11°54'51"	511.91'	1900.00'
C20	09°47'40"	249.24'	1458.00'
C21	09°46'15"	78.10'	458.00'
C22	09°46'15"	85.27'	500.00'
C23	09°46'15"	92.49'	542.00'
C24	88°58'26"	822.97'	500.00'
C25	80°15'54"	38.86'	25.00'
C26	90°44'26"	39.59'	25.00'
C27	16°17'48"	282.07'	1000.00'
C28	86°19'15"	451.87'	300.00'
C29	17°45'42"	528.00'	189.68'
C30	101°13'21"	272.00'	480.53'
C31	18°09'59"	298.67'	942.00'
C32	17°45'42"	155.00'	500.00'
C33	101°13'21"	579.46'	300.00'
C34	10°35'59"	185.00'	1000.00'
C35	85°22'15"	447.00'	300.00'
C36	45°38'40"	239.00'	300.00'

CEPA NO 811-64

Nº 490781

85-

EXHIBIT F-1



№ 490781

85-

EXHIBIT F-1

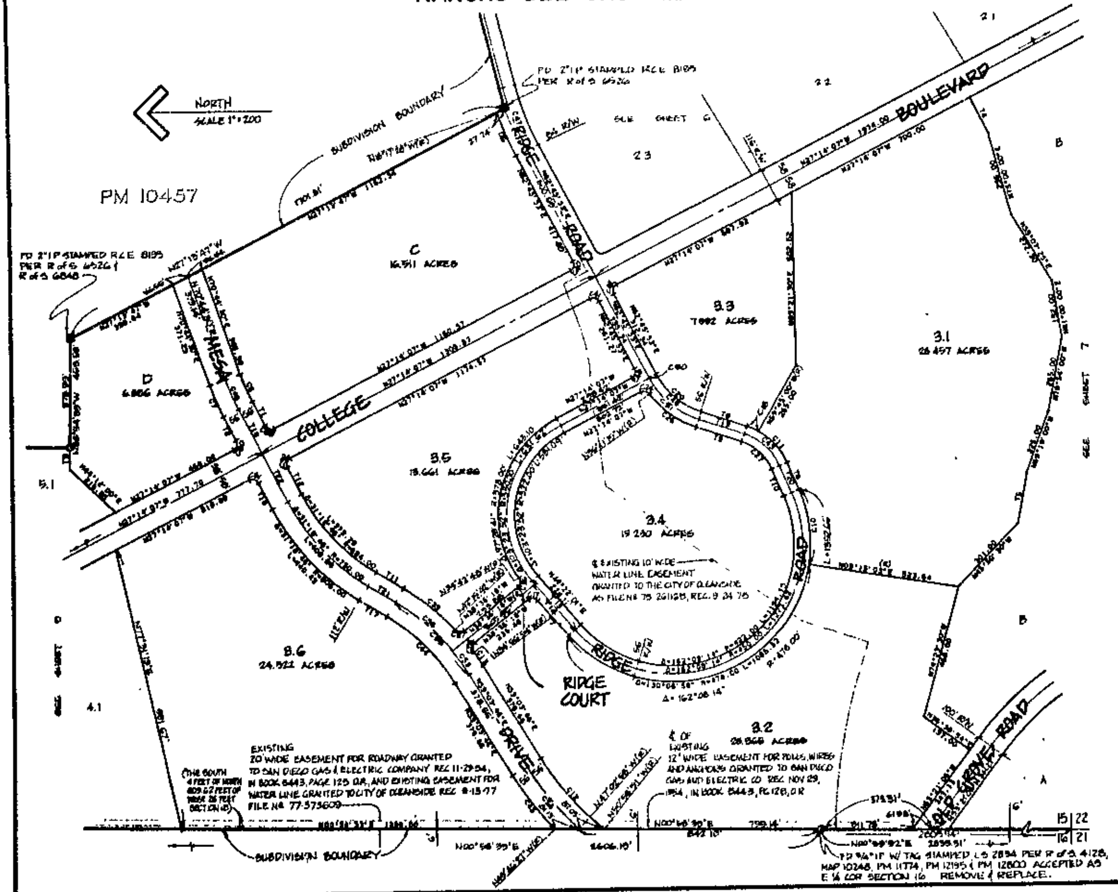
C 2263

EXHIBIT F

MAP NO.

RANCHO DEL ORO - MASTER SUBDIVISION MAP EAST

SHEET 8 OF 13 SHEETS



NO.	DELTA	RADIUS	LENGTH
C5	8°56' 40"	1042.00	162.64'
C6	7°58' 37"	744.00	103.58
C7	7°58' 37"	856.00	119.17
C8			
C9			
C10	32°01' 16"	478.00	267.14
C11	36°58' 47"	228.00	147.15
C12	20°02' 37"	944.00	330.23
C13	4°00' 40"	806.00	56.43
C14			
C15			
C16			
C17	87°58' 19"	25.00	38.38
C18	11°29' 06"	228.00	45.70
C19			
C20	44°00' 00"	272.00	208.89
C21			
C22			
C23			
C24	81°02' 52"	25.00	35.36
C25			
C26	35°02' 51"	328.00	200.64
C27	48°27' 53"	172.00	145.48
C28			
C29	90°00' 00"	25.00	39.27
C30	90°00' 00"	25.00	39.27
C31	90°00' 00"	25.00	39.27
C32	90°00' 00"	25.00	39.27
C33			
C34			
C35			
C36	86°06' 50"	25.00	37.57
C37	86°20' 56"	25.00	37.67
C38	86°20' 36"	25.00	37.67
C39	15°17' 10"	806.00	215.10
C40	90°00' 00"	25.00	39.27
C41	90°00' 00"	25.00	39.27
C42	90°00' 00"	25.00	39.27
C43	90°00' 00"	25.00	39.27
C44	27°36' 39"	694.00	334.44
C45	12°50' 13"	1056.00	236.60
C46	7°58' 37"	800.00	111.36
C47	13°17' 48"	1000.00	232.07'
C48	44°00' 00"	300.00	230.38
C49	48°27' 53"	200.00	169.17
C50	00°22' 08"	300.00	1.93
C51	45°57' 52"	300.00	240.65
C52			
C53	7°40' 04"	750.00	100.37
C54	16°08' 44"	1000.00	281.21
C55	67°56' 59"	780.00	961.42
C56	19°56' 38"	750.00	261.05

NOTE: SEE SHEET 4 FOR BASIS OF BEARINGS AND MONUMENT LEGEND

NO.	BEARING	DISTANCE
T1	N62°45' 53"E	93.32
T2	N62°45' 53"E	93.32
T3	N88°54' 39"W	75.00
T4	N62°45' 53"E	137.00
T5	N79°00' 00"W	185.00
T6	N67°13' 47"E	101.87
T7	N49°22' 01"E	161.88
T8	N18°45' 54"E	165.69
T9	N18°45' 54"E	165.69
T10	N67°13' 47"E	101.87
T11	N31°27' 07"E	110.08
T12	N62°45' 53"E	104.66
T13	N49°22' 01"E	228.11
T14	N49°22' 01"E	212.84
T15		
T16	N62°45' 53"E	104.66
T17	N31°27' 07"E	110.08
T18	N62°45' 53"E	176.32
T19	N18°45' 54"E	165.49
T20	N67°13' 47"E	101.87
T21	N31°27' 07"E	110.08
T22	N62°45' 53"E	107.68

C 2264

85-57

No 490781

EXHIBIT F-1

2265

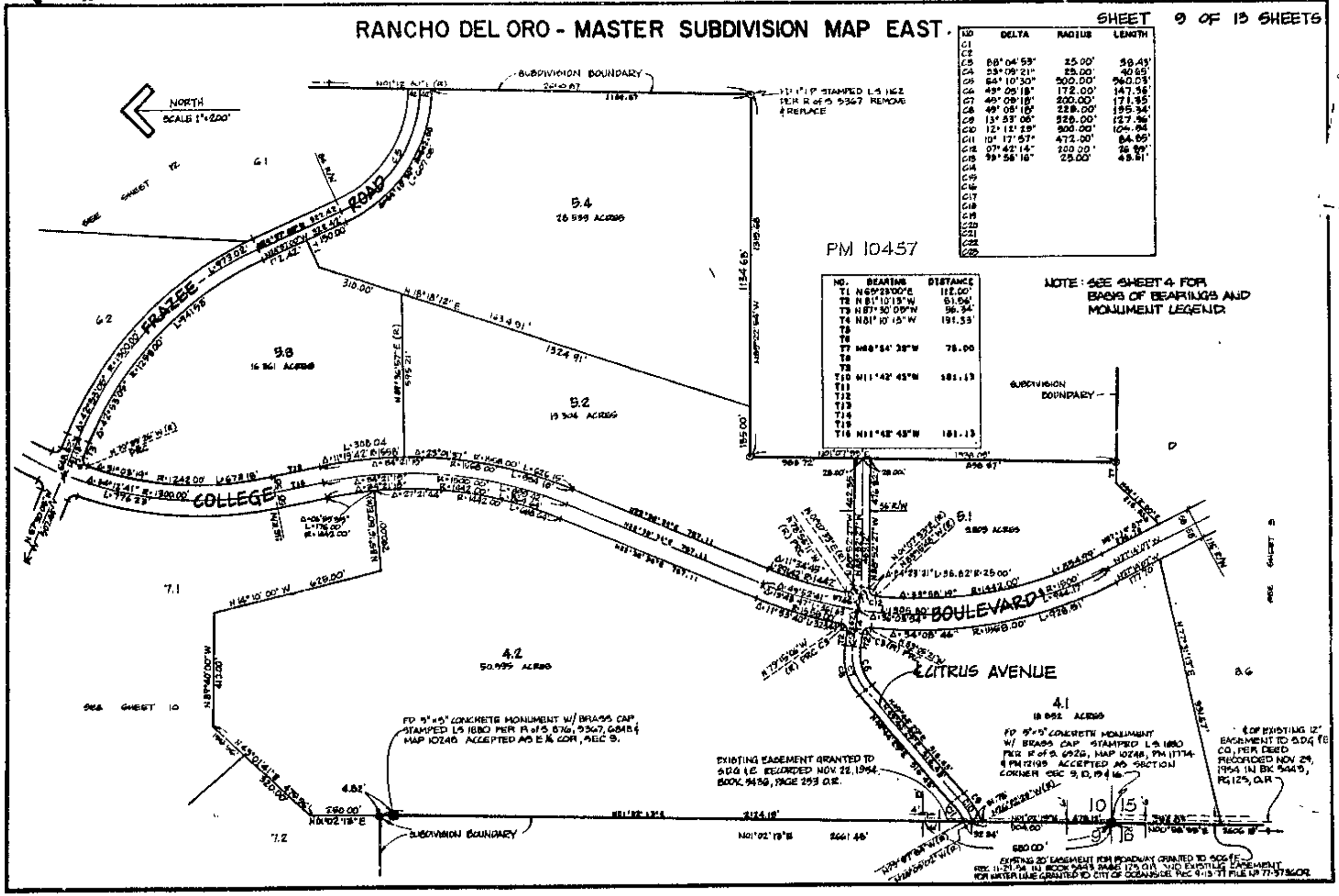
EXHIBIT F

MAP NO.

2266

№ 490781

57 85-



NO	DELTA	RADIUS	LENGTH
C1			
C2			
C3	88°04'53"	25.00'	38.43'
C4	93°09'21"	25.00'	40.65'
C5	64°10'30"	500.00'	560.03'
C6	49°05'18"	172.00'	147.36'
C7	49°09'18"	200.00'	171.35'
C8	49°08'18"	228.00'	195.34'
C9	13°53'06"	528.00'	127.96'
C10	12°12'29"	500.00'	104.64
C11	10°17'57"	472.00'	84.85'
C12	07°42'14"	200.00'	26.89'
C13	99°56'16"	25.00'	43.61'
C14			
C15			
C16			
C17			
C18			
C19			
C20			
C21			
C22			
C23			

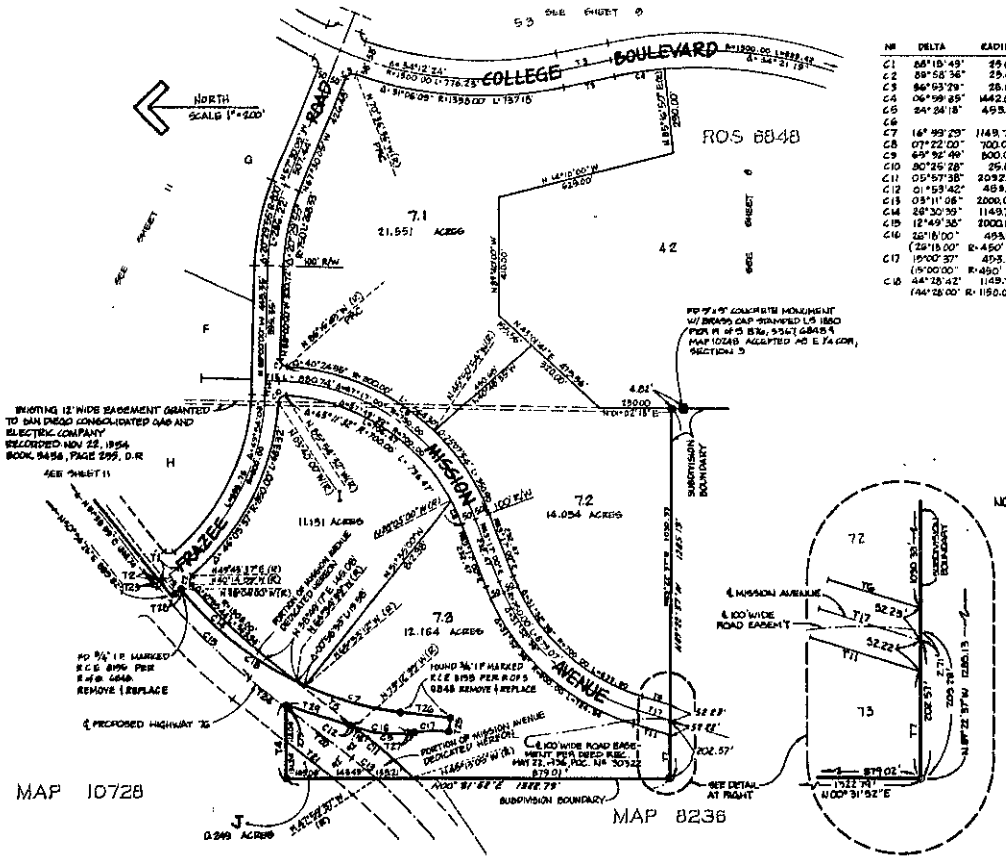
NO.	BEARING	DISTANCE
T1	N65°23'00"E	112.00'
T2	N81°10'15"W	61.96'
T3	N87°30'09"W	56.34'
T4	N81°10'15"W	191.53'
T5		
T6		
T7	N88°54'39"W	78.00
T8		
T9		
T10	N11°42'45"W	181.13
T11		
T12		
T13		
T14		
T15		
T16	N11°42'45"W	181.13

EXHIBIT F-1

EXHIBIT F

MAP NO._________

RANCHO DEL ORO - MASTER SUBDIVISION MAP EAST



Nº	DELTA	RADIUS	LENGTH
C1	88°15'49"	25.00'	38.51'
C2	89°58'36"	25.00'	39.26'
C3	96°93'29"	28.00'	97.91'
C4	06°59'85"	1442.00'	176.00'
C5	24°24'18"	495.51'	193.17'
C6			
C7	16°99'29"	1149.79'	340.98'
C8	07°22'00"	700.00'	90.00'
C9	69°92'49"	800.00'	915.20'
C10	90°25'28"	25.00'	39.46'
C11	05°57'38"	2092.00'	217.63'
C12	01°53'42"	469.51'	15.00'
C13	03°11'06"	2000.00'	111.17'
C14	26°30'39"	1149.79'	532.01'
C15	12°49'38"	2000.00	447.75'
C16	26°18'00"	493.51'	208.17'
	(26°15'00"	R=450'	L=206.56' PER #4)
C17	15°00'37"	493.13'	118.71'
	(15°00'00"	R=450'	L=117.81' PER #4)
C18	44°28'42"	1149.79'	892.97'
	(44°28'00"	R=1150.00'	L=892.50' PER #4)

Nº	BEARING	DISTANCE
T1	N 88°09'57"W	63.54'
T2	N 88°09'57"W	21.29'
T3	N 11°42'45"W	101.15'
T4	N 89°58'16"W	252.07'
T5	N 38°49'17"E	253.54'
T6	N 17°24'22"E	89.76'
T7	N 89°22'57"W	180.35'
T8		
T9		
T10		
T11	N 17°24'22"E	129.92'
T12		
T13		
T14	N 88°00'00"W	60.00'
T15	N 38°49'17"E	44.74'
T16	N 02°00'00"E	60.00'
T17	N 17°24'22"E	114.84'
T18		
T19	N 50°54'26"E	83.52'
T20	N 38°49'17"E	267.28'
T21	N 38°49'17"E	211.80'
T22		
T23	N 51°38'55"E	12.51'
T24	N 38°49'17"E	156.21'
T25	N 82°36'18"W(R)	80.04'
	(N 83°02'35"W	80.00' PER #4)
T26	N 07°27'18"E	173.36'
	(N 06°57'26"E	173.40' PER #4)
T27	N 07°36'57"W	2.60
	(N 06°02'56"W	2.78' PER #4)
T28	N 38°05'56"W	31.42'
	(N 38°34'39"W	PER #4)
T29	N 18°41'03"E	245.29'
	(N 18°15'25"E	245.16' PER #4)

NOTE: SEE SHEET 4 FOR BASIS OF BEARINGS AND MONUMENT LEGEND.

2268

Nº 491781

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EXHIBIT F-1

2269

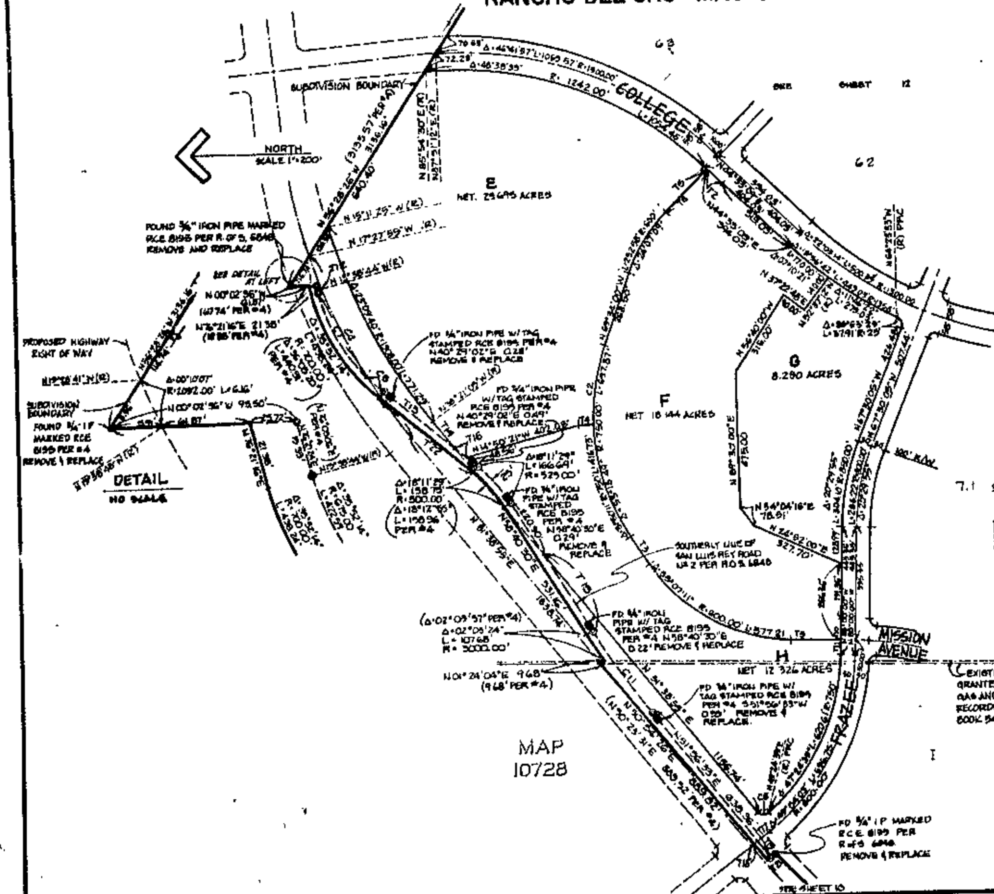
EXHIBIT F

MAP NO.________

2270

RANCHO DEL ORO - MASTER SUBDIVISION MAP EAST

SHEET 11 OF 13 SHEETS



Nº	DELTA	LENGTH	RADIUS
C2	21°28'38"	281.14'	750.00'
C4	20°53'10"	729.06'	2000.00'
C5			
C6	92°14'16"	40.25'	25.00'
C7	31°54'58"	375.88'	675.00'
C8	07°57'16"	93.71'	675.00'
C9			
C10			
C11	09°43'57"	549.08'	2975.00'
C12			
C13			
C14			

Nº	BEARING	DISTANCE
T1	N 45°26'41"W	181.69'
T2	N 44°05'03"E	75.00'
T3	N 67°07'11"E	112.26'
T4	N 01°02'58"W(R)	50.00'
T5	N 44°03'09"E	10.00'
T6	N 45°26'41"W	106.45'
T7		
T8		
T9	N 02°00'00"E	173.86'
T10	N 88°00'00"W	78.00'
T11	N 88°00'00"W	50.00'
T12	N 16°21'24"E	15.55'
T13	N 40°29'02"E	510.89'
T14	N 81°38'59"E	118.16'
T15	N 58°40'30"E	510.20'
T16	N 40°29'02"E	80.04'
T17	N 38°08'57"W	63.94'
T18	N 38°08'57"W	21.25'
T19	N 50°59'16"E	63.62'
T20	N 81°38'59"E	481.87'
T21	N 38°05'56"W (N 38°54'36"W PER #4)	51.42'
T22	N 40°29'02"E (N 39°57'46"E PER #4)	419.49' (418.75')

NOTE: SEE SHEET 4 FOR BASIS OF BEARINGS AND MONUMENT LEGEND.

Nº 490781

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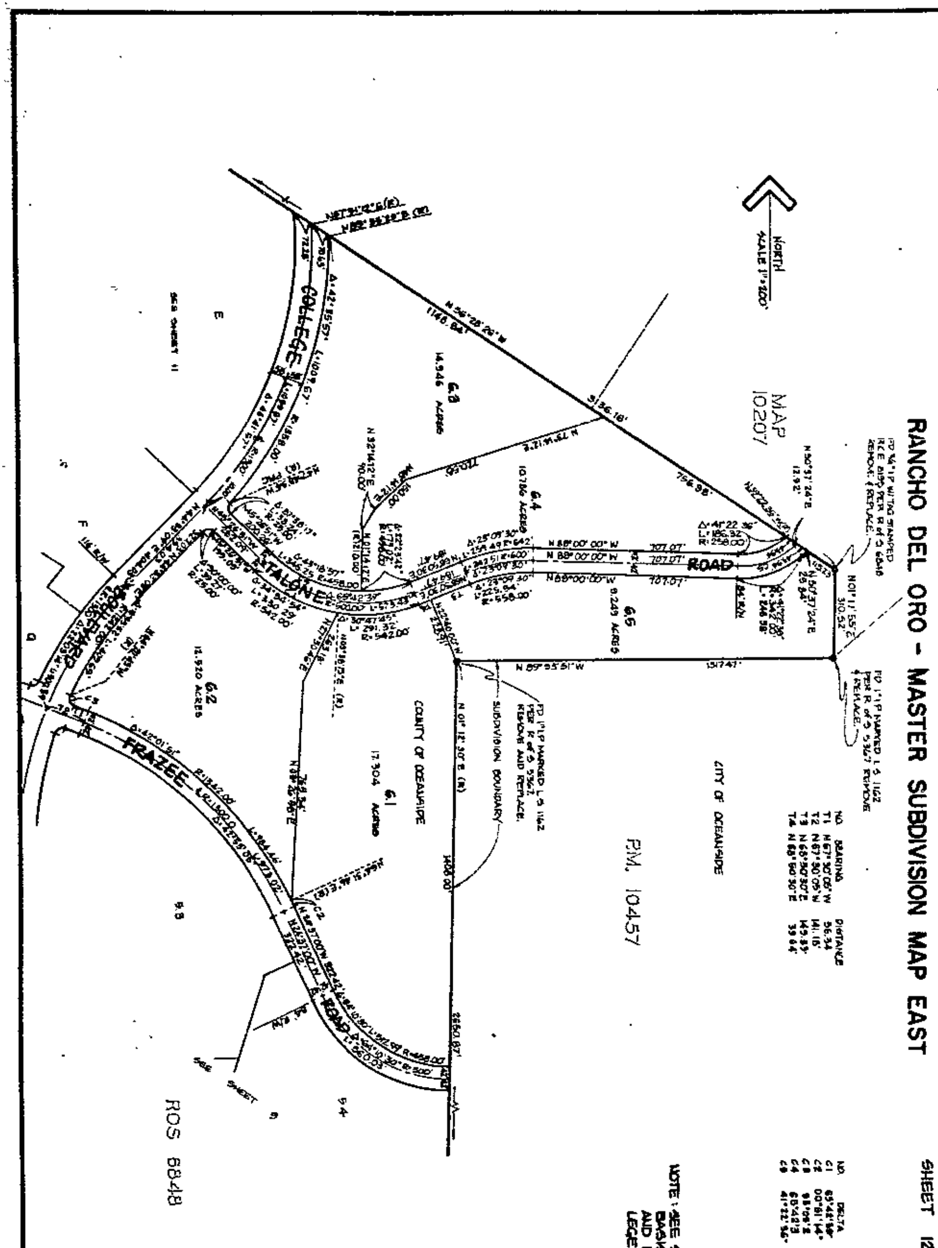
EXHIBIT F-1



2272

No 497781

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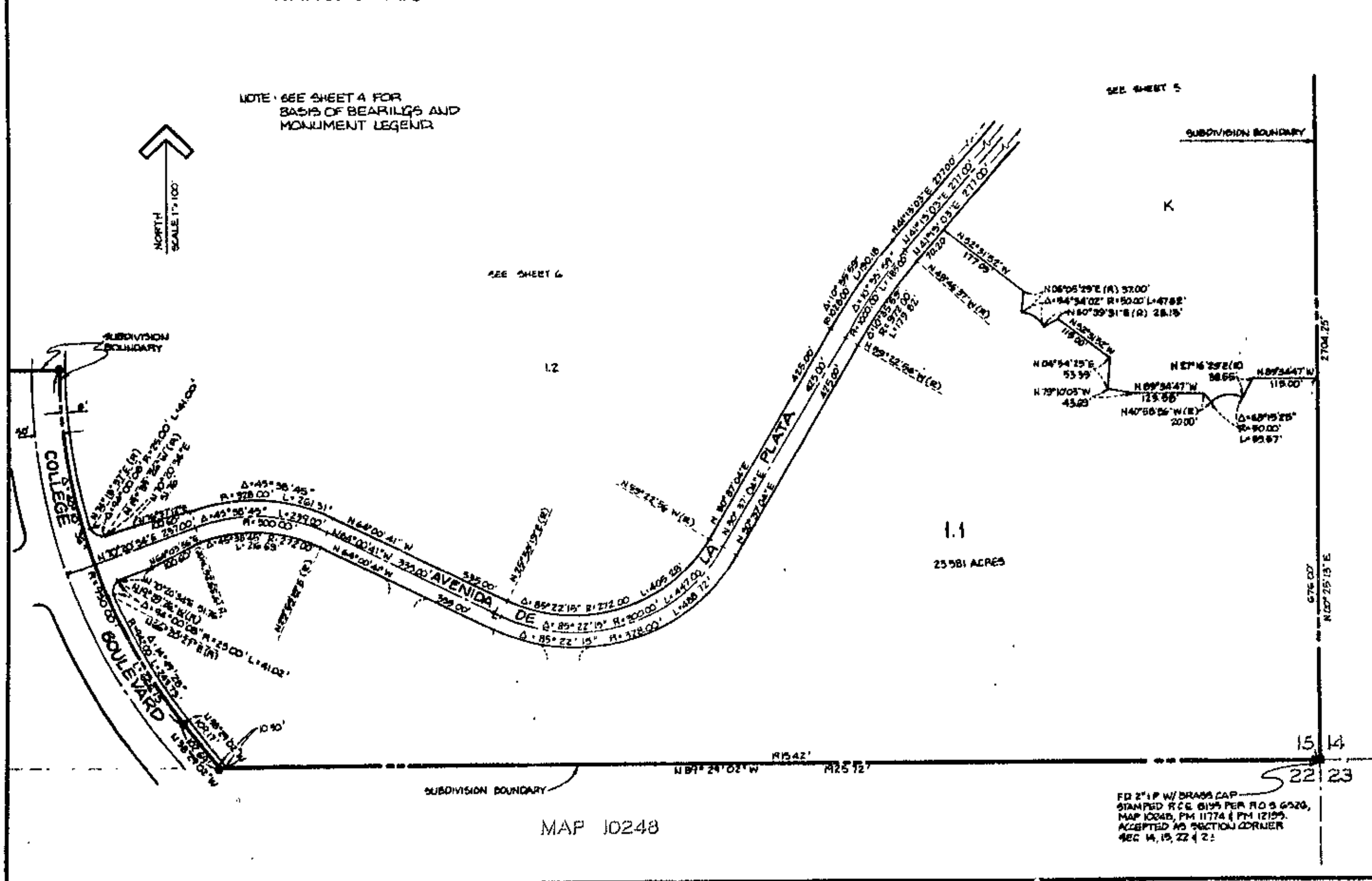
EXHIBIT F-1

EXHIBIT F

MAP NO.

RANCHO DEL ORO - MASTER SUBDIVISION MAP EAST

SHEET 13 OF 13 SHEETS



2274

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№ 490781

EXHIBIT F-1

2275

EXHIBIT F

MAP NO.______

RANCHO DEL ORO - MASTER SUBDIVISION MAP WEST

IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA

SHEET 1 OF 12 SHEETS

BEING A SUBDIVISION OF PORTIONS OF SECTIONS 17, 19, 20, AND 21, TOWNSHIP 11 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY.

SUBDIVISION GUARANTEE BY CONTINENTAL LAND TITLE INSURANCE COMPANY, ORDER NUMBER 331947-0.

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF OR ARE INTERESTED IN THE LANDS INCLUDED WITHIN THE SUBDIVISION SHOWN ON THIS MAP WITHIN THE DISTINCTIVE BORDER LINES, AND WE CONSENT TO THE PREPARATION AND FILING OF SAID MAP AND SUBDIVISION.

WE HEREBY DEDICATE IN FEE TO THE PUBLIC USE ALL STREETS, HIGHWAYS AND OTHER PUBLIC WAYS SHOWN ON SAID MAP.

RANCHO DEL ORO DEVELOPMENTS HEREBY GRANTS TO CITY OF OCEANSIDE ANY AND ALL SLOPE EASEMENTS NECESSARY FOR THE CONSTRUCTION OF THE PUBLIC STREETS BEING OFFERED FOR DEDICATION HEREON. SUCH EASEMENTS SHALL BE MORE PRECISELY DEFINED AT A LATER DATE UPON CITY APPROVAL OF IMPROVEMENT PLANS FOR THESE STREETS.

RANCHO DEL ORO DEVELOPMENTS AGREES TO GRANT TO THE CITY OF OCEANSIDE, UTILITY EASEMENTS AND LICENSE TO ENTER UPON THE PROPERTY FOR THE PURPOSE OF CONSTRUCTING UTILITIES, TO THE EXTENT THAT SUCH EASEMENTS AND LICENSES TO ENTER MAY BE REQUIRED TO SERVE PORTIONS OF THE PROPERTY IN ACCORDANCE WITH THE INFRASTRUCTURE PHASING DIAGRAMS OF THE SPECIFIC PLAN (S-1-84). SUCH EASEMENTS AND LICENSES SHALL BE MORE PRECISELY DEFINED AT A LATER DATE CONCURRENT WITH THE APPROVAL OF IMPLEMENTING TENTATIVE MAPS AND/OR IMPLEMENTING DEVELOPMENT PLANS.

RANCHO DEL ORO DEVELOPMENTS, A CALIFORNIA GENERAL PARTNERSHIP AS TO PARCEL "C" OF PARCEL MAP NUMBER 11774 AND PARCELS "A", "C", "D" AND A PORTION OF PARCEL "B" OF PARCEL MAP NUMBER 12901.

BY: ______________________ DATE: ______________
GENERAL PARTNER

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON (S) WHO EXECUTED THE WITHIN INSTRUMENT AS THE ______________ OF THE PARTNERS OF ______________, THE PARTNERSHIP THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH PARTNERSHIP EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ______________

NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

OCEANSIDE REALTY AND DEVELOPMENT CO., A DELAWARE CORPORATION, AS TO THE REMAINDER.

BY: LAND TITLE INSURANCE TITLE COMPANY, A CALIFORNIA CORPORATION, ITS ATTORNEY-IN-FACT.

BY: ______________________
VICE PRESIDENT

BY: ______________________
SECRETARY

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE ______________ VICE PRESIDENT, AND ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE ______________ SECRETARY OF THE CORPORATION THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BYLAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ______________

NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

CRYSTAL SILICA COMPANY, A CALIFORNIA CORPORATION, AS LESSEE.

BY: LAND TITLE INSURANCE TITLE COMPANY, A CALIFORNIA CORPORATION, ITS ATTORNEY-IN-FACT.

BY: ______________________
VICE PRESIDENT

BY: ______________________
SECRETARY

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE ______________ PRESIDENT, AND ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS ______________ SECRETARY OF THE CORPORATION THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BYLAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS AS LESSEE.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ______________

NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

I, EARL H. RITZ, ACTING CITY TREASURER OF THE CITY OF OCEANSIDE, CALIFORNIA, HEREBY CERTIFY THAT, ACCORDING TO THE RECORDS OF MY OFFICE, THERE ARE NO LIENS AGAINST THE SUBDIVISION OR ANY PART THEREOF FOR UNPAID STATE, COUNTY, MUNICIPAL, OR LOCAL TAXES OR SPECIAL ASSESSMENTS NOT YET PAYABLE, AND THAT ANY SPECIAL ASSESSMENTS OR BONDS, THE LAND OF WHICH IS DIVIDED BY SUBDIVISION LOT OR PARCEL LINE HAVE BEEN PAID IN FULL, OR SECURITY, THEREFORE, HAS BEEN DEPOSITED WITH THE CLERK OF THE COUNTY BOARD OF SUPERVISORS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND THIS ____ DAY OF ______________, 198__.

BY: ______________________
ACTING CITY TREASURER, CITY OF OCEANSIDE

WE, COUNTY TREASURER-TAX COLLECTOR OF THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND DIRECTOR - DEPARTMENT OF PUBLIC WORKS OF SAID COUNTY, HEREBY CERTIFY THAT THERE ARE NO UNPAID SPECIAL ASSESSMENTS OR BONDS WHICH MAY BE PAID IN FULL, SHOWN ON THE ANNEXED MAP AND DESCRIBED IN THE CAPTION THEREOF.

COUNTY TREASURER-TAX COLLECTOR:

______________ BY: ______________________
DATED DEPUTY

DIRECTOR, DEPARTMENT OF PUBLIC WORKS:

______________ BY: ______________________
DATED FOR DIRECTOR (ACTING)

SECURITY ALLIED SERVICES, A CALIFORNIA CORPORATION, AS TRUSTEE UNDER DEED OF TRUST RECORDED SEPTEMBER 13, 1984 AS FILE/PAGE NUMBER 84-347030 OF OFFICIAL RECORDS.

BY: ______________ BY: ______________
PRESIDENT SECRETARY

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE ______________ PRESIDENT, AND ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS ______________ SECRETARY OF THE CORPORATION THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BYLAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS AS TRUSTEE.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ______________

NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

SECURITY ALLIED SERVICES, A CALIFORNIA CORPORATION, AS TRUSTEE UNDER DEED OF TRUST RECORDED SEPTEMBER 13, 1984 AS FILE/PAGE NUMBER 84-347031 OF OFFICIAL RECORDS.

BY: ______________ BY: ______________
PRESIDENT SECRETARY

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE ______________ PRESIDENT, AND ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS ______________ SECRETARY OF THE CORPORATION THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BYLAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS AS TRUSTEE.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ______________

NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

THE CITY COUNCIL OF THE CITY OF OCEANSIDE, CALIFORNIA HEREBY APPROVES THE ANNEXED MAP AND THE SUBDIVISION SHOWN THEREON AND ACCEPTS IN FEE ON BEHALF OF THE PUBLIC OCEANSIDE BOULEVARD, EL CAMINO REAL, MESA DRIVE, TOWN CENTER DRIVE, RANCHO DEL ORO ROAD, VIA RANCHO AND AVENIDA DE LA PLATA. BY ORDER OF THE CITY COUNCIL.

SIGNED THIS ____ DAY OF ______________, 198__.

BY: ______________________
MAYOR, CITY OF OCEANSIDE

ATTEST: ______________________
CITY CLERK

I, RICHARD L. CRUZEN, HEREBY CERTIFY THAT I AM A REGISTERED CIVIL ENGINEER OF THE STATE OF CALIFORNIA; THAT THIS FINAL MAP, CONSISTING OF 12 SHEETS, IS A TRUE AND COMPLETE SURVEY AS SHOWN AND WAS MADE BY ME OR UNDER MY DIRECTION FROM SEPTEMBER 1980 TO OCTOBER 1980; THAT THE MONUMENTS OF THE CHARACTER AND LOCATIONS SHOWN HEREON ARE IN PLACE OR WILL BE IN PLACE WITHIN TWENTY-FOUR MONTHS FROM THE FILING DATE OF THIS MAP; THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED AND THAT THE NOTES TO ALL CENTERLINE MONUMENTS SHOWN AS "TO BE SET" WILL BE ON FILE IN THE OFFICE OF THE CITY ENGINEER WITHIN TWENTY-FOUR MONTHS FROM THE FILING DATE SHOWN HEREON.

______________ BY: ______________________
DATE RICHARD L. CRUZEN, R.C.E. 22938

I, RONALD A. BECKMAN, CITY ENGINEER OF THE CITY OF OCEANSIDE, CALIFORNIA, HEREBY CERTIFY THAT I HAVE EXAMINED THE ANNEXED MAP AND FIND IT TO BE SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP AND ANY APPROVED ALTERATION THEREOF, THAT THE PROVISIONS OF THE STATE SUBDIVISION MAP ACT AND CITY OF OCEANSIDE LOCAL ORDINANCE NUMBER 946 HAVE BEEN COMPLIED WITH, AND I AM SATISFIED THAT THE MAP IS TECHNICALLY CORRECT.

______________ BY: ______________________
DATE RONALD A. BECKMAN, R.C.E. 17917
CITY ENGINEER, CITY OF OCEANSIDE

WE, THE UNDERSIGNED, HEREBY CERTIFY THAT WE HAVE EXAMINED EACH LOT SHOWN ON THE ANNEXED MAP AS TO ITS VALUE FOR RESIDENTIAL PURPOSES AND WE FIND THE SAID SUBDIVISION SUITABLE FOR SUCH PURPOSES.

______________ BY: ______________________
DATE RONALD A. BECKMAN, R.C.E. 17917
CITY ENGINEER, CITY OF OCEANSIDE

______________ BY: ______________________
DATE SECRETARY, PLANNING COMMISSION

I, KATHRYN A. NELSON, CLERK OF THE BOARD OF SUPERVISORS, HEREBY CERTIFY THAT THE PROVISIONS OF THE SUBDIVISION MAP ACT (DIVISION 2 OF TITLE 7 OF THE GOVERNMENT CODE) OF THE STATE OF CALIFORNIA, AS AMENDED, REGARDING (a) DEPOSITS FOR TAXES, AND (b) CERTIFICATION OF THE ABSENCE OF LIENS FOR UNPAID STATE, COUNTY, MUNICIPAL, OR LOCAL TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES EXCEPT THOSE NOT YET PAYABLE, HAVE BEEN COMPLIED WITH FOR THE PROPERTY WITHIN THIS SUBDIVISION.

KATHRYN A. NELSON
CLERK OF THE BOARD OF SUPERVISORS:

______________ BY: ______________________
DATED DEPUTY

I HEREBY APPROVE THE NAME "RANCHO DEL ORO MASTER SUBDIVISION MAP WEST" FOR THE SUBDIVISION SHOWN ON THE ANNEXED MAP.

______________ BY: ______________________
DATE VERA L. LYLE
COUNTY RECORDER

FILE NUMBER: ______________

APPROVED BY THE PLANNING COMMISSION OF THE CITY OF OCEANSIDE, CALIFORNIA.

______________ BY: ______________________
DATE SECRETARY, PLANNING COMMISSION

APPROVED AS TO FORM AFTER EXAMINATION OF THE ANNEXED MAP AND CERTIFICATE THEREON.

______________ BY: ______________________
DATE CITY ATTORNEY, CITY OF OCEANSIDE

I, VERA L. LYLE, COUNTY RECORDER OF THE COUNTY OF SAN DIEGO, CALIFORNIA, HEREBY CERTIFY THAT I HAVE ACCEPTED FOR RECORDATION THIS MAP FILED AT THE REQUEST OF RICHARD L. CRUZEN THIS ____ DAY OF ______________, 198__ AT ______ O'CLOCK.

VERA L. LYLE,
COUNTY RECORDER

______________ BY: ______________________
DATE DEPUTY

2276

85-

Nº 490781

EXHIBIT F

2277

MAP NO.____________

2278

85-

57

Nº 490781

RANCHO DEL ORO - MASTER SUBDIVISON MAP WEST

SHEET 2 OF 12 SHEETS

TICOR TITLE INSURANCE COMPANY OF CALIFORNIA, A CALIFORNIA CORPORATION, AS TRUSTEE UNDER A DEED OF TRUST RECORDED SEPTEMBER 13, 1984 AS FILE/PAGE NUMBER 84-347021 OF OFFICIAL RECORDS.

BY: ________________ PRESIDENT BY: ________________ SECRETARY

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE __________ PRESIDENT, AND ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE __________ SECRETARY OF THE CORPORATION THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BYLAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS AS TRUSTEE.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ________________

____
NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

RANCHO DEL ORO DEVELOPMENTS, A CALIFORNIA CORPORATION, AS OPTIONEE UNDER OPTION OF PURCHASE RECORDED SEPTEMBER 13, 1984 AS FILE/PAGE NUMBER 84-347026 OF OFFICIAL RECORDS.

BY: ________________ PRESIDENT BY: ________________ SECRETARY

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE __________ PRESIDENT, AND ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE __________ SECRETARY OF THE CORPORATION THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BYLAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS AS OPTIONEE.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ________________

____
NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

SECURITY ALLIED SERVICES, A CALIFORNIA CORPORATION, AS TRUSTEE UNDER DEED OF TRUST RECORDED DECEMBER 20, 1985 AS FILE/PAGE NUMBER 85-480760 OF OFFICIAL RECORDS.

BY: ________________ PRESIDENT BY: ________________ SECRETARY

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE __________ PRESIDENT, AND ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE __________ SECRETARY OF THE CORPORATION THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BYLAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS AS TRUSTEE.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ________________

____
NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

ENTIRE VILLAGES, ENTIRE NON-RESIDENTIAL/NON-INDUSTRIAL SITE, AND ENTIRE INDUSTRIAL SITES, AS ESTABLISHED BY SPECIFIC PLAN S-1-84 AND THIS MASTER TENTATIVE MAP, MAY BE SOLD, TRANSFERRED OR CONVEYED AFTER RECORDATION OF THE MASTER FINAL MAP.

NO SALE, TRANSFER, CONVEYANCE, SUBDIVISION OR DEVELOPMENT OF ANY INDIVIDUAL TRACT, LOT OR PORTION OF PROPERTY IN VILLAGES 1 THROUGH 10 (EXCLUDING TRACT 1.1 OF VILLAGE 1 AND VILLAGE 8) SHALL OCCUR UNTIL APPROVAL OF AN IMPLEMENTING TENTATIVE MAP (OR IMPLEMENTING TENTATIVE PARCEL MAP) AND CONCURRENT IMPLEMENTING DEVELOPMENT PLAN FOR THE ENTIRE VILLAGE, IN ACCORDANCE WITH CONDITION NO. 23 OF RESOLUTION NO. 85-242 APPROVING THIS MASTER TENTATIVE MAP, AND CONDITION NO. 6 OF RESOLUTION NO. 85-238, APPROVING THE RANCHO DEL ORO SPECIFIC PLAN. NO DEVELOPMENT OF AN ENTIRE VILLAGE SHALL OCCUR PRIOR TO THE APPROVAL OF THE IMPLEMENTING TENTATIVE MAP AND CONCURRENT IMPLEMENTING DEVELOPMENT PLAN FOR THE ENTIRE VILLAGE.

NO SALE, TRANSFER, CONVEYANCE, SUBDIVISION OR DEVELOPMENT OF ANY TRACT, LOT OR PORTION OF PROPERTY CONTAINED WITHIN A NON-RESIDENTIAL/NON-INDUSTRIAL SITE SHALL OCCUR UNTIL APPROVAL OF A MASTER DEVELOPMENT PLAN OR IMPLEMENTING DEVELOPMENT PLAN FOR THE ENTIRE SITE FOR THE ENTIRE NON-RESIDENTIAL/NON-INDUSTRIAL SITE AND IMPLEMENTING TENTATIVE MAP (OR IMPLEMENTING TENTATIVE PARCEL MAP), IN ACCORDANCE WITH CONDITION NO. 23 OF RESOLUTION NO. 85-242, APPROVING THIS MASTER TENTATIVE MAP. NO DEVELOPMENT OF AN ENTIRE NON-RESIDENTIAL/NON-INDUSTRIAL SITE SHALL OCCUR UNTIL APPROVAL OF THE MASTER DEVELOPMENT PLAN OR IMPLEMENTING DEVELOPMENT PLAN FOR THE ENTIRE NON-RESIDENTIAL/NON-INDUSTRIAL SITE. A SITE DEVELOPMENT PLAN OR IMPLEMENTING DEVELOPMENT PLAN MAY ALSO BE REQUIRED PRIOR TO ANY DEVELOPMENT OF THE ENTIRE NON-RESIDENTIAL/NON-INDUSTRIAL SITE, OR PRIOR TO DEVELOPMENT OF ANY TRACT, LOT OR PORTION OF PROPERTY WITHIN A NON-RESIDENTIAL/NON-INDUSTRIAL SITE, WHERE DETAIL FOR SUCH SITE, OR PORTION OF SUCH SITE, SUFFICIENT TO COMPLY WITH THE CITY ZONING ORDINANCE AND/OR SUBDIVISION ORDINANCE HAS NOT BEEN PREVIOUSLY PROVIDED IN THE MASTER DEVELOPMENT PLAN OR IMPLEMENTING DEVELOPMENT PLAN FOR THE ENTIRE NON-RESIDENTIAL/NON-INDUSTRIAL SITE CONTAINING THE TRACT, LOT OR PORTION PROPOSED TO BE DEVELOPED.

NO SALE, TRANSFER, CONVEYANCE, OR SUBDIVISION OF ANY TRACT, LOT OR PORTION OF PROPERTY CONTAINED WITHIN AN INDUSTRIAL SITE SHALL OCCUR UNTIL APPROVAL OF AN IMPLEMENTING DEVELOPMENT PLAN OR MASTER DEVELOPMENT FOR THE ENTIRE INDUSTRIAL SITE AND AN IMPLEMENTING TENTATIVE MAP (OR IMPLEMENTING TENTATIVE PARCEL MAP), IN ACCORDANCE WITH CONDITION NO. 23, OF RESOLUTION NO. 85-242, APPROVING THIS MASTER TENTATIVE MAP. NO DEVELOPMENT OF ANY LOT, TRACT PORTION OF PROPERTY CONTAINED WITHIN AN INDUSTRIAL SITE SHALL OCCUR UNTIL APPROVAL OF AN IMPLEMENTING DEVELOPMENT PLAN OR MASTER DEVELOPMENT PLAN FOR THE ENTIRE INDUSTRIAL SITE AND A SITE DEVELOPMENT PLAN FOR THE TRACT, LOT OR PORTION OF PROPERTY PROPOSED FOR DEVELOPMENT, IN ACCORDANCE WITH CONDITION NO. 23 OF RESOLUTION NO. 85-242 APPROVING THIS MASTER TENTATIVE MAP; AND NO DEVELOPMENT OF THE ENTIRE INDUSTRIAL SITE SHALL OCCUR UNTIL APPROVAL OF THE MASTER DEVELOPMENT PLAN OR IMPLEMENTING DEVELOPMENT PLAN, AND SITE DEVELOPMENT PLAN, FOR THE ENTIRE SITE.

LOT NUMBERS "SHALL" MATCH THAT OF SPECIFIC PLAN VILLAGE, TRACT AND LOT NUMBERING.

IN LIEU OF DEDICATION SAN DIEGO GAS & ELECTRIC COMPANY HEREBY CONSENTS THAT PUBLIC STREETS MAY BE CONSTRUCTED AND MAINTAINED OVER, UPON AND ACROSS PORTIONS OF SAN DIEGO GAS & ELECTRIC COMPANY'S EASEMENTS AND RIGHT OF WAY RECORDED:

1) MARCH 5, 1928, BOOK 1445, PAGE 151
2) OCTOBER 11, 1940, BOOK 1090, PAGE 57
3) JANUARY 28, 1941, BOOK 1122, PAGE 408
4) APRIL 23, 1942, BOOK 1346, PAGE 52
5) JULY 28, 1950, BOOK 3711, PAGE 446
6) AUGUST 6, 1953, BOOK 4945, PAGE 444
7) DECEMBER 2, 1957, BOOK 6852, PAGE 442
8) JULY 30, 1958, BOOK 7109, PAGE 384
9) FEBRUARY 6, 1959, BOOK 7466, PAGE 18
10) MARCH 18, 1964, FILE NUMBER 47072
11) NOVEMBER 17, 1964, FILE NUMBER 208268
12) NOVEMBER 30, 1965, FILE NUMBER 219936
13) FEBRUARY 16, 1967, FILE NUMBER 21093
14) SEPTEMBER 30, 1968, FILE NUMBER 163626
15) JUNE 26, 1973, F/P 73-175114
16) FEBRUARY 19, 1974, F/P 74-040217
17) SEPTEMBER 7, 1976, F/P 76-291780
18) JUNE 7, 1979, F/P 79-234990
19) AUGUST 7, 1980, F/P 80-250876
20) NOVEMBER 20, 1980, F/P 80-390622
21) AUGUST 11, 1983, F/P 83-281203

ALL OF OFFICIAL RECORDS OF SAN DIEGO COUNTY, LYING WITHIN THE BOUNDARY OF THE FOLLOWING STREETS: MESA DRIVE, EL CAMINO REAL, TOWNCENTER DRIVE, OCEANSIDE BOULEVARD, RANCHO DEL ORO ROAD, VIA RANCHO AND AVENIDA DE LA PLATA HEREINAFTER REFERRED TO AS AREAS SUBJECT TO THE FOLLOWING:

A) IN THE EVENT THAT THE FUTURE USE OR ALTERATION OF SAID AREAS BY THE CITY FOR STREETS OR PUBLIC IMPROVEMENTS INCIDENTAL THERETO, SHALL AT ANY TIME OR TIMES NECESSITATE A REARRANGEMENT, RELOCATION OR RECONSTRUCTION OF ANY OF THE COMPANY'S FACILITIES OR THE ACQUISITION OF ADDITIONAL PROPERTY EASEMENTS, OR BOTH, PURSUANT THERETO; THE SAME SHALL BE PERFORMED BY THE COMPANY, OR BY ANY OTHER PARTY WITH THE CONSENT OF THE COMPANY, AT THE COST OF THE CITY.

B) IN THEN EVENT THAT THE FUTURE USE OF SAN DIEGO GAS & ELECTRIC COMPANY'S EASEMENTS OR PROPERTIES BY THE COMPANY SHALL AT ANY TIME OR TIMES NECESSITATE A REARRANGEMENT, RELOCATION OR RECONSTRUCTION OF THE PUBLIC IMPROVEMENTS INCIDENTAL THERETO; THE SAME SHALL BE PERFORMED AT THE COST OF THE COMPANY.

C) ALL USES OF SAID AREAS BY EITHER PARTY SHALL BE SUCH AS WILL NOT PERMANENTLY INTERRUPT THE USE OR OPERATION OF THE FACILITIES THEREIN OF THE OTHER PARTY; USES OF SAID AREAS BY EITHER PARTY WHICH TEMPORARILY INTERFERE WITH THE USE OF THE OTHER PARTY, WILL BE MADE ONLY WHEN REASONABLY NECESSARY AND WILL BE PROMPTLY TERMINATED AS SOON AS THE NECESSITY THEREFORE NO LONGER EXISTS.

D) IF THE CITY SHALL HEREAFTER VACATE OR ABANDON IN WHOLE OR PART, THE AREAS WHICH ARE OCCUPIED BY SAN DIEGO GAS & ELECTRIC COMPANY'S EASEMENTS OR PROPERTIES, THE CITY SHALL, IN THE VACATION OR ABANDONMENT PROCEEDINGS, RESERVE TO THE COMPANY ALL RIGHTS OWNED BY THE COMPANY PRIOR TO THE EXECUTION OF THIS CERTIFICATION.

E) EXCEPT AS EXPRESSLY HEREIN SET FORTH, THIS AGREEMENT SHALL NOT IN ANY WAY ALTER, MODIFY, OR TERMINATE ANY OF THE COMPANY'S PRIOR RIGHTS IN SAID AREA.

IN WITNESS WHEREOF, SAN DIEGO GAS & ELECTRIC COMPANY HAS CAUSED THIS INSTRUMENT TO BE EXECUTED UNDER ITS CORPORATE NAME AND SEAL BY ITS PROPER OFFICERS THEREUNTO DULY AUTHORIZED, THIS ______ DAY OF ____________, 198___.

SAN DIEGO GAS & ELECTRIC COMPANY,
A CORPORATION

BY ________________ VICE PRESIDENT BY ________________ SECRETARY

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)

ON ______________ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SUCH STATE, PERSONALLY APPEARED ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE __________ VICE PRESIDENT, AND ______________, PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO EXECUTED THE WITHIN INSTRUMENT AS THE __________ SECRETARY OF THE CORPORATION THAT EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BYLAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

MY COMMISSION EXPIRES: ________________

____
NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

9/1-65

EXHIBIT F-2

2279

EXHIBIT F

MAP NO.__________

RANCHO DEL ORO
MASTER SUBDIVISION MAP WEST

SHEET 3 OF 12 SHEETS

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED MARCH 7, 1928, IN BOOK 1445, PAGE 151, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED OCTOBER 11, 1940, IN BOOK 1090, PAGE 57, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED JANUARY 29, 1941, IN BOOK 1122, PAGE 408, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED APRIL 23, 1942, IN BOOK 1346, PAGE 93, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF AN EASEMENT FOR STREET PURPOSES, AS DISCLOSED BY DOCUMENT RECORDED MAY 11, 1942, IN BOOK 1352, PAGE 22, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF AN EASEMENT FOR PUBLIC ROAD, AS DISCLOSED BY DOCUMENT RECORDED JUNE 18, 1945, IN BOOK 1990, PAGE 323, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE COUNTY OF SAN DIEGO, HOLDER OF AN EASEMENT FOR PUBLIC ROAD, AS DISCLOSED BY DOCUMENT RECORDED JANUARY 15, 1949, IN BOOK 3019, PAGE 437, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED JULY 20, 1950, IN BOOK 3711, PAGE 446, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED AUGUST 6, 1953, IN BOOK 4945, PAGE 444, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, HOLDER OF AN EASEMENT FOR COMMUNICATION STRUCTURES, AS DISCLOSED BY DOCUMENT RECORDED JUNE 30, 1954, IN BOOK 5285, PAGE 422, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED DECEMBER 2, 1957, IN BOOK 6852, PAGE 447, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED JULY 30, 1958, IN BOOK 7180, PAGE 384, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED FEBRUARY 6, 1959, IN BOOK 7486, PAGE 10, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF A WATER LINE EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED DECEMBER 20, 1960, AS FILE NUMBER 249117, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED APRIL 12, 1962, AS FILE NUMBER 62795, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED MARCH 19, 1964, AS FILE NUMBER 47072, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED NOVEMBER 17, 1968, AS FILE NUMBER 208288, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED NOVEMBER 30, 1965, AS FILE NUMBER 215956, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED FEBRUARY 16, 1967, AS FILE NUMBER 21055, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF A PUBLIC ROAD EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED OCTOBER 25, 1967, AS FILE NUMBER 165018, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED SEPTEMBER 20, 1968, AS FILE NUMBER 163626, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF AN EASEMENT FOR PUBLIC ROAD, AS DISCLOSED BY DOCUMENT RECORDED MARCH 4, 1971, AS FILE NUMBER 41130, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF AN EASEMENT FOR SANITARY SEWER PIPELINE, AS DISCLOSED BY DOCUMENT RECORDED DECEMBER 30, 1971, AS FILE NUMBER 305065, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, HOLDER OF AN EASEMENT FOR COMMUNICATION STRUCTURES, AS DISCLOSED BY DOCUMENT RECORDED OCTOBER 20, 1972, AS FILE NUMBER 282381, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED JUNE 26, 1973, AS FILE/PAGE NUMBER 73-175114, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED FEBRUARY 19, 1974, AS FILE/PAGE NUMBER 74-040217, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED SEPTEMBER 7, 1976, AS FILE/PAGE NUMBER 76-291780, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED JUNE 7, 1979, AS FILE/PAGE NUMBER 79-234090, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED AUGUST 7, 1980, AS FILE/PAGE NUMBER 80-250028, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF AN EASEMENT FOR PUBLIC ROAD, AS DISCLOSED BY DOCUMENT RECORDED NOVEMBER 13, 1980, AS FILE/PAGE 80-382448, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF AN EASEMENT FOR PUBLIC ROAD, AS DISCLOSED BY DOCUMENT RECORDED NOVEMBER 13, 1980, AS FILE/PAGE 80-382447, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF A DRAINAGE EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED NOVEMBER 13, 1980, AS FILE/PAGE 80-382446, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED NOVEMBER 20, 1980, AS FILE/PAGE NUMBER 80-390622, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF AN EASEMENT FOR PUBLIC ROAD, AS DISCLOSED BY DOCUMENT RECORDED OCTOBER 30, 1981, AS FILE/PAGE 81-345104, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, HOLDER OF AN EASEMENT FOR COMMUNICATION STRUCTURES, AS DISCLOSED BY DOCUMENT RECORDED NOVEMBER 10, 1981, AS FILE/PAGE NUMBER 81-356658, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF A SEWER EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED JANUARY 15, 1982, AS FILE/PAGE 82-012735, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, HOLDER OF AN EASEMENT, AS DISCLOSED BY DOCUMENT RECORDED AUGUST 11, 1983, AS FILE/PAGE NUMBER 83-281209, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, HOLDER OF AN EASEMENT FOR COMMUNICATION STRUCTURES, AS DISCLOSED BY DOCUMENT RECORDED FEBRUARY 14, 1984, AS FILE/PAGE NUMBER 84-054909, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE PACIFIC BELL, HOLDER OF AN EASEMENT FOR AERIAL COMMUNICATION FACILITIES, AS DISCLOSED BY DOCUMENT RECORDED AUGUST 31, 1984, AS FILE/PAGE NUMBER 84-334666, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF JAMES L. FREEMAN, MARY A. FREEMAN, PHILLIP C. FREEMAN, ELIZABETH F. MOBLEY, AGNES F. NONBERGER, HARVEY FREEMAN AND DOROTHY F. PARKER, HOLDERS OF HALF INTEREST IN AND TO ALL OIL AND GAS UNDER SAID LAND, BUT WITHOUT THE RIGHT OF SURFACE ENTRY ON SAID LAND FOR THE PURPOSE OF REMOVING SAID OIL AND GAS AS RESERVED IN DEED RECORDED JANUARY 4, 1957, IN BOOK 6404, PAGE 179, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF AN EASEMENT FOR PUBLIC ROAD, AS DISCLOSED BY DOCUMENT RECORDED JUNE 24, 1983, AS FILE/PAGE 83-216974, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF THE CITY OF OCEANSIDE, HOLDER OF AN EASEMENT FOR PUBLIC ROAD, AS DISCLOSED BY DOCUMENT RECORDED JUNE 24, 1983, AS FILE/PAGE 83-214976, RECORD OF SAN DIEGO COUNTY, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (C)(1) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

2280

57 85-

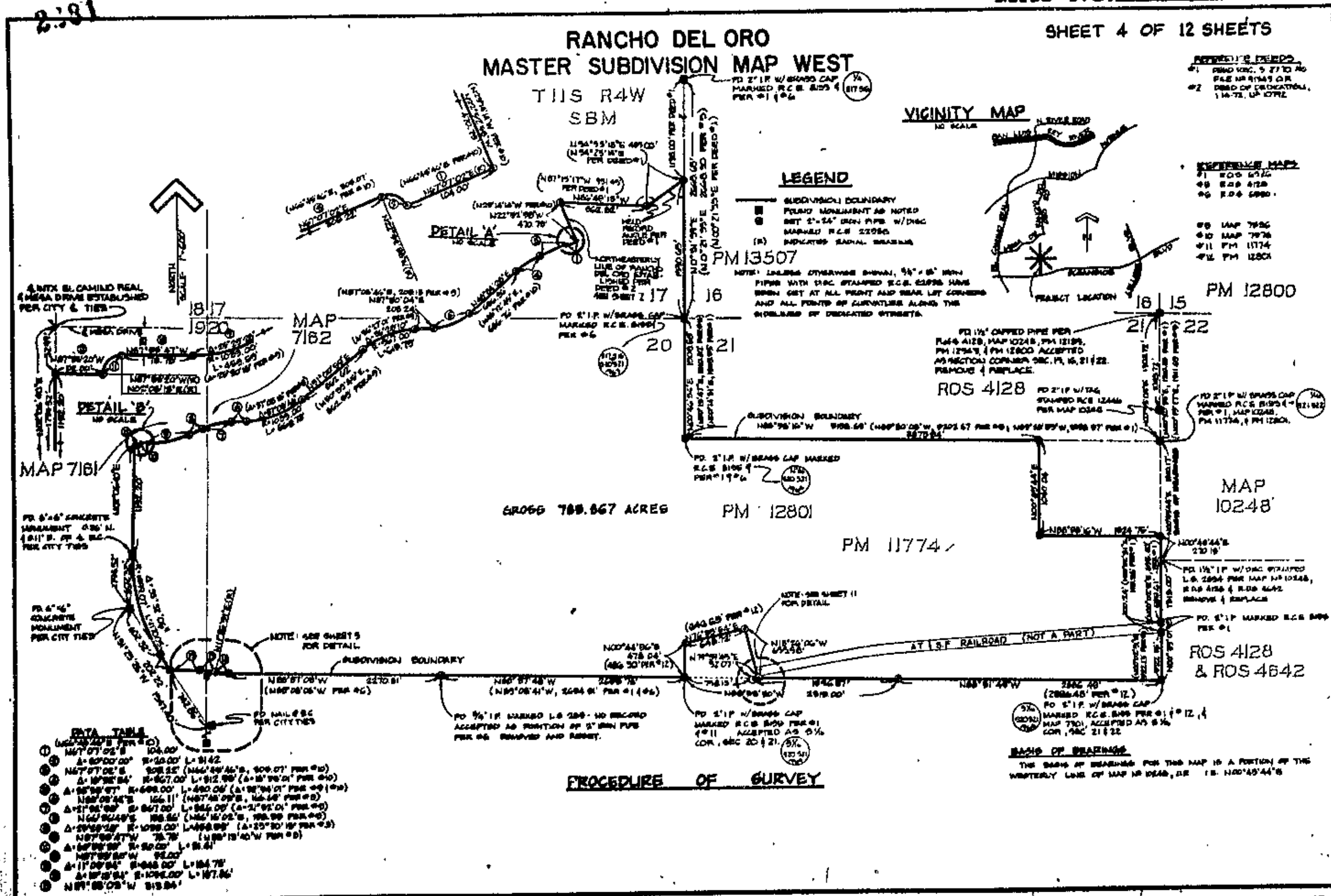
Nº 490781

EXHIBIT F-2

2281

EXHIBIT F

MAP NO.



2282

85-

Nº 490781

EXHIBIT F-2

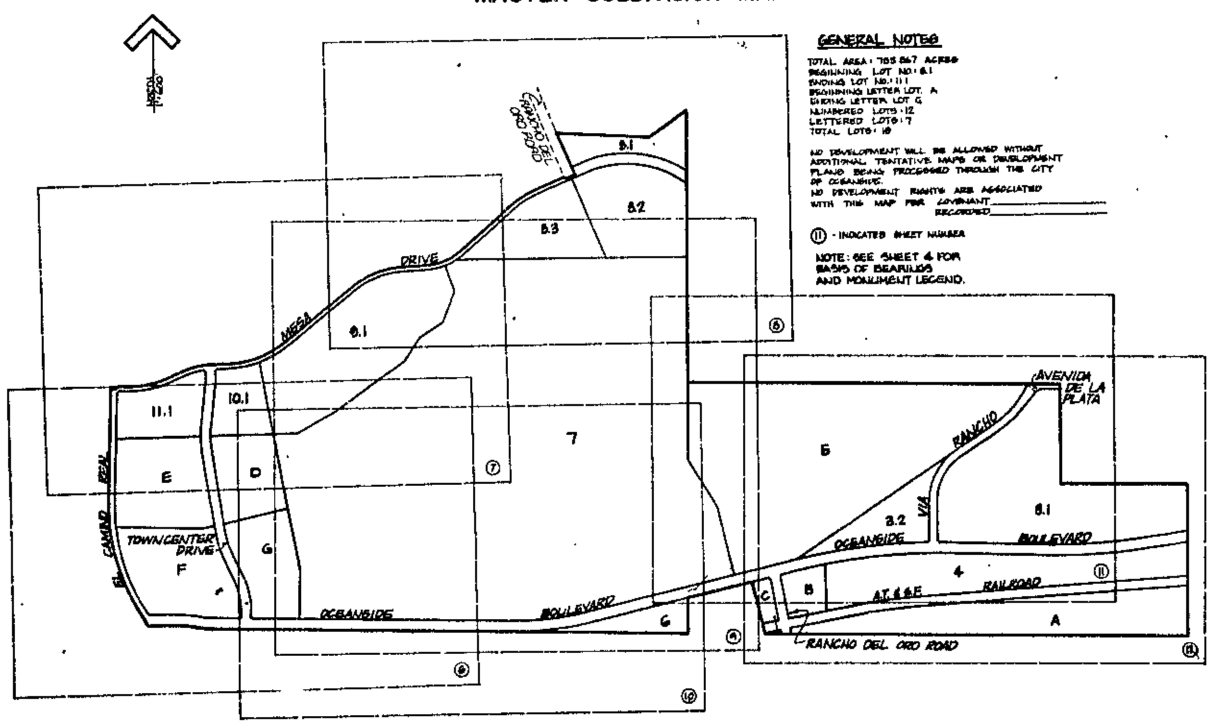
2283

EXHIBIT F

MAP NO.__________

SHEET 5 OF 12 SHEETS

RANCHO DEL ORO
MASTER SUBDIVISION MAP WEST



GENERAL NOTES

TOTAL AREA: 765.867 ACRES
BEGINNING LOT NO: 6.1
ENDING LOT NO: 11.1
BEGINNING LETTER LOT: A
ENDING LETTER LOT G
NUMBERED LOTS: 12
LETTERED LOTS: 7
TOTAL LOTS: 19

NO DEVELOPMENT WILL BE ALLOWED WITHOUT ADDITIONAL TENTATIVE MAPS OR DEVELOPMENT PLANS BEING PROCESSED THROUGH THE CITY OF OCEANSIDE.
NO DEVELOPMENT RIGHTS ARE ASSOCIATED WITH THIS MAP PER COVENANT__________
RECORDED__________

(11) - INDICATES SHEET NUMBER

NOTE: SEE SHEET 4 FOR BASIS OF BEARINGS AND MONUMENT LEGEND.

KEY MAP

CEPA Nº 311-65

2284

85-

Nº 490781

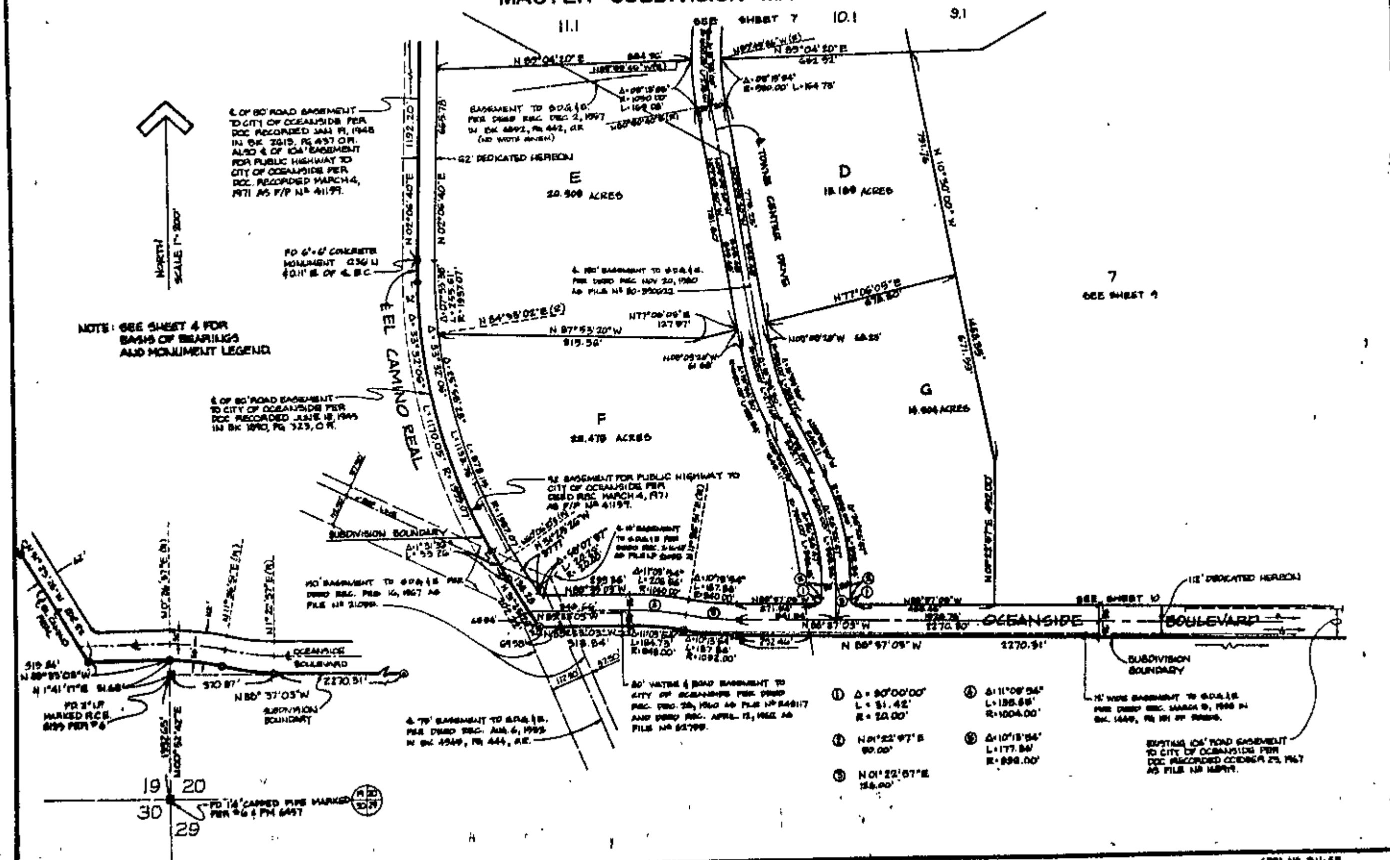
EXHIBIT F-2

EXHIBIT F

MAP NO.

SHEET 6 OF 12 SHEETS

RANCHO DEL ORO
MASTER SUBDIVISION MAP WEST



85-57

No 490781

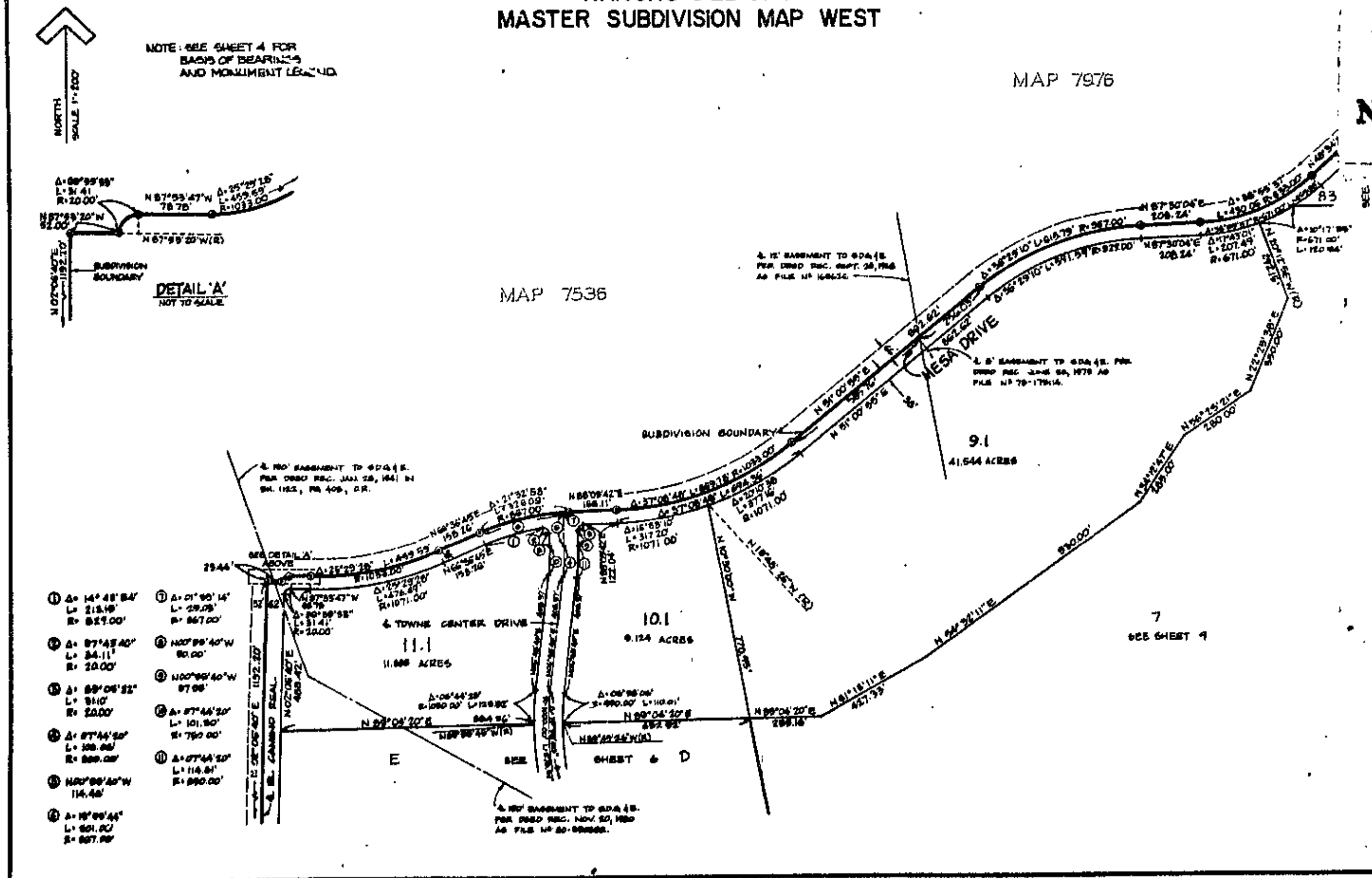
EXHIBIT F-2

EXHIBIT F

MAP NO.

SHEET 7 OF 12 SHEETS

RANCHO DEL ORO
MASTER SUBDIVISION MAP WEST



85-

№ 490781

CEPA Nº 811-85

EXHIBIT F-2

EXHIBIT F

2289

MAP NO.

2290

85-

№ 490781

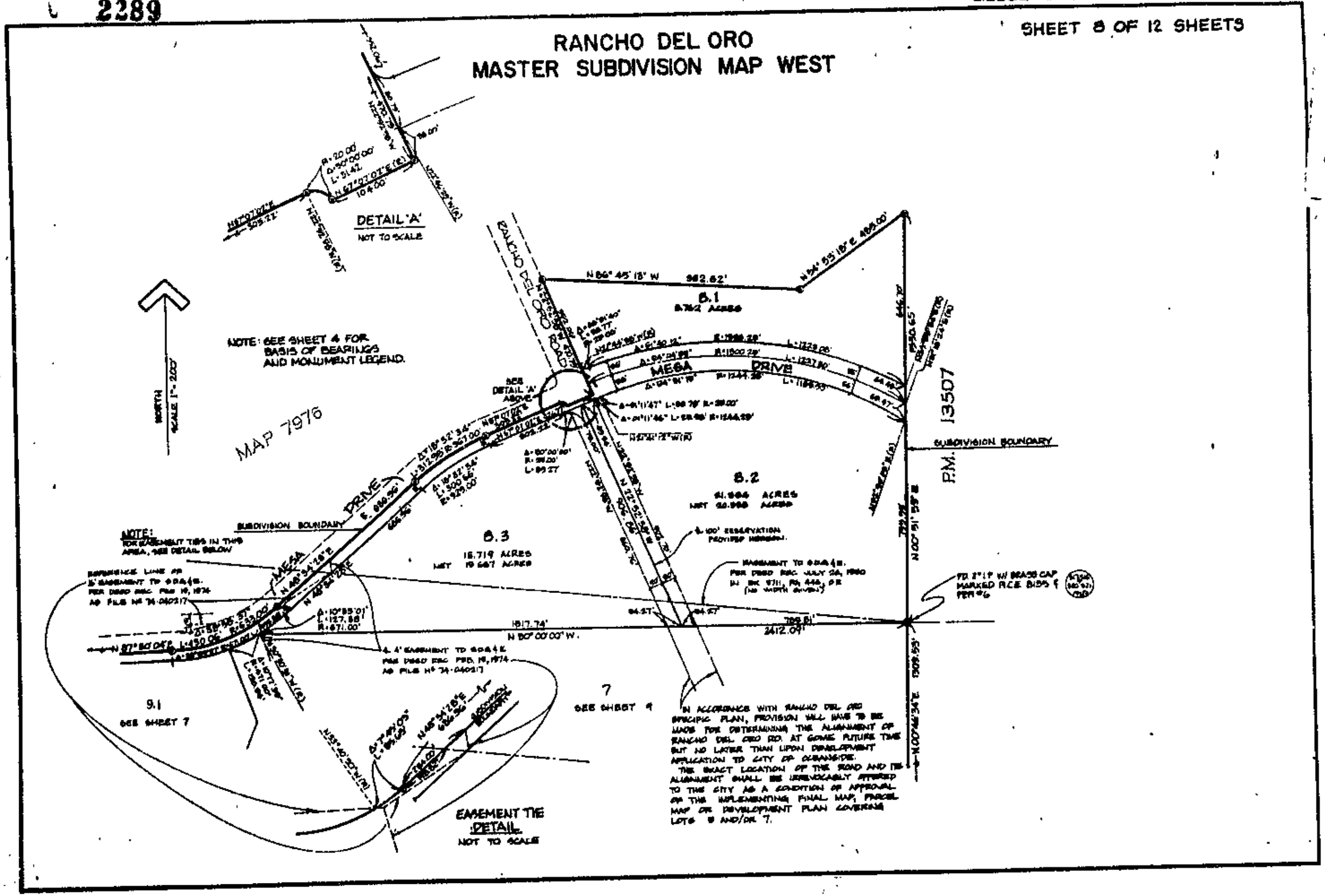


EXHIBIT F-2

EXHIBIT F

MAP NO.

2291

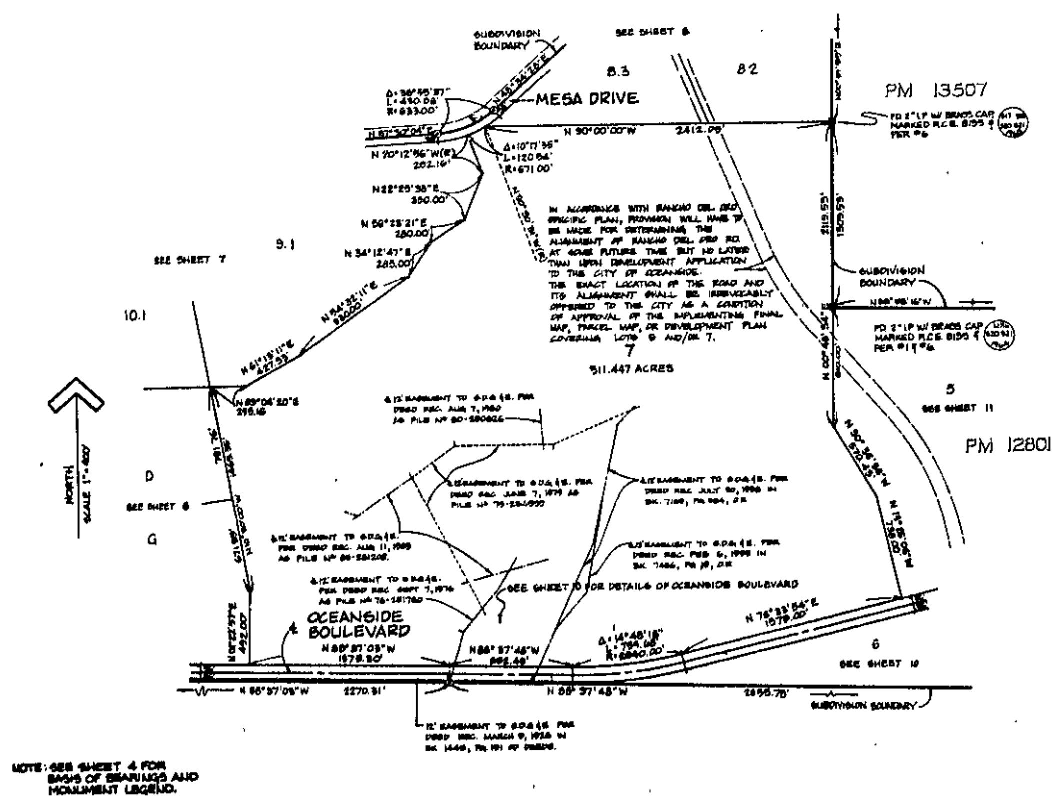
2292

85-

Nº 490781

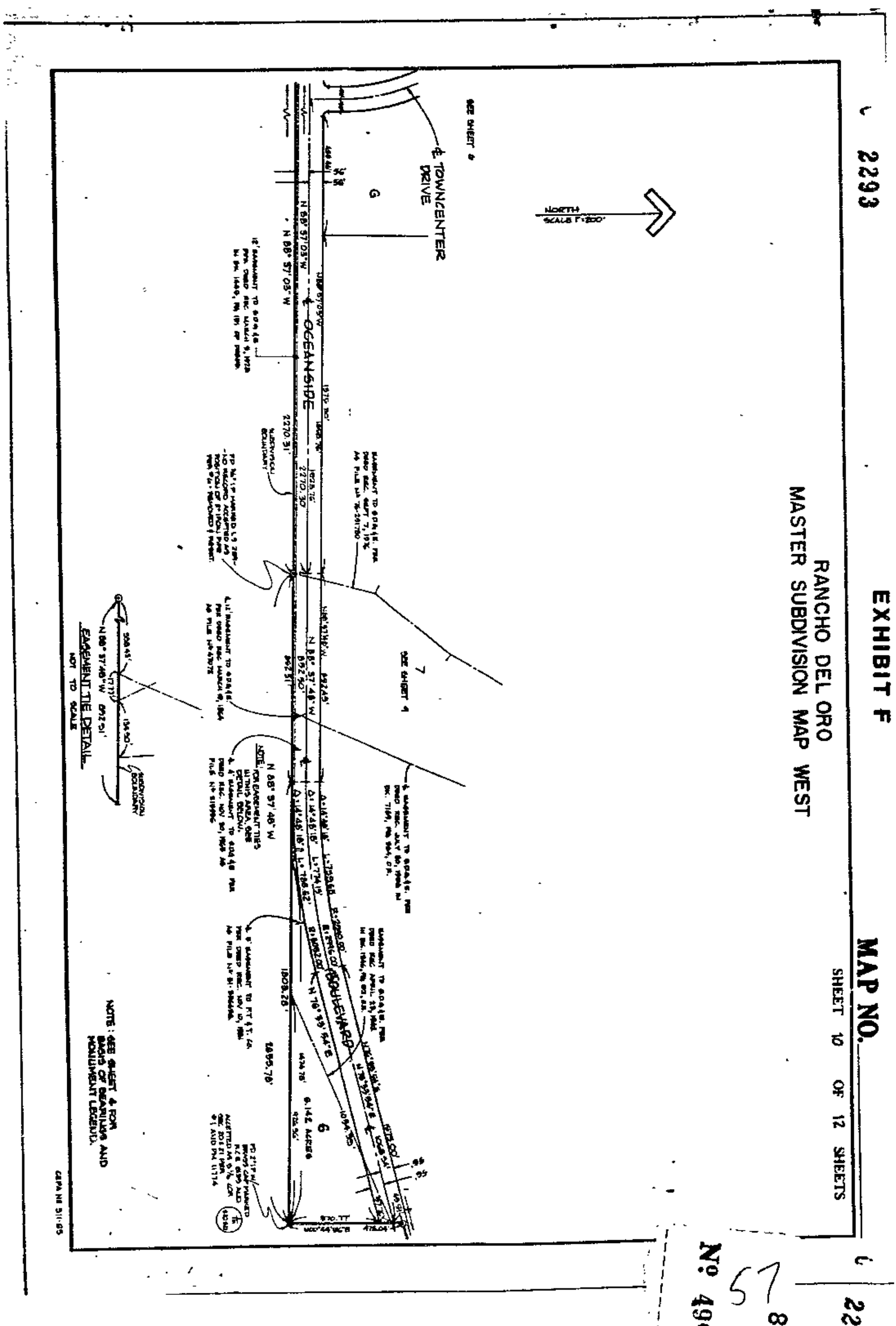
SHEET 9 OF 12 SHEETS

RANCHO DEL ORO
MASTER SUBDIVISION MAP WEST



CEPA Nº 511-85

EXHIBIT F-2



2293
EXHIBIT F
RANCHO DEL ORO
MASTER SUBDIVISION MAP WEST
MAP NO.
SHEET 10 OF 12 SHEETS
NORTH
TOWNCENTER DRIVE
OCEANSIDE
BOULEVARD
EASEMENT TIE DETAIL
NOT TO SCALE
NOTE: SEE SHEET 4 FOR BASIS OF BEARINGS AND MONUMENT LEGEND.
2294
Nº 490781

EXHIBIT F-2

EXHIBIT F

2295

MAP NO.______

C 2296

85-57

Nº 490781

RANCHO DEL ORO
MASTER SUBDIVISION MAP WEST

SHEET 11 OF 12 SHEETS

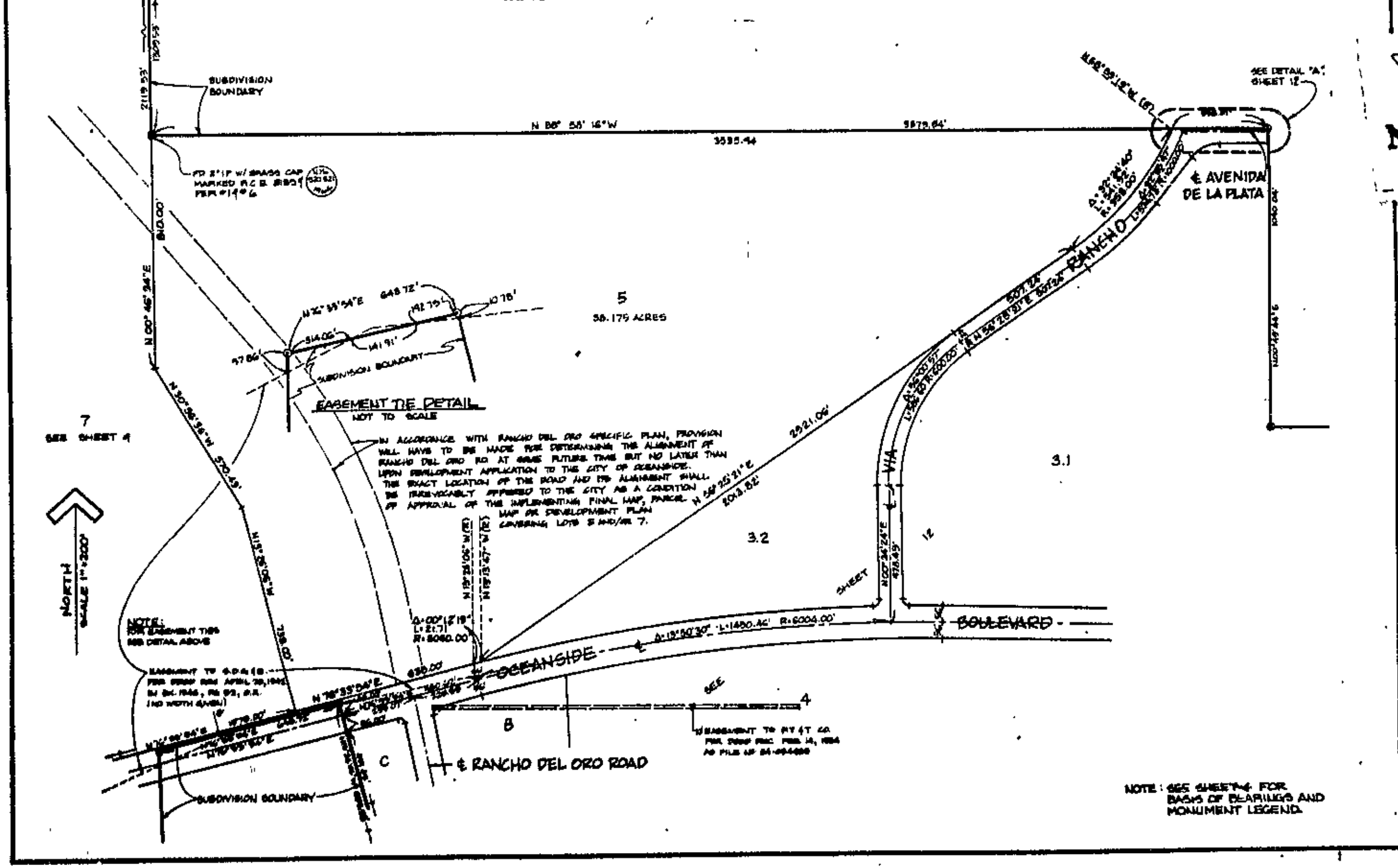
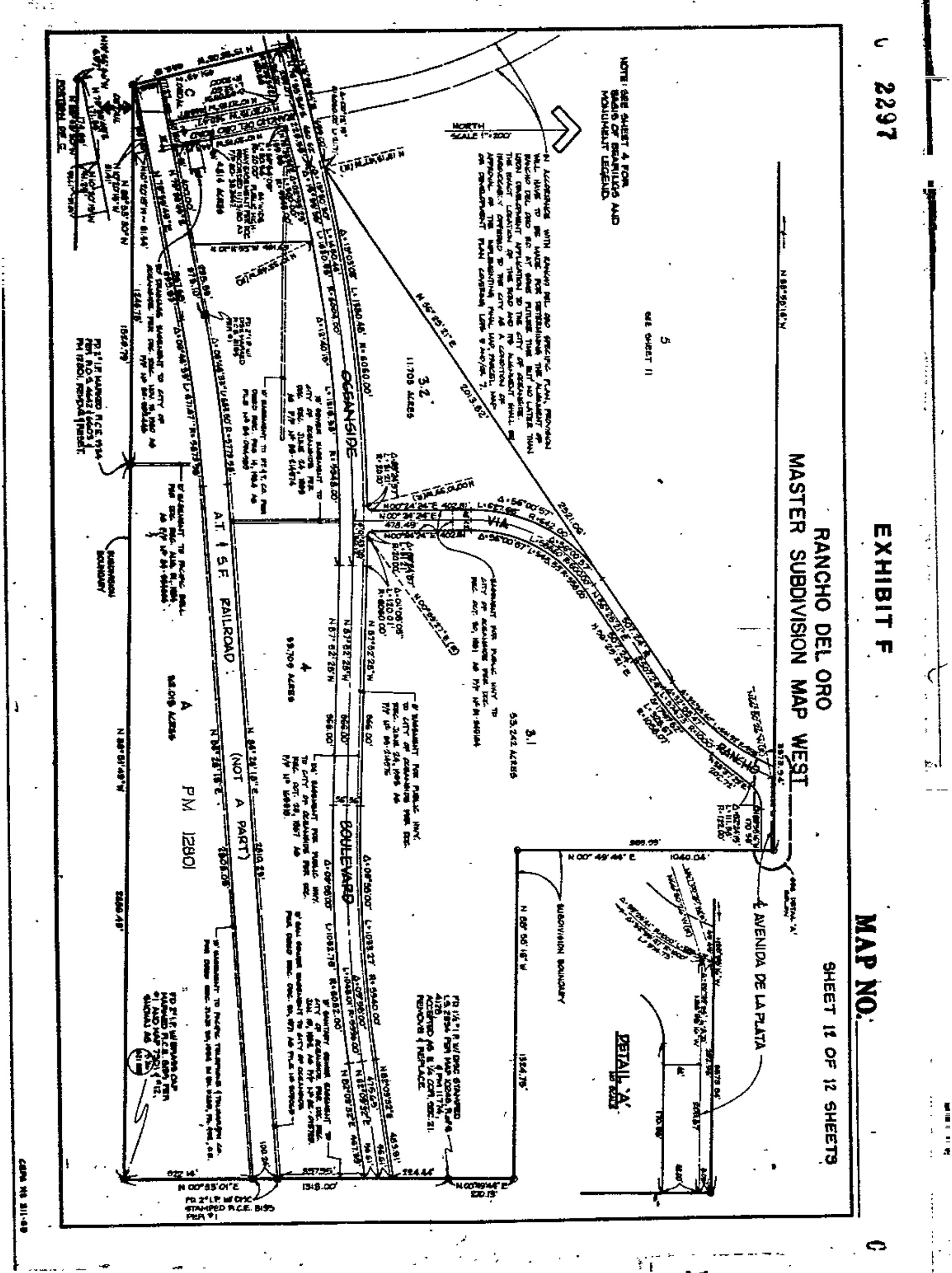


EXHIBIT F-2



2297
EXHIBIT F
RANCHO DEL ORO
MASTER SUBDIVISION MAP WEST
MAP NO.
SHEET 11 OF 12 SHEETS
NORTH
NOTE: SEE SHEET 4 FOR BASIS OF BEARINGS AND MONUMENT LEGEND.
OCEANSIDE
BOULEVARD
VIA
RANCHO
A.T. & S.F. RAILROAD
(NOT A PART)
PM 12801
AVENIDA DE LA PLATA
DETAIL 'A'
SUBDIVISION BOUNDARY
3.1
53.242 ACRES
3.2
11.705 ACRES
4
98.709 ACRES
A
5
SEE SHEET 11
C
2298
№ 490781
85-
57

EXHIBIT F-2

90030-10

1052 86 494623

RECORDING REQUESTED BY:

RECORDING REQUESTED BY CONTINENTAL LAND TITLE

WHEN RECORDED MAIL TO:
Aylward, Kintz, Stiska,
Wassenaar & Shannahan
Attn: Ellen B. Spellman, Esq.
225 Broadway, Suite 2100
San Diego, CA 92101

1986 OCT 30 PM 3:31

VERA L. LYLE
COUNTY RECORDER

RF 15
AR 3
MG 1

Space Above For Recorder's Use

OFFICIAL RECORDS, SAN DIEGO COUNTY, VERA L. LYLE, RECORDER

AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR RANCHO DEL ORO PLANNED COMMUNITY

This AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR RANCHO DEL ORO PLANNED COMMUNITY ("Amendment") is executed as of October 13, 1986, by RANCHO DEL ORO DEVELOPMENTS, a California general partnership, and RANCHO DEL ORO INVESTMENTS, a California general partnership (collectively, "Declarant"), with reference to the following facts:

RECITALS

A. Declarant has executed a Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Planned Community ("Declaration"), dated December 23, 1985 and recorded on December 27, 1985 as File No. 85-490781 of the Official Records of San Diego County, California.

B. The Declaration affects certain real property ("Property") consisting of: (1) residential Villages I, II and III, more particularly described on Exhibit "D" attached to the Declaration; and (2) residential Village 8, which was annexed to the Declaration and is more particularly described in a Supplemental Declaration of Covenants, Conditions and Restrictions dated April 8, 1986 and recorded as File No. 86-141519 of said Official Records.

C. Section 9.1 of the Declaration provides that it may be amended by the vote or written consent of Declarant and Owners of fifty-one percent (51%) of the acreage then subject to the Declaration. RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership, and VILLAGE HOME BUILDING PARTNERSHIP NO. I, a California limited partnership, are the current fee owners of record ("Owners") of Villages I, II and III, which comprises more than fifty-one percent (51%) of the acreage subject to the Declaration. By executing this Amendment, such Owners acknowledge their written consent to this Amendment.

NOW, THEREFORE, Declarant hereby amends the Declaration as follows:

1. Defined Terms. All capitalized terms which are not defined herein shall have the meaning set forth in the Declaration.

2. Ranch Maintenance Agreement.

(a) Declarant and the other Owners of the RDO Property intend to execute and record a Ranch Maintenance Agreement ("Ranch Maintenance Agreement") providing for the maintenance, by a single management entity ("Administrator") acting on behalf of the Owners, of landscaping, lighting and certain other improvements located within the rights-of-way of major public streets serving the RDO Property and certain adjacent landscaping easements dedicated to the City or granted to the Developer. Section 6.1 of the Declaration is amended to provide that: (i) the Rancho Del Oro Maintenance District ("District") described therein will not be formed by the City prior to recordation of a final map for each portion of the Community; and (ii) the Ranch Maintenance Agreement shall provide for such maintenance until such time as the City forms the District, and in the event the District is not formed. Each portion of the RDO Property subject to the Ranch Maintenance Agreement shall be subject to assessments for a proportionate share of the costs of maintenance to be performed pursuant to the Ranch Maintenance Agreement. Such assessments shall commence upon recordation of the Ranch Maintenance Agreement and transfer of maintenance obligations to the Administrator as described therein. All or any portion of the maintenance obligations described in the Ranch Maintenance Agreement may subsequently be delegated to a governmental maintenance district which includes the RDO Property, as described in the Ranch Maintenance Agreement.

(b) Upon request by Declarant, in order to facilitate recordation of the Ranch Maintenance Agreement, each Owner of the Property then subject to this Declaration shall execute and acknowledge the Ranch Maintenance Agreement consenting to recordation of the same against such Owner's property. In addition, prior to sale or conveyance of each lot or unit to a residential homeowner, the transferor shall obtain from the transferee a written acknowledgment, on a City-prepared form or alternative form approved by the City Attorney of the City, indicating that such transferee is aware of and understands: (i) the potential formation or the existence (whichever is applicable) of the District; and (ii) the maintenance and assessment obligations set forth in the Ranch Maintenance Agreement and the Village Maintenance Agreement described in Section 3 of this Amendment. A copy of the executed acknowledgment shall be delivered to the City Engineer (with a copy to the City Attorney) within thirty (30) days after recordation of the conveyance.

3. <u>Master Association for Residential Villages I through VII</u>. Pursuant to Section 6.3 of the Declaration, Declarant has caused the establishment of a master association ("Master Association") pursuant to a Master Declaration of Covenants, Conditions and Restrictions for the Villages of Rancho Del Oro recorded on September 4, 1986 in the Official Records of San Diego County, California as File No. 86-388367, as amended from time to time ("Master Declaration"). The real property initially subject to the Master Declaration consists of a portion of Tract 1.1 of Village I. Each other portion of residential Villages I through VII shall be annexed to the Master Declaration in accordance with the procedure described therein and the following conditions:

(a) Each phase of each Tract shall be annexed to the Master Declaration prior to the first sale, conveyance or lease of property within such phase to a residential homeowner.

(b) Prior to submitting any application for a public report to the California Department of Real Estate ("DRE"), the Developer of each portion of Villages I through VII shall submit to Declarant a phasing plan ("Developer Phasing Plan") describing the Developer's schedule for: (i) annexation of property to the Master Declaration; (ii) transfer to the Master Association of Master Common Areas (as defined in the Master Declaration) which are located within the portion owned by such Developer; and (iii) transfer to the Master Association of maintenance obligations related to Tract Street rights-of-way and adjacent slope areas (if any), pursuant to the Village Maintenance Agreement defined in the Master Declaration. Developer may revise the Developer Phasing Plan from time to time, but Developer shall promptly advise Declarant of such changes. Declarant shall utilize the Developer Phasing Plans in preparing and revising the Master Phasing Plan described in (c) below.

(c) Declarant has prepared, and the DRE has approved, a phasing plan ("Master Phasing Plan") to determine the timing of: (i) transfer of open-space lots and hillside recreation areas to the Master Association as Master Common Area; (ii) transfer of maintenance obligations related to Major Ranch Street rights-of-way and adjacent slope areas (if any) to the Administrator pursuant to the Ranch Maintenance Agreement; and (iii) transfer of maintenance obligations related to Village Street rights-of-way and adjacent slope areas (if any) to the Master Association pursuant to the Village Maintenance Agreement. Declarant may revise the Master Phasing Plan from time to time to reflect the actual phasing of development, subject to DRE approval.

(d) Declarant has prepared, and the DRE has approved, a master budget schedule ("Master Budget") consistent with the Master Phasing Plan. Declarant may revise the Master Budget from time to time to reflect changes in the Master Phasing Plan, subject to DRE approval. Declarant shall prepare the budgetary information required in connection with each DRE application in accordance with the Master Budget. Developer shall provide such information regarding Developer's proposed annexation of Tract Streets and tot lots, as reasonably required by Declarant in order to prepare the budgetary information. If any changes to the Master Budget are required to implement the Developer's Phasing Plan, Declarant shall submit the required modification(s) to DRE for approval and such modifications shall be subject to DRE approval.

(e) All open-space lots, tot lots, hillside recreation areas and private drainage facilities which are designated as such on a final map shall be transferred to the Master Association as Master Common Area (as defined in the Master Declaration) in accordance with the Master Phasing Plan.

(f) All DRE applications shall be submitted through a master DRE processing agent selected by Declarant. The Developer of each phase shall pay all costs associated with such filings for such phase, including reasonable costs incurred by Declarant in preparing the budgetary information and any required amendments to the Master Budget.

(g) Annexation of phases to the Master Declaration shall occur in conformance with the Developer Phasing Plan, the Master Phasing Plan and the Master Budget in effect at the time of annexation.

(h) Declarant reserves the right and power to annex, from time to time hereafter, and pursuant to Section 15.1 of the Master Declaration, all or any portion of Rancho Del Oro Villages I through VII, without necessity of joinder or consent of the Owner thereof or any other person.

(i) Developer shall give at least ten (10) days prior written notice to Declarant of the closing of the first sale, conveyance or lease within each phase to a residential homeowner. Declarant shall prepare the Declaration of Annexation for such phase in accordance with the Master Declaration which shall be executed by Declarant and recorded prior to the closing of such first sale, conveyance or lease. Developer shall fully cooperate with Declarant in executing, acknowledging and delivering any document required by a title company to effect such annexation and in obtaining the subordination of any beneficiary under a deed of trust encumbering all or part of the land to be annexed to the Master Declaration. Within fifteen (15) days after recordation of each Declaration of Annexation, the escrow agent or title officer recording the same shall send a copy thereof (indicating the date of recording and file number) to the City Engineer (with a copy to the City Attorney) of the City of Oceanside.

4. Village Association. Property subject to the Master Declaration shall also be covered by a declaration for the Village in which such property is located, as follows:

(a) Pursuant to Article 7 of the Declaration, Declarant has caused the establishment of a homeowners' association ("Village I Association") pursuant to a Declaration of Covenants, Conditions and Restrictions for Village I recorded on September 4, 1986 in the Official Records of San Diego County, California as File No. 86-388368, as amended from time to time ("Village I Declaration"). The real property initially subject to the Village I Declaration consists of a portion of Tract 1.1 of Village I. Each other portion of Village I shall be annexed to the Village I Declaration in accordance with the procedure described therein, concurrently with annexation of such portion to the Master Declaration.

(b) Declarant shall establish a similar homeowners' association pursuant to a recorded declaration ("Village Declaration") for each of Villages II through VII, and the property within each Village shall be annexed to the Village Declaration concurrently with annexation to the Master Declaration.

(c) Declarant reserves the right and power to annex from time to time hereafter all or any portion of Rancho Del Oro Village I to the Village I Declaration pursuant to Section 16.1 thereof, and all or any portion of Rancho Del Oro Villages II through VII to the applicable Village Declaration pursuant to the provisions thereof, without necessity of joinder or consent of the Owner thereof or any other person.

(d) Developer shall give at least ten (10) days prior written notice to Declarant of the closing of the first sale, conveyance or lease within each phase to a residential homeowner. Declarant shall prepare the Declaration of Annexation for such phase in accordance with the Village I Declaration or other applicable Village Declaration, which shall be executed by Declarant and recorded prior to the closing of such first sale, conveyance or lease. Developer shall fully cooperate with Declarant in executing, acknowledging and delivering any document required by a title company to effect such annexation and in obtaining the subordination of any beneficiary under a deed of trust encumbering all or any part of the land to be annexed to the Declaration. Within fifteen (15) days after recordation of each Declaration of Annexation, the escrow agent or title officer recording the same shall send a copy thereof (indicating the date of recording and file number) to the City Engineer (with a copy to the City Attorney) of the City of Oceanside.

5. Maintenance Obligations. The Developer of each portion of Villages I through VII shall be responsible for each of the following maintenance obligations:

(a) Developer shall maintain, at its expense, in accordance with all applicable City requirements and the Master Landscape Plan approved by the City for Rancho Del Oro, as amended from time to time ("Master Landscape Plan"), those Master Common Areas (as defined in the Master Declaration) which are located within the property owned by such Developer, until such maintenance is transferred to and accepted by the Master Association in accordance with the Developer Phasing Plan.

(b) Developer shall perform, at its expense, in accordance with all applicable City requirements and the Master Landscape Plan, all maintenance obligations related to the rights-of-way of Tract Streets (as defined in the Village Maintenance Agreement) and adjacent slope areas (if any) located within the property owned by such Developer, until such maintenance obligations are transferred to and accepted by the Master Association in accordance with the Developer Phasing Plan.

(c) Developer shall pay to Declarant (or a party designated by Declarant) a proportionate share of the costs of maintaining those open-space lots and hillside recreation areas (i) which have been improved and/or landscaped and (ii) which serve the Village in which the Developer's property is located, until the maintenance of such Master Common Areas has been transferred to and accepted by the Master Association in accordance with the Master Phasing Plan. The Developer's proportionate share shall be determined by the number of dwelling units included in such Developer's property (excluding units conveyed to homeowners) compared to the total number of dwelling units included in the Village(s) subject to such obligation (excluding units conveyed to homeowners). For purposes of computing such proportionate share, the number of dwelling units shall be the number of residential dwelling units (excluding tot lots) shown: (i) on a final subdivision map for the property recorded subsequent to the Master Subdivision Map; or (ii) on a tentative subdivision map approved by the City for the entire Village, if there is no final subdivision map; or (iii) on the current density allocation maintained by the City pursuant to the Specific Plan, if there is no tentative or final subdivision map. Developer shall submit statements for maintenance costs described herein on a monthly basis, as costs are incurred; each Developer's proportionate share shall be determined as of the first (1st) day of the period covered by each such statement; and payment shall be due within thirty (30) days after receipt of each statement. The open-space lots and hillside recreation areas which serve Village I are shown on Exhibit "A" attached hereto and made a part hereof. Declarant shall designate the open-space lots and hillside recreation areas serving other Villages in a Supplemental Declaration executed by Declarant and recorded in the Official Records of San Diego County, California.

(d) Developer shall pay to Declarant (or a party designated by Declarant) a proportionate share of the costs of performing, in accordance with all applicable City requirements and the Master Landscape Plan, all maintenance obligations related to the rights-of-way of Village Streets (as defined in the Village Maintenance Agreement) and adjacent slope areas (if any) within the Villages in which such Developer's property is located, until such maintenance obligations have been transferred to and accepted by the Master Association in accordance with the Master Phasing Plan. The Developer's proportionate share shall be determined as provided in Section 5(c) above.

(e) Declarant and Developer acknowledge that Master Common Areas cannot be transferred to the Master Association, and maintenance obligations with respect to public streets cannot be transferred pursuant to the Ranch and Village Maintenance Agreements, until: (a) the improvements have been accepted by the City and by the Master Association or Administrator; and (b) the City has released any performance and labor and materials bonds securing completion of the improvements (which bond release occurs six (6) months after City acceptance under City policies currently in effect).

6. Release. No Lot or Unit shall be released from the Declaration unless such Lot or Unit is part of the property subject to: (a) the Master Declaration; (b) the Village I Declaration or other applicable Village Declaration; (c) the Ranch Maintenance Agreement; and (d) the applicable Village Maintenance Agreement. By executing this Amendment, the City Attorney acknowledges its consent to release of each Lot or Unit (which consent is required pursuant to Section 9.3 of the Declaration), but only upon sale or transfer to a member of the homebuying public, provided the Lot or Unit is subject to the Declarations and Agreements identified in (a) through (d) above. Provided the conditions to the City's consent have been satisfied, and provided Declarant consents to the release (which consent is required pursuant to Section 9.3 of the Declaration), Lot(s) or Unit(s) shall be released upon recordation of a written instrument executed and acknowledged by Declarant, which instrument shall: (a) acknowledge Declarant's consent, (b) legally decribe the Lot(s) or Unit(s) being released; and (c) state that such Lot(s) or Unit(s) are released from and shall no longer be subject to the Declaration.

7. No Other Changes. In all other respects, the Declaration shall remain unchanged, in full force and effect.

IN WITNESS WHEREOF, Declarant has executed this Amendment on the date first written above.

DECLARANT:

RANCHO DEL ORO DEVELOPMENTS, a California general partnership

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: Rel C. S.
Title: V.P.
By: Robert A. Stan
Title: VP

RANCHO DEL ORO INVESTMENTS, a California general partnership

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: Rel C. S.
Title: V.P.
By: Robert A. Stan
Title: VP

RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, General Partner

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ______

Title: V.P.

By: ______

Title: VP

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By: ______

Title: V.P.

By: ______

Title: Assist Secretary

VILLAGE HOME BUILDING PARTNERSHIP NO. I, a California limited partnership

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By: ______

Title: V.P.

By: ______

Title: Assist. Secretary

APRROVED AS TO FORM AND EXECUTED FOR PURPOSES OF ACKNOWLEDGING THE CONSENT TO RELEASE DESCRIBED IN SECTION 6:

CITY ATTORNEY, City of Oceanside

By: ______

Title: ASSISTANT CITY ATTORNEY

EBS:1839M/101086

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On Dec 13, 198_, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Ronald J. Sigler and Robert G. Stone, personally known to me or proved to me on the basis of satisfactory evidence to the persons who executed this instrument as the Vice Pres and Vice Pres, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
DIANE L. KAY
Notary Public-California
Principal Office In
San Diego County
My Comm. Exp. Dec. 15, 1989

Diane L. Kay
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______________ and ______________, personally known to me or proved to me on the basis of satisfactory evidence to the persons who executed this instrument as the ______________ and ______________, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO INVESTMENTS, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

____
Notary Public in and for Said County and State

EBS:1839M

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On Oct 13, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Donald B. Sigler and Robert A. Stine, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the Vice Pres and Vice Pres, respectively, on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such partner of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, and that such partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
DIANE L. KAY
Notary Public-California
Principal Office In
San Diego County
My Comm. Exp. Dec. 15, 1989

Diane L. Kay
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On OCTOBER 13, 1986 before me, the undersigned, a Notary Public in and for said County and State, personally appeared THOMAS NOON and BARBARA ROSSOLL, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the VICE PRESIDENT and ASSISTANT SECRETARY respectively, on behalf of J.F. SHEA CO., INC., the corporation that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC—CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Carol J. Clark
Notary Public in and for Said County and State

EBS:1839

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On October 13, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Thomas Noon and Barbara Rossoll, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the Vice President and Assistant Secretary, respectively, on behalf of J.F. SHEA CO., INC., the corporation that executed this instrument on behalf of VILLAGE HOME BUILDING PARTNERSHIP NO. I, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC—CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Notary Public in and for Said County and State

EBS:1839M

1064

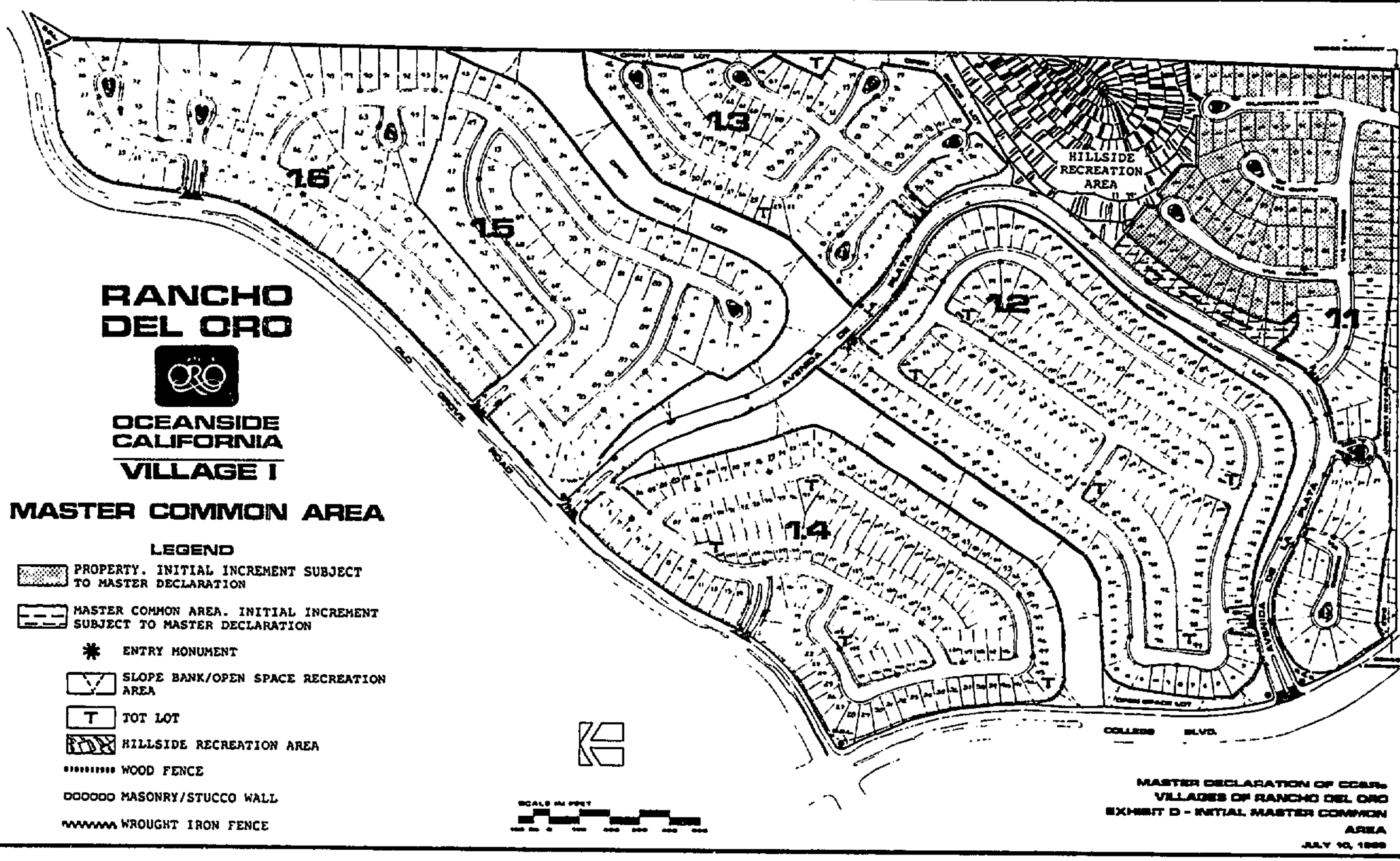


EXHIBIT A

88 645031

42

RECORDED IN OFFICIAL RECORDS OF SAN DIEGO COUNTY, CA

88 DEC 15 AM 10:40

VERA L. LYLE COUNTY RECORDER

RECORDING REQUESTED BY, AND
WHEN RECORDED, MAIL TO:

McKITTRICK, JACKSON, DeMARCO & PECKENPAUGH (WVJ)
4041 MacArthur Boulevard
Post Office Box 2710
Newport Beach, California 92658-8995

RF	14
AR	12
MG	1

(Space Above for Recorder's Use)

SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR RANCHO DEL ORO PLANNED COMMUNITY

This Second Amendment to Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Planned Community ("Second Amendment") is made on this 12th day of December, 1988, by RANCHO DEL ORO DEVELOPMENTS, a California general partnership, and by RANCHO DEL ORO INVESTMENTS, a California general partnership, herein collectively referred to as "Declarant."

P R E A M B L E:

A. Declarant has executed a Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Planned Community ("Declaration") recorded on December 27, 1985 as File Page No. 85-490781, and an Amendment to Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Planned Community ("First Amendment") recorded on October 30, 1986 as File Page No. 86-494623, both of Official Records of San Diego County, California.

B. The Declaration and the First Amendment affect certain real property ("Property") in the Rancho Del Oro Planned Community, which Property is more particularly described in the Declaration and the First Amendment.

C. Section 9.1 of the Declaration provides that the Declaration may be amended by the vote or written consent of Declarant and the "Owners" (as defined in the Declaration) of fifty-one percent (51%) of the acreage then subject to the Declaration, effective upon recordation of an instrument reflecting the change. RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership, VILLAGE HOME BUILDING PARTNERSHIP NO. I, a California limited partnership, VILLAGE HOME BUILDING PARTNERSHIP NO. II, a California limited partnership, THE FIELDSTONE COMPANY, a California corporation, and OCEANSIDE DEVELOPMENT COMPANY, a joint venture (collectively the "Owners") together currently hold fee title to more than fifty-one percent (51%) of the acreage subject to the Declaration. By executing this Second Amendment, the Owners consent to the following provisions, which shall supersede and replace any contrary provisions of the Declaration and the First Amendment.

NOW, THEREFORE, Declarant and the Owners hereby amend the Declaration and the First Amendment as follows:

1. Defined Terms. All capitalized terms which are not otherwise defined herein shall have the meanings set forth in the Declaration and the First Amendment.

2. Village Association. Notwithstanding any contrary provision of the Declaration (including without limitation Sections 6.3 and 6.4 thereof) or of the First Amendment (including without limitation Section 4(b) thereof), the creation of a homeowners' association for Villages within the Property shall not be mandatory but shall be permissive, such that Declarant may, at the time any part of the Property is annexed to the Master Declaration, choose to form or not form a Village homeowners' association. Absent a Village homeowners' association, the members of the Master Association or nonprofit corporation which Declarant is authorized to form pursuant to Section 6.3 of the Declaration shall be the elected representative or representatives of each Village as provided in the respective Village Declaration. The existence or lack of a Village homeowners' association shall not interfere with annexation of a Village to the Master Declaration; or with the recordation of a Village Declaration for each Village; or with the Master Members' voting rights granted in the Master Declaration and applied to owners of real property within each Village pursuant to the respective Village Declaration; or with the other rights and duties of owners of real property within each Village pursuant to the Master Declaration.

3. Village Maintenance Agreement. All references in the Declaration or the First Amendment to a "Village Maintenance Agreement" with regard to the Property shall not be construed to be mandatory but shall be permissive, such that Declarant may provide for maintenance of Improvements otherwise described and provided for in a Village Maintenance Agreement by means of the applicable Village Declaration or by other means acceptable to the Board and the City.

4. Release. Pursuant to Section 3 hereof and notwithstanding any contrary provision of the Declaration or the First Amendment, the provisions for release from the Declaration and the First Amendment of portions of the Property upon the occurrence of certain conditions set forth in Section 9.3 of the Declaration and Section 6 of the First Amendment shall be of no further force or effect and are hereby superseded in their

entirety. In substitution therefor, a Lot, a Unit, acreage, a portion of the Property, or any one or more of these (an "Increment") shall be released from the coverage of the Declaration and each amendment thereto ("Release") immediately upon the occurrence of either of the following:

(a) Fulfillment of all of the conditions in items (i)-(iv) of this subsection (a):

(i) Close of escrow for the transfer of the particular Increment scheduled for Release pursuant to a transaction requiring issuance of a final subdivision public report by the State of California Department of Real Estate; and

(ii) Annexation of the Increment to the Master Declaration, the applicable Village Declaration and the Ranch Maintenance Agreement; and

(iii) Annexation of the Increment to the applicable Village Maintenance Agreement, but only if the applicable Village Declaration does not adequately provide for maintenance and repair of the Village Maintenance Area for which the Owners of the annexed Increment are responsible pursuant to the Master Declaration; and

(iv) Consent by the Declarant to the Release, and recordation of a written instrument executed by Declarant acknowledging Declarant's consent to the Release, legally describing the Increment being Released and stating that the Increment shall thereby be Released and no longer subject to the Declaration nor to any amendment thereto; or

(b) Fulfillment of all of the conditions in items (i)-(iii) of this subsection (b):

(i) Adoption by the City's Planning Commission of a resolution (the "Conditions of Approval") approving a development plan for and a tentative map of the particular Increment, subject to fulfillment of certain conditions; and

(ii) Compliance by Declarant and by each holder of fee title to any portion of the Increment with all of the requirements set forth in the Conditions of Approval for Release of that increment (or any portion or portions thereof) from the coverage of the Declaration, which Release shall apply also to all amendments to the Declaration; and

(iii) Consent by the Declarant to the Release, and recordation of a written instrument executed by Declarant acknowledging Declarant's consent to the Release, legally describing the Increment being Released and stating that the Increment shall thereby be Released and no longer subject to the Declaration nor to any amendment thereto.

By executing this Second Amendment, the City Attorney acknowledges its consent to Release of the particular Increment upon fulfillment of the conditions in subsection (a) or subsection (b) above.

5. No Other Changes. In all other respects, the Declaration and the First Amendment shall remain unchanged, in full force and effect.

6. Effective Date. The provisions hereof shall be effective from and after recordation of this Second Amendment in Official Records of San Diego County, subject to subsequent amendment of the Declaration in compliance with Section 9.1 thereof.

IN WITNESS WHEREOF, Declarant and Owners have executed this Second Amendment on the date first written above.

"Declarant":

RANCHO DEL ORO DEVELOPMENTS, a California general partnership

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation

Its: General Partner

By: [signature]

Its: President

By: [signature]

Its: VP

APPROVED AS TO FORM
OCEANSIDE CITY ATTORNEY
[signature]
DEBRA E. CORBETT, ACA

ADDITIONAL SIGNATURES ON FOLLOWING PAGES

wvj134/20792/000/0030/devccr.am2
079/079 12-05-88

RANCHO DEL ORO INVESTMENTS, a
California general partnership

By: COLLINS-RANCHO DEL ORO COMPANY, a
California corporation

Its: General Partner

By: ______________________

Its: PRESIDENT

By: ______________________

Its: VP

"Owners":

RANCHO DEL ORO VILLAGES LAND
DEVELOPMENT, a California general
partnership

By: RANCHO DEL ORO DEVELOPMENTS,
a California general
partnership, General Partner

By: COLLINS-RANCHO DEL ORO
COMPANY, a California
corporation, General
Partner

By: ______________________

Its: PRESIDENT

By: ______________________

Its: VP

ADDITIONAL SIGNATURES ON FOLLOWING PAGES

wvj134/20792/000/0030/devccr.am2
079/079 12-05-88

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By: ______________________

Its: VP

By: ______________________

Its: asst Sec

VILLAGE HOME BUILDING PARTNERSHIP NO. I, a California limited partnership

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation General Partner

By: ______________________

Its: VP

By: ______________________

Its: asst. Sec

VILLAGE HOME BUILDING PARTNERSHIP NO. II, a California limited partnership

By: J. F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By: ______________________

Its: VP

By: ______________________

Its: asst. Sec.

ADDITIONAL SIGNATURES ON FOLLOWING PAGES

wvj134/20792/000/0030/devccr.am2
079/079 12-05-88

THE FIELDSTONE COMPANY, a California corporation

By: ______________________

Its: Asst Secretary

By: ______________________

Its: Asst. Secretary

OCEANSIDE DEVELOPMENT COMPANY,
a joint venture

By: BUIE-OCEANSIDE, LTD.,
a California limited partnership,
Joint Venture Partner

By: THE BUIE CORPORATION,
a California corporation,
General Partner

By: ______________________

Its: ______________________

By: ______________________

Its: Asst. Secty

By: NEVADA-OCEANSIDE, LTD.,
a California limited partnership,
Joint Venture Partner

by: NEVADA CAPITAL, LTD.,
a California corporation,
General Partner

By: ______________________

Its: Treasurer

By: ______________________

Its: ______________________

wvj134/20792/000/0030/devccr.am2
079/079 12-05-88

APPROVED AS TO FORM AND EXECUTED FOR PURPOSES OF ACKNOWLEDGING THE CONSENT TO RELEASE DESCRIBED IN SECTION 4 HEREOF.

CITY ATTORNEY, City of Oceanside

By: ______________________

Its: ____________________

STATE OF CALIFORNIA)
) ss.
COUNTY OF San Diego)

On Dec. 9, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Robert A. Stine and H. Stephen Ellis, personally known to me ~~or proved to me on the basis of satisfactory evidence~~ to be the persons who executed the within instrument as Pres. and V.P. ~~or on behalf~~ of COLLINS-RANCHO DEL ORO COMPANY, a corporation, and acknowledged to me that the corporation executed it on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership therein named, and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CHERYL A BRUNING
My Comm Exp Mar 2, 1990

Cheryl A. Bruning
Notary Public in and for said State

ADDITIONAL NOTARIES ON FOLLOWING PAGES

wvj134/20792/000/0030/devccr.am2
079/079 12-05-88

STATE OF CALIFORNIA)
) ss.
COUNTY OF San Diego)

On Dec. 9, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Robert A. Stine and H. Stephen Ellis, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed the within instrument as Pres. and V.P. ~~or on behalf~~ of COLLINS-RANCHO DEL ORO COMPANY, a corporation, and acknowledged to me that the corporation executed it on behalf of RANCHO DEL ORO INVESTMENTS, the partnership therein named, and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CHERYL A. BRUNING
My Comm. Exp. Mar. 2, 1990

Cheryl A. Bruning
Notary Public in and for said State

STATE OF CALIFORNIA)
) ss.
COUNTY OF San Diego)

On Dec. 9, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Robert A. Stine and H. Stephen Ellis, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed the within instrument as Pres. and V.P. ~~or on behalf~~ of COLLINS-RANCHO DEL ORO COMPANY, a corporation, and acknowledged to me that the corporation executed it on behalf of RANCHO DEL ORO DEVELOPMENTS, a partnership, and that such partnership executed it on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership therein named, and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CHERYL A. BRUNING
My Comm. Exp. Mar. 2, 1990

Cheryl A. Bruning
Notary Public in and for said State

ADDITIONAL NOTARIES ON FOLLOWING PAGES

wvj134/20792/000/0030/devccr.am2
079/079 12-05-88

STATE OF CALIFORNIA)
) ss.
COUNTY OF San Diego)

On December 12, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas F. Moon and David E. Ransom, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed the within instrument as Vice President and Assistant Secretary or on behalf of J. F. SHEA CO., INC., dba "Shea Homes," a corporation, and acknowledged to me that the corporation executed it on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership therein named, and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
VIVIAN MAYER
NOTARY PUBLIC—CALIFORNIA
NOTARY BOND FILED IN
SAN DIEGO COUNTY
My Commission Expires August 3, 1992

Vivian Mayer
Notary Public in and for said State

STATE OF CALIFORNIA)
) ss.
COUNTY OF San Diego)

On December 12, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas F. Moon and David E. Ransom, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed the within instrument as Vice President and Assistant Secretary or on behalf of J. F. SHEA CO., INC., dba "Shea Homes," a corporation, and acknowledged to me that the corporation executed it on behalf of VILLAGE HOME BUILDING PARTNERSHIP NO. I, the limited partnership therein named, and that the limited partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
VIVIAN MAYER
NOTARY PUBLIC—CALIFORNIA
NOTARY BOND FILED IN
SAN DIEGO COUNTY
My Commission Expires August 3, 1992

Vivian Mayer
Notary Public in and for said State

ADDITIONAL NOTARIES ON FOLLOWING PAGES

wvj134/20792/000/0030/devccr.am2
079/079 12-05-88

STATE OF CALIFORNIA)
) ss.
COUNTY OF San Diego)

On December 12, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas F. Moon and David E. Ranson, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed the within instrument as Vice President and Assistant Secretary or on behalf of J. F. SHEA CO., INC., dba "Shea Homes," a corporation, and acknowledged to me that the corporation executed it on behalf of VILLAGE HOME BUILDING PARTNERSHIP NO. II, the limited partnership therein named, and that the limited partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
VIVIAN MAYER
NOTARY PUBLIC—CALIFORNIA
NOTARY BOND FILED IN
SAN DIEGO COUNTY
My Commission Expires August 3, 1992

Vivian Mayer
Notary Public in and for said State

STATE OF CALIFORNIA)
) ss.
COUNTY OF San Diego)

On December 9, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Jim Hansen and Mike Stewart, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed the within instrument as Assistant Secretary and Assistant Secretary or on behalf of THE FIELDSTONE COMPANY, the corporation therein named, and acknowledged to me that the corporation executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
JUDITH A. MEYNCKE
NOTARY PUBLIC - CALIFORNIA
SAN DIEGO COUNTY
My Comm. Expires May 29, 1990

Judith A. Meyncke
Notary Public in and for said State

ADDITIONAL NOTARIES ON FOLLOWING PAGE

wvj134/20792/000/0030/devccr.am2
079/079 12-05-88

STATE OF CALIFORNIA)
) ss.
COUNTY OF San Diego)

On Dec. 13th, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Robert F. Buie and Carl F. Neuss, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed the within instrument as President and Asst. Secretary or on behalf of THE BUIE CORPORATION, a corporation, and acknowledged to me that the corporation executed it on behalf of BUIE-OCEANSIDE, LTD., a limited partnership, and that such limited partnership executed it on behalf of OCEANSIDE DEVELOPMENT COMPANY, a joint venture therein named, and that the joint venture executed it.

WITNESS my hand and official seal.

Tricia A. Cole
Notary Public in and for said State

OFFICIAL SEAL
TRICIA A. COLE
Notary Public-California
SAN DIEGO COUNTY
My Comm Exp. Dec 2, 1991

STATE OF NEVADA)
) ss.
COUNTY OF Clark)

On Dec. 8, 19__, before me, the undersigned, a Notary Public in and for said State, personally appeared BARBARA FERRANTE, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Treasurer, and VERNA COLLETT, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Secretary of NEVADA CAPITAL, LTD., the corporation that executed the within instrument and known to me to be the persons who executed the within instrument on behalf of said corporation, said corporation being known to me to be the general partner of NEVADA-OCEANSIDE, LTD., the limited partnership that executed the within instrument, said partnership being known to me to be a joint venture partner of OCEANSIDE DEVELOPMENT COMPANY, the joint venture that executed the within instrument, and acknowledged to me that such corporation executed the same as such partner, that such partnership executed the same as such joint venture partner, and that such joint venture executed the same.

WITNESS my hand and official seal.

Verna Collett
Notary Public in and for said State

VERNA COLLETT
Notary Public-State of Nevada
Clark County
My Appointment Expires Dec. 22, 1991

wvj134/20792/000/0030/devccr.am2
079/079 12-05-88

0 1276

86-223164

[redacted]

RECORDED IN OFFICIAL RECORDS OF SAN DIEGO COUNTY,

1986 JUN -4 PM 12:06

VERA L. LYLE COUNTY RECORDER

Recording Requested By:)
RECORDING REQUESTED BY CONTINENTAL LAND TITLE)
)
When Recorded Mail To:)
AYLWARD, KINTZ, STISKA,)
WASSENAAR & SHANNAHAN)
Attn: Ellen B. Spellman)
225 Broadway, Suite 2100)
San Diego, CA 92101) [For Recorder's Use]

RF 11
AR 9
MG 1

DECLARATION OF RESTRICTIONS

This DECLARATION OF RESTRICTIONS ("Declaration"), which shall be effective upon recordation, is executed as of May 28, 1986, by RANCHO DEL ORO DEVELOPMENTS, a California general partnership ("Seller") with reference to the following facts:

RECITALS

A. Pursuant to a Purchase and Sale Agreement and Escrow Instructions dated March 14, 1986 by and between Seller and VESTPORT ASSOCIATES, a California general partnership ("Developer") [as successor-in-interest to Newport National Corporation, a California corporation, the original Buyer thereunder], executed concurrently herewith ("Agreement"), Seller agreed to sell to Developer, and Developer agreed to purchase, the real property ("Property") located in the City of Oceanside, County of San Diego, California, more particularly described on Exhibit "A" attached hereto and made a part hereof.

B. Seller owns, or has a contractual right to acquire, other real property in the vicinity of the Property, more particularly described on Exhibit "B" attached hereto and made a part hereof (the "Benefitted Property").

C. As part of the consideration to Seller for entering into and performing the Agreement, Developer agreed to accept the conveyance of the Property subject to the restrictions set forth herein.

NOW, THEREFORE, Seller hereby declares that the Property is and shall be held, conveyed, mortgaged, encumbered, leased, used, occupied, sold, and improved subject to the covenants, conditions and restrictions set forth in this Declaration, all of which are equitable servitudes and shall run with title to the land, shall be binding upon and shall inure to the benefit of Seller and successor owners of the Benefitted Property.

ARTICLE 1
DEVELOPMENT RESTRICTIONS

1.1 Approvals. Plans and specifications for all buildings and improvements to be constructed by Developer on the Property shall be submitted to the Rancho Del Oro Planning and Development Board ("Planning Board") for approval pursuant to the Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Technology Park ("CC&Rs"), recorded on September 21, 1984 as File No. 84-358564 of the Official Records of San Diego County, California. The plans and specifications shall be substantially in conformance with the preliminary Site Development Plan submitted by Developer and approved by the Planning Board as of the date hereof. If any portion of the plans and specifications is not in such substantial conformance, the approval by the Planning Board may be withheld, or granted subject to conditions, in order to assure, among other things, that: (a) the Development is compatible with the Master Plan for the Rancho Del Oro Commerce Center; (b) the building design is compatible with current designs for the Rancho Del Oro Technology Park and incorporates building design elements in conformance with design criteria to be utilized for the Plaza Rancho Del Oro Shopping Center; and (c) the site landscaping is compatible with and similar to, in terms of plant material and sizes, that utilized on the parkways and slope banks adjacent to Lot A (across Oceanside Boulevard to the north of the Property) and Plaza Rancho Del Oro Shopping Center. In addition, a final Site Development Plan for the Property must be approved by the City of Oceanside prior to development, and the application for such approval must be approved by the Planning Board prior to submission to the City.

1.2 Use Restrictions. Developer shall create site pads within the Property no larger than 40,000 square feet each and may accommodate commercial-type users permitted under the terms of the Master Development Plan applicable to the Property, as approved by the City of Oceanside and as the same may be amended from time to time. Use of the Property for the following purposes shall be prohibited: a food market, drugstore, pharmacy, women's or men's apparel store, and/or a junior or discount department store.

1.3 Maintenance District. Developer acknowledges that maintenance of certain common areas within or adjacent to major public street rights-of-way for the property covered by the Rancho Del Oro Specific Plan may be performed by a maintenance district ("Maintenance District") formed by the City of Oceanside with the cooperation of Seller, if required by the City as described in the Specific Plan. Alternatively, Seller may record a private covenant ("Maintenance Covenant") authorizing Seller to maintain such areas within or adjacent to major public street rights-of-way and to levy assessments against the Property to pay the costs of such maintenance, in lieu of assessments for major street maintenance pursuant to the CC&Rs. Developer agrees to cooperate with Seller in executing any documents reasonably required to establish and operate the Maintenance District or the Maintenance Covenant.

ARTICLE 2
GENERAL PROVISIONS

2.1 Attorneys' Fees. In the event any legal or equitable proceeding is commenced to enforce or to restrain the violation of this Declaration, the losing party shall pay the attorneys' fees of the prevailing party incurred in such proceeding.

2.2 Cumulative Remedies. The remedies available at law or in equity to enforce this Declaration shall be cumulative, and no such remedy is exclusive. Failure by Seller to exercise any such remedy shall not, under any circumstance, constitute a waiver of the right to exercise such remedy thereafter.

2.3 Notices. Any notices required or permitted hereunder shall be in writing and shall be personally delivered or mailed, postage prepaid, by registered or certified mail, return receipt requested, addressed as follows: If intended for Developer, to: VestPort Associates, c/o the PlanVest Group, 1332 Park View Avenue, Manhattan Beach, CA 90266, ATTN: James J. Collings, President. If intended for Seller, to: Rancho Del Oro Developments, c/o Collins-Rancho Del Oro Company, ATTN: Eugene Geritz, 11750 Sorrento Valley Road, Suite 118, San Diego, California 92121. Mailing addresses may be changed at any time upon written notification to the other party. Notices shall be deemed received on the date of personal delivery or seventy-two (72) hours after mailing.

2.4 Severability. The provisions of this Declaration shall be deemed independent and severable, and if any competent court holds any provision to be invalid, partially invalid or unenforceable, such invalidity or unenforceability shall not effect or invalidate any other provision.

2.5 Governing Law. This Declaration shall be governed, construed and enforced in accordance with the laws of the State of California.

2.6 Runs with Land. The covenants, conditions and restrictions contained herein are made for the benefit of Seller and successor owners of all or any portion of the Benefitted Property; shall create equitable servitudes upon the Property in favor of each and every portion of the Benefitted Property; shall bind Developer, and each successive owner of all or any portion of the Property during his period of ownership, and each person having any interest in the Property derived through any owner thereof; and shall operate as covenants running with the land. This Declaration has been made with the intent of satisfying the requirements of Section 1468 of the California Civil Code.

2.7 Mortgage Protection. This Declaration shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value. However, if any portion of the Property is sold or conveyed pursuant to a foreclosure of any mortgage or under the provisions of any deed of trust, including a deed in lieu of foreclosure, then the purchaser or assignee, and his heirs, successors and assigns, shall hold any and all property so purchased subject to all of the restrictions and other provisions of this Declaration.

2.8 Enforcement. This Declaration shall be enforceable only by Seller or by any successor owner of all or any portion of the Benefitted Property identified as a successor Seller in a supplement to this Declaration executed by Seller and recorded in the Official Records of San Diego County, California.

IN WITNESS WHEREOF, this Declaration has been executed as of the date first written above.

SELLER:

RANCHO DEL ORO DEVELOPMENTS, a California general partnership

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: __________
Title: __________

By: __________
Title: __________

~~DEVELOPER:~~

~~WESTPORT ASSOCIATES, a California~~ general partnership

By: PLANVEST DEVELOPMENT PARTNERS, a California limited partnership, Partner

By: PLANVEST GENERAL 85 LIMITED, a California limited partnership, General Partner

By: THE PLANVEST GROUP, a California corporation, General Partner

By: __________
Title: __________

By: NEWPORT NATIONAL CORPORATION, a California corporation

By: __________
Title: __________

By: __________
Title: __________

SEL:0026m

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On May 30, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Gene [illegible] and William A. [illegible], personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the Pres and Vice Pres, respectively, on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, and that such partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
DIANE L. KAY
Notary Public-California
Principal Office in
San Diego County
My Comm. Exp. Dec. 15, 1989

Diane L. Kay
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______________ and ______________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ______________ and ______________, respectively, on behalf of THE PLANVEST GROUP, the corporation that executed this instrument on behalf of PLANVEST GENERAL 85 LIMITED, the partnership that executed this instrument on behalf of PLANVEST DEVELOPMENT PARTNERS, the partnership that executed this instrument on behalf of VESTPORT ASSOCIATES, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

____
Notary Public in and for Said County and State

EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1

THOSE PORTIONS OF PARCELS A AND B OF PARCEL MAP 12543 IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AS FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JANUARY 28, 1983 AS FILE/PAGE NO. 83-030677 OF OFFICIAL RECORDS, LYING EASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING ON THE NORTHERLY LINE OF SAID PARCEL MAP LYING DISTANT THEREON SOUTH 69°13'47" WEST 518.00 FEET FROM THE NORTHEAST CORNER OF SAID PARCEL MAP; THENCE SOUTH 20°46'13" EAST 60.00 FEET; THENCE NORTH 69°13'47" EAST 17.00 FEET; THENCE SOUTH 20°46'13" EAST 471.53 FEET TO THE SOUTHERLY LINE OF SAID MAP.

PARCEL 2

THOSE PORTIONS OF PARCEL A AND B OF PARCEL MAP 12543 IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AS FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY OF JANUARY 28, 1983 AS FILE/PAGE NO. 83-030677 OF OFFICIAL RECORDS, LYING WESTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING ON THE NORTHERLY LINE OF SAID PARCEL MAP LYING DISTANT THEREON SOUTH 69°13'47" WEST OF 518.00 FEET FROM THE NORTHEAST CORNER OF SAID PARCEL MAP; THENCE SOUTH 20°46'13" EAST 60.00 FEET; THENCE NORTH 69°13'47" EAST 17.00 FEET' THENCE SOUTH 20°46'13" EAST 471.53 FEET TO THE SOUTHERLY LINE OF SAID MAP.

C 1282

EXHIBIT B

LEGAL DESCRIPTION OF BENEFITTED PROPERTY

PARCEL 1:

Parcel A of Parcel Map No. 13476 in the City of Oceanside, County of San Diego, State of California, filed September 12, 1984 in the Office of the County Recorder of the County of San Diego.

PARCEL 2:

Parcels A, C and D of Parcel Map No. 12801, as modified by boundary adjustment PLA-11-84, in the City of Oceanside, County of San Diego, State of California, filed July 12, 1983 in the Office of the County Recorder of the County of San Diego.

PARCEL 3:

Parcel C of Parcel Map No. 11774 in the City of Oceanside, County of San Diego, State of California, filed October 30, 1981 in the Office of the County Recorder of the County of San Diego.

PARCEL 4

Parcel 4 of Parcel Map No. 6270, filed in the Office of the County Recorder of San Diego County, August 18, 1977, being a portion of the North Half of the Southwest Quarter of Section 22, Township 11 South, Range 4 West, San Bernardino Meridian, in the City of Oceanside, in the County of San Diego, State of California, according to Official Plat thereof.

EXCEPTING THEREFROM that portion lying within Parcel Map No. 12543.

PARCEL 5:

Lots 1, 3, 5, 6, 7, 10 through 15 inclusive, 17, 18, 35 and 36 inclusive of Rancho Del Oro Industrial Park Unit 1 in the City of Oceanside, County of San Diego, State of California, according to Map 10248 filed October 18, 1981 in the Office of the County Recorder of the County of San Diego.

PARCEL 6:

Parcels A, C, and N through P inclusive of Parcel Map No. 12314 in the City of Oceanside, County of San Diego, State of California, filed September 15, 1982 in the Office of the County Recorder of the County of San Diego.

PARCEL 7:

Parcels E, G and L of Parcel Map No. 13489 in the City of Oceanside, County of San Diego, State of California, filed September 19, 1984 in the Office of the County Recorder of the County of San Diego.

PARCEL 8:

Parcels A and B of Parcel Map No. 12195 in the City of Oceanside, County of San Diego, State of California, filed June 25, 1982 in the Office of the County Recorder of the County of San Diego.

PARCEL 9:

Parcel A of Parcel Map No. 11774 in the City of Oceanside, County of San Diego, State of California filed October 30, 1981 in the Office of the County Recorder of the County of San Diego, upon acquisition of said Parcel by Rancho Del Oro Developments.

PARCEL 10:

Parcel 4 of Parcel Map No. 6270, filed in the Office of County Recorder of San Diego County, August 18, 1977, being a portion of the North Half of the Southwest Quarter of Section 22, Township 11 South, Range 4 West, San Bernardino Meridian, in the City of Oceanside, County of San Diego, State of California, according to official plat thereof.

EXCEPTING THEREFROM that portion lying with Parcel Map No. 12543.

PARCEL 11:

That portion of the Northwest Quarter of Section 22, Township 11 South, Range 4 West, San Bernardino Meridian, in the City of Oceanside, in the County of San Diego, State of California, according to Official Plat thereof lying Southerly of a line described as follows:

BEGINNING at the Soutwest corner of said Northwest Quarter; thence along the Southerly line thereof South 88°55'59" East, 1447.74 feet to an intersection with the Southerly line of that certain 104.00 foot wide easement known as Oceanside Blvd., and described in Deed to the City of Oceanside recorded October 25, 1967, Recorder's File No. 165919 of Official Records being a point in the arc of a 6052 foot radius curve concave Northwesterly, a radial bears South 18°49'29" East to said point, being the TRUE POINT OF BEGINNING; thence Northeasterly along said curve through an angle of 00°28'48" a distance of 501.69 feet; thence leaving said Southerly line North 71°58'20" East 253.25 feet to a line drawn parallel with and 62.00 feet Southerly at right angles to the center line of said 104.00 foot wide easement; thence along said parallel line North 69°13'47" East to the East line of said Northwest Quarter.

EXCEPTING THEREFROM that portion lying within Parcel Map No. 12543.

PARCEL 12:

That portion of Parcel 2 of Parcel Map No. 9881 in the City of Oceanside, in the County of San Diego, State of California, filed in the Office of County Recorder of San Diego County, being a division of a portion of the Southwest Quarter of the Northeast Quarter of Section 22, Township 11 South, Range 4 West, San Bernardino Meridian, according to the Official Plat thereof, lying Southerly of a line drawn parallel with and 62.00 feet Southerly at right angles to the center line of that certain 104.00 foot wide easement known as Oceanside Blvd., and described in Deed to the City of Oceanside recorded October 25, 1967 in Recorder's File No. 165919 of Official Records.

9782.01/AGP80/101a

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86-388367

RECORDED IN OFFICIAL RECORDS OF SAN DIEGO COUNTY, CA

1986 SEP -4 PM 1:20

VERA L. LYLE COUNTY RECORDER

RF 103
AR 99
MG 2

Recording Requested by:
RECORDING REQUESTED BY CONTINENTAL LAND TITLE

When Recorded Mail to:
Rancho Del Oro Development
c/o Jenkins & Perry
A Professional Corporation
1100 Central Savings Tower
225 Broadway
San Diego, California 92101

Attn: Arthur G. Peinado, Esq.

Space Above For Recorder's Use

MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE VILLAGES OF RANCHO DEL ORO

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MASTER DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE VILLAGES OF RANCHO DEL ORO

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made and executed as of the 26 day of ~~July~~ Aug., 1986, by RANCHO DEL ORO DEVELOPMENTS, a California general partnership ("Developer," as more specifically defined in Article 1), RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership ("Rancho"), and VILLAGE HOME BUILDING PARTNERSHIP NO. I, a California limited partnership ("Home Building"), with reference to the following recitals:

R E C I T A L S

A. Rancho and Home Building are the owners of the real property ("the Property") located in the City of Oceanside, County of San Diego, California, more particularly described in Exhibit A.

B. The Property is part of a larger parcel of real property owned in part by Rancho, in part by Developer, in part by Home Building and in part by others (but regarding which Developer has certain rights and options to purchase), all of which real property is depicted on the map attached as Exhibit B and is subject to the Rancho Del Oro PRD Master Plan, approved by the City of Oceanside on October 15, 1985, as the same may thereafter from time to time be amended.

C. Developer, Rancho and Home Building intend to establish a residential community ("the Master Project," as defined in Article 1) of one or more Village Projects and to develop the Property as the initial increment of the Master Project, which will generally have the character of a planned development as defined in California Civil Code Section 1351(k).

D. Developer may unilaterally add all or any part of the real property described in Exhibit C to the Master Project by annexation pursuant to this Master Declaration, and such additional property so annexed will thereupon be developed as part of the Master Project, and shall be subject to the provisions of this Master Declaration. Such annexed real property may also be part of a Village Project.

E. Developer, Rancho and Home Building intend to sell, lease or otherwise convey portions of the Property and any additional property which may be annexed into the Master Project pursuant to the provisions of this Master Declaration, and Developer, Rancho and Home Building desire and intend to hereby subject the Property and any additional property which may be annexed into the Master Project to mutual, beneficial restrictions under a general plan or scheme of improvement for the benefit of the Property and, following annexation, said additional property and of the future owners thereof.

NOW, THEREFORE, Declarant, Rancho and Home Building hereby declare that all of the Property, and any additional property which may be annexed into the Master Project pursuant to this Master Declaration, shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following restrictions, covenants, conditions, reservations, easements and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Property and such other property which may be annexed into the Master Project, in furtherance of a general plan for the protection, maintenance, subdivision, improvement, sale and lease of the Property, such other property which may be annexed into the Master Project and every portion thereof. All of the restrictions, covenants, conditions, reservations, easements and equitable servitudes set forth herein shall run with the land and shall be binding upon and inure to the benefit of all persons having or acquiring any right, title or interest in the Property, such other property which may be annexed into the Master Project, or any portion thereof.

ARTICLE 1

Definitions

Unless otherwise expressly provided, the following terms, when used in this Master Declaration, shall have the meanings hereinafter specified.

1.1 "Annexation" shall mean the process by which additional real property may be made subject to this Master Declaration and included in the Master Project.

1.2 "Annexation Property" shall mean the real property described in Exhibit C attached hereto, all or any portion of which real property may from time to time be made subject to this Master Declaration by Developer pursuant to the provisions of the Article of this Master Declaration entitled "Annexation."

1.3 "Apartment Area" shall mean any portion of the Master Project which is developed or being developed with Improvements suitable for multi-family apartment or rental use.

1.4 "Builder" shall mean any person, persons, entity or entities which acquires all or a portion of the Master Project for development and improvement of the same with residential dwellings or other improvements. Without limitation, Developer, Rancho and Home Building may each be a Builder.

1.5 "Condominium" shall mean a condominium as defined in California Civil Code section 783, or any similar California statute hereafter enacted, and shall include a condominium owned in fee simple, a long-term leasehold condominium or a condominium comprising a combination of fee simple and long-term leasehold characteristics. For the purposes of this paragraph, a "long term" leasehold shall mean a leasehold interest in a Lot or Condominium which has an original term of not less than ten years. For the purposes of this Master Declaration, the term "Condominium" shall also include a single-family residential dwelling or other area space which is appurtenant to one or more ownership interests in a community apartment or stock cooperative project as defined in California Civil Code section 1351 or any similar California statute hereafter enacted.

1.6 "Condominium Project" shall mean a condominium project as defined in California Civil Code section 1351, or any similar California statute hereafter enacted. For purposes of this Master Declaration, the term "Condominium Project" shall include a community apartment and stock cooperative project as defined in California Civil Code section 1351, or any similar California statute hereafter enacted.

1.7 "Developer" shall mean (i) Rancho Del Oro Developments, a California general partnership, and (ii) any successor in interest of Rancho Del Oro Developments to which all or any of the rights of Developer under the Master Articles, Master Bylaws and this Master Declaration have been transferred pursuant to a written assignment which has been filed for record in San Diego County, California. Any such assignment may include only specific rights of Developer under this Master Declaration, the Master Articles or the Master Bylaws and may be subject to such conditions and limitations as Rancho Del Oro Developments may impose at its sole and absolute discretion. Notwithstanding the Article of this Master Declaration entitled "Amendment," no amendment, revocation or rescission of this paragraph or Paragraph 1.4 may be had without the (i) written consent of Developer and (ii) recording of such consent in the Office of the Recorder of San Diego County, California.

1.8 "DRE" shall mean the California Department of Real Estate, or such other governmental agency of the State of California, which administers the sale of subdivided land pursuant to California Business and Professions Code section 11000 et seq., or any similar California statute hereinafter enacted.

1.9 "Eligible Guarantor" shall mean any governmental guarantor of any Mortgage which has requested, in a writing stating such guarantor's name and address and the address of the Unit encumbered by the guaranteed Mortgage, that the Master Association provide notice to such guarantor of those matters to which it is entitled by reason of this Master Declaration or the Master Bylaws.

1.10 "Eligible Insurer" shall mean any insurer of any Mortgage which has requested, in a writing stating such insurer's name and address and the address of the Unit encumbered by the insured Mortgage, that the Master Association provide notice to such insurer of those matters to which it is entitled by reason of this Master Declaration or the Master Bylaws.

1.11 "Eligible Mortgagee" shall mean any Mortgagee which has requested, in a writing stating the Mortgagee's name and address and the address of the Unit encumbered by the Mortgage held by the Mortgagee, that the Master Association provide notice to such Mortgagee of those matters to which it is entitled by reason of this Master Declaration or the Master Bylaws.

1.12 "Family" or "family" shall mean (i) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or (ii) a group of natural persons not all so related who maintain a common household in a residential dwelling within a Unit.

1.13 "FHA" shall mean the Federal Housing Administration of the United States Department of Housing and Urban Development.

1.14 "Improvement" shall mean all structures and appurtenances of every type and kind, including, but not limited to, buildings, outbuildings, walkways, hiking and jogging trails, tennis courts, sprinkler pipes, garages, swimming pools, Jacuzzis, spas, recreation facilities, carports, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, hedges, windbreaks, plantings, planted trees and shrubs, poles and signs.

1.15 "Lot" shall mean any lot or parcel of land shown upon a recorded final subdivision map or recorded final parcel map of any portion of the Master Project, excepting any Master Common Area, common area of any Village Project and Condominiums in a Condominium Project.

1.16 "Master Articles" shall mean the Articles of Incorporation of the Master Association, as the same may from time to time be amended.

1.17 "Master Association" shall mean The Villages of Rancho Del Oro Association, Inc., a California nonprofit mutual benefit corporation, or any successor entity charged with the duties, obligations and powers of said Master Association.

1.18 "Master Board" shall mean the Board of Directors of the Master Association.

1.19 "Master Bylaws" shall mean the Bylaws of the Master Association, as the same may from time to time be amended.

1.20 "Master Common Area" shall mean all real property and Improvements thereon (including Master Recreational Facilities) in which the Master Association owns an interest for the common use and benefit of the Master Members and Owners, including their lessees, guests or invitees, all as provided in this Master Declaration. The Master Common Area may include an interest held by the Master Association under a lease, license or easement, as well as an estate in fee. The Master Common Area shall initially include the real property described in Exhibit D attached hereto. Portions of the Master Common Area may be subject to easements or other interests of a governmental or quasi-governmental body.

1.21 "Master Declaration" shall mean and refer to this Master Declaration of Covenants, Conditions and Restrictions for The Villages of Rancho Del Oro, as the same may from time to time be amended.

1.22 "Master Member" shall mean and refer to any entity or person holding membership in the Master Association, as specifically provided in the Article of this Master Declaration entitled "The Master Association."

1.23 "Master Project" shall mean all of the real property which is subject to this Master Declaration, including additional real property which may become subject to this Master Declaration following annexation thereof pursuant to this Master Declaration.

1.24 "Master Recreational Facilities" shall mean those recreational facilities located within the Master Common Area which have been established for the common use by all Owners in the Master Project, including their lessees, guests or invitees, all as provided in this Master Declaration. The Master Recreational Facilities may include, without limitation, hiking and jogging trails, playground equipment for children and other recreational facilities.

1.25 "Master Rules" shall mean the rules and regulations adopted by the Master Board pursuant to this Master Declaration for the governance of the Master Project.

1.26 "Mortgage" shall mean any real property mortgage or deed of trust encumbering a Unit.

1.27 "Mortgagee" shall mean the mortgagee under any real property mortgage or beneficiary under any deed of trust, which mortgage or deed of trust encumbers a Unit.

1.28 "Owner" shall mean the person(s) who hold(s) record fee simple title to, or a long-term ground leasehold estate of record in, any Unit, including Developer, Rancho, Home Building and each Builder for so long as such person holds title to, or a long-term ground leasehold estate in, a Unit, but excluding third persons who hold title as security for the performance of an obligation other than the seller under an executory contract of sale. For purposes of this paragraph, "long-term ground leasehold interest" shall mean a leasehold interest having a term of ten or more years.

1.29 "Planned Development Project" shall mean a project of one or more Lots developed within the Master Project, with each such Lot to be improved with a single-family dwelling(s) (that may be detached, a "townhouse," or part of an "attached cluster," as defined in the PRD Master Plan), which increment may be developed in phases and may or may not be defined as a planned development in California Civil Code section 1351, or any similar California statute hereafter enacted.

1.30 "PRD Master Plan" shall mean the Rancho Del Oro PRD Master Plan [D-5-84], approved by The City on October 15, 1985, as the same may thereafter from time to time be amended.

1.31 "Sub-Association" shall mean any California nonprofit corporation or unincorporated association, or its successor in interest, organized and established or authorized pursuant to a Sub-Declaration and of which the membership is composed of the owners of Lots or Condominiums within a Planned Development Project, Condominium Project or other portion of a Village Project.

1.32 "Sub-Declaration" shall mean any declaration of covenants, conditions and restrictions, or similar document which is filed for record solely with respect to a Planned Development Project, Condominium Project or other portion of a Village Project.

1.33 "The City" shall mean the City of Oceanside, California.

1.34 "Unit" shall mean (i) any Condominium which is part of a Condominium Project in the Master Project, (ii) any Lot within the Master Project on which only one single-family residential dwelling has been or will be constructed, (iii) each multi-family residential dwelling unit located within an Apartment Area in the Master Project, (iv) each single-family dwelling located on a Lot in a Planned Development Project, (v) with respect to any Lot within the Master Project on which structures for a use permitted under the PRD Master Plan [excluding the uses described in clauses (i), (ii), (iii) and (iv)] have been or will be constructed, each 7,260 square feet of gross land area or fractional portion thereof contained within such Lot, unless expressly provided otherwise in any Declaration of Annexation and Restrictions encompassing such a Lot, or (vi) with respect to any portion of the Master Project which has not been divided into Units [as described above in clauses (i), (ii), (iii), (iv) or (v)], each residential dwelling unit approved for, and allocated to, such portion on the Residential Density Management Table maintained by the City pursuant to the Specific Plan for Rancho Del Oro, Specific Plan S-1-84, adopted October 15, 1985, by the City Council of the City of Oceanside as Resolution No. 85-238, as the same may from time to time be amended. Units determined initially under clause (vi) of the preceding sentence may subsequently become Units determined under clause (i), (ii), (iii), (iv) or (v) of said sentence. As examples of the application of the aforesaid clause (v): (i) any such Lot containing only 6,000 square feet of gross land area shall be deemed to constitute one "Unit" and (ii) any such Lot containing 8,000 square feet of gross land area shall be deemed to constitute two "Units." "Gross land area" as used in this paragraph will mean the gross land area of a Lot, excluding any (i) open-space areas affecting such Lot which are owned by the Master Association, a Village Association or a Sub-Association or by the Owners of such Lot in undivided interests, or which are subject to an easement for the benefit of the Owners of such Lot, and (ii) other areas affecting a Lot which have been dedicated to the City or any other governmental agencies.

1.35 "VA" shall mean the Veteran's Administration, which is a governmental agency of the federal government of the United States.

1.36 "Village Articles" shall mean the Articles of Incorporation of a Village Association as filed or to be filed in the Office of the Secretary of State of the State of California, as the same may from time to time be amended.

1.37 "Village Association" shall mean a California nonprofit mutual benefit corporation, created to govern a Village Project pursuant to Villages Articles, Village Bylaws and a Village Declaration.

1.38 "Village Bylaws" shall mean the Bylaws of a Village Association, as the same may from time to time be amended.

1.39 "Village Declaration" shall mean a Declaration of Covenants, Conditions and Restrictions for a Village Project, as the same may from time to time be amended, which has been filed for record in San Diego County, California, by Developer, acting alone or together with one or more Builders. A Village Declaration shall include the declarations providing for annexation of increments, if any, to the Village Project affected thereby.

1.40 "Village Maintenace Agreement" shall mean a recorded written agreement, pursuant to which certain improvements located in maintenance areas within a Village Project will be maintained by the Master Association, all as more specifically described in Paragraph 2.9 of this Master Declaration.

1.41 "Village Project" shall mean a residential project consisting of real property, improved or unimproved, which has been made and is subject to a Village Declaration and this Master Declaration. A Village Project may be established by Developer, acting alone or together with one or more Builders, in increments compatible with construction and marketing requirements.

ARTICLE 2

The Master Association

2.1 Purpose. The Master Association is, effective upon the recordation hereof, the "management body" to provide for the management, control, maintenance, architectural control and preservation of the Master Project, all as more specifically set forth in this Master Declaration, the Master Articles, the Master Bylaws and the Master Rules from time to time adopted by the Master Board.

2.2 Membership. Each Village Association established within the Master Project shall be a member of the Master Association. A Village Association shall become a member of the Master Association when any portion of the real property located within a Village Project governed by such Village Association first becomes subject to assessments levied pursuant to this Master Declaration. For any real property annexed into the Master Project for which a Village Association has not yet been formed, the membership in the Master Project for such property shall be in Developer.

2.3 Master Project Rights and Duties. A member of any Village Association shall be entitled to use the Master Common Area and Master Recreational Facilities. Such rights of use shall terminate upon the termination of membership of such Owner as a member of a Village Association or upon the termination of such Owner's ownership of real property within the Master Project. Upon conveyance, sale or assignment of record of an Owner's interest in a Unit in the Master Project, the grantee of such Unit shall automatically succeed to such rights of the selling Owner. No Owner in the Master Project may avoid any obligations imposed on Owners of real property in the Master Project by this Master Declaration by nonuse of Master Common Area or Master Recreational Facilities, nonuse or abandonment of its Unit in the Master Project, or other act of abandonment or renunciation.

2.4 Master Member Voting Rights. On matters which this Master Declaration requires the vote of Master Members, the following procedures shall apply:

2.4.1 Votes Per Village Association. Each Village Association (as a Master Member) shall have, with respect to the Units then a part of the Village Project governed by such Village Association, (i) one vote for each Unit which has been sold and conveyed to a purchaser other than Developer, Rancho, Home Building or a Builder and (ii) three votes for each such Unit which is still owned by Developer, Rancho, Home Building or a Builder. A Village Association shall be a Class A Master Member with respect to the voting rights attributable to Units owned by an Owner other than Developer, Rancho, Home Building or a Builder and a Class B Master Member with respect to the voting rights attributable to Units owned by Developer, Rancho, Home Building or Builder. A Village Association's Class B voting status (with respect to Units owned by Developer, Rancho, Home Building or a Builder) will cease and convert to Class A voting status on the later of the following dates: (i) that certain date which is ten years after the date of recording of this Master Declaration or (ii) that certain date which is two years after the original issuance by the DRE of the most recent final subdivision public report for a phase of development of the Master Project. Provided, however, that notwithstanding the foregoing, such Class B voting status (if then still existing) will forever cease and convert to Class A voting status on that certain date which is 12 years after the date of recording of this Master Declaration.

2.4.2 Votes of Developer. For any Units (including Units approved therefor or allocated thereto by The City) on real property owned by Developer, Rancho, Home Building or Builders which has been annexed into the Master Project but for which a Village Association has not been formed, Developer (as a Master Member) shall have three votes for each such Unit on said real property so annexed to the Master Project and shall be a Class B Master Member. Provided, however, that the votes attributable to such Units shall, except as noted below, become one vote per Unit on the earlier to occur of the following: (i) the establishment of a Village Association for such Units, in which event the votes per Unit will be determined pursuant to Paragraph 2.4.1, (ii) the annexation of such Units into an existing Village Project governed by a Village Association, in which event the votes per Unit will be determined pursuant to Paragraph 2.4.1, or (iii) the later of (a) that certain date which is ten years after the date of recording of this Master Declaration or (b) that certain date which is two years after the original issuance by the DRE of the most recent final subdivision public report for a phase of development of the Master Project. Notwithstanding the foregoing, Developer's Class B membership status will forever cease and convert to Class A membership status 12 years from the date of the original issuance of the first final subdivision public report for a Village Project in the Master Project.

2.4.3 Voting Procedures. The votes of each Village Association (as a Master Member) shall be cast in writing at a meeting called for the purpose of such voting. The president of each Village Association shall cast the votes allocated to that particular Village Association. At meetings of the Master Members, in the absence of the president of any Village Association, the vice president of such Village Association or other duly authorized representative of such Village Association, shall be authorized to act at such meeting in the place of such absent president. The manner in which any particular Village Association casts its votes on a particular issue shall be determined by the Board of Directors of such Village Association; provided, however, that where Units in a Village Project are owned by Developer, Rancho, Home Building or a Builder, the president of the Village Association for such Village Project shall cast the votes attributable to such Units on such issue only in the manner specified by Developer. The votes attributed to Developer for any real property in the Master Project not governed by a Village Association shall be cast in writing by a duly authorized representative of Developer.

2.5 Entry by Master Association. The officers, agents, employees and independent contractors of the Master Association shall have a nonexclusive easement to enter any Unit for the purpose of performing or satisfying the duties and obligations of the Master Association hereunder (including, without limitation, the performance of maintenance functions with respect to walls, fences, storm drains and other improvements located within the Master Common Area but which abut or are adjacent to a Unit), provided that such entry shall occur (i) at a reasonable hour and (ii) after reasonable notice has been given to the Owner of such Unit. In the event that there is an emergency and the Owner of such Unit is not available at the time of such emergency, the officers, agents, employees and independent contractors of the Master Association may enter such Unit immediately and without notice for the sole purpose of taking such action as is necessary under the circumstances, and any damage caused by such entry will be repaired at the expense of the Master Association.

2.6 Disciplining of Members. In addition to all other rights, powers and duties possessed by and vested in the Master Board under this Master Declaration, the Master Articles and the Master Bylaws, the Master Board shall possess and be vested with the right and power to (i) impose reasonable monetary penalties, in such amounts as determined by the Master Board in its sole discretion, against an Owner and (ii) seek reimbursement for costs as follows:

2.6.1 As a disciplinary measure for any breach of any of the (i) limitations, restrictions, conditions, covenants, reservations, easements or equitable servitudes set forth in this

Master Declaration (other than a breach by failure to pay an assessment), (ii) provisions of the Master Articles or the Master Bylaws or (iii) Master Rules adopted by the Master Board pursuant to this Master Declaration.

2.6.2 As a means of reimbursing the Master Association for costs incurred by the Master Association (i) for the repair of damages to the Master Common Area and Master Recreational Facilities or any Improvements or personal property thereto or thereon allegedly caused by such Owner, its guests or any occupant of such Owner's Unit or (ii) in bringing such Owner or the occupant of such Owner's Unit and/or said Unit into compliance with this Master Declaration (other than the payment of assessments), the Master Articles, the Master Bylaws or the Master Rules.

2.6.3 The imposition of a monetary penalty pursuant to Paragraph 2.6 must be done in good faith and in a fair and reasonable manner. The Owner must be given 15 days' prior notice of the imposition of a monetary penalty. Said notice must set forth reasons for the imposition of the monetary penalty and may be given by any method reasonably calculated to provide actual notice. Any notice given by mail must be given by first-class, registered or certified mail sent to the last address of the Owner shown on the Master Association's records. The Owner must be provided an opportunity to be heard, orally or in writing, not less than five days before the effective date of the imposition of each monetary penalty by a properly convened meeting of the Master Board. Any such breach which is not remedied in the calendar month in which the monetary penalty is imposed against an Owner by reason thereof shall, until fully remedied, be deemed to constitute a new breach in each succeeding calendar month for which the Master Board may in each such calendar month impose a new monetary penalty pursuant to this paragraph.

2.7 <u>Master Board to Review Material Changes</u>. Any Owner (excluding Developer, Rancho, Home Building or a Builder) proposing a Material Change (defined below) shall submit complete plans, specifications, plats and/or color schemes for such Material Change to the Master Board for its approval which must be obtained before such Material Change may be undertaken. A "Material Change" shall mean any structural, design, color or other change visible from the exterior of a Unit which affects 20 or more Units in a Condominium Project, Planned Development Project, Apartment Area or other development of Units. In reviewing any such plans, specifications, plats and schemes, the Master Board may take into account (i) the quality and type of workmanship and materials to be used and (ii) the harmony of external design with existing structures, and also structures that have been planned (but not yet constructed) and which are known to the Master Board, located in the Village Project in which the affected Units are located. In the event the Master Board fails to approve or disapprove any such plans, specifications, plats or schemes within 30 days after all documents and information requested by the Master Board have been received by it, the Owner requesting said approval may submit a written notice to the Master Board advising the same of its failure to act. If the Master Board fails to approve or disapprove any such plans, specifications, plats or schemes within 15 days after the receipt of said notice from such Owner, said plans, specifications, plats or schemes shall be incontrovertibly deemed to be approved.

2.7.1 An Owner will obtain the approval of the Master Board with respect to such Owner's plans, specifications, plats and schemes pursuant to Paragraph 2.7 before submitting the same to The City for a building permit or other approval of any kind that may be required from The City.

2.7.2 Neither Developer, Rancho, Home Building or the Master Board, nor any member or representative thereof, shall be liable to the Master Association, or to an Owner, for any loss, damage or injury arising out of, or in any way connected with, the performance of the Master Board's duties hereunder, unless due to the willful misconduct or bad faith of the Master Board.

2.7.3 In the event of a violation of any of the provisions of Paragraph 2.7 by any Owner including, without limitation, failure of any Owner to comply with any written directive, approval or order from the Master Board, the Master Board may take any appropriate action at law or in equity, including the imposition of a monetary penalty against a noncomplying Owner pursuant to this Master Declaration.

2.7.4 Each reference to an "Owner" in Paragraph 2.7 (including Paragraphs 2.7.1 through 2.7.3) will include a Sub-Association with respect to any portion of the Master Project owned by such Sub-Association or concerning which such Sub-Association can exercise any of the rights of ownership that are restricted or limited by said Paragraph 2.7.

2.7.5 The Master Board may delegate any of its duties under Paragraph 2.7 (including Paragraphs 2.7.1 through 2.7.3) to any architectural committee appointed by the Master Board for such purpose.

2.8 <u>Responsibilities Under Recorded Ranch Maintenance Agreement</u>. The Master Association is hereby irrevocably appointed as the attorney-in-fact for every Owner to act on its behalf under that certain maintenance agreement entitled "Ranch Maintenance Agreement," executed by Developer, Rancho, Home Building and other owners of real property (which is to be filed for record in the Office of the County Recorder of San Diego County, California), pursuant to which certain improvements located in maintenance areas described therein will be maintained, all as provided in the Ranch Maintenance Agreement. In exercising its rights under this paragraph on behalf of the Owners, the Master Association (i) shall act for and exercise the voting and other rights of the Owners under the Ranch Maintenance Agreement, (ii) may enforce any of the terms and provisions of the Ranch Maintenance Agreement or exercise any of the remedies of the Owners thereunder, (iii) shall collect, at the request of the administrator under the Ranch Maintenance Agreement, any fees and charges for which the Owners are responsible under the Ranch Maintenance Agreement (plus a reasonable administration charge), concurrently with the regular assessments to be levied under this Master Declaration, and (iv) may undertake any other actions with respect to the Ranch Maintenance Agreement that are consistent with its provisions and purposes and which will benefit the Master Project and the Owners. As used in this Paragraph 2.8, the term "Owners" shall have the meaning given to such term in this Master Declaration and not the meaning set forth in the Ranch Maintenance Agreement.

2.9 Responsibilities Under Recorded Village Maintenance Agreement(s). With respect to each Village Project established by Developer as provided in the Article of this Master Declaration entitled "Village Projects," Developer may file for record a Village Maintenance Agreement, pursuant to which certain improvements located in maintenance areas described therein will be maintained by the Master Association, all as provided in such Village Maintenance Agreement.

2.9.1 With respect to the first Village Project established by Developer which encompasses a portion of the land commonly known as "Village I," Developer has caused the Village Maintenance Agreement attached to this Master Declaration as Exhibit G to be recorded as a part of this Master Declaration. Each Village Maintenance Agreement for a Village Project will (i) be signed and acknowledged by Developer and the owners of all of the real property which may be included within such Village Project and (ii) be substantially in the same form as Exhibit G, except that it may vary from Exhibit G as to (a) the description of the real property, improvements, maintenance areas and maintenance obligations to be governed thereby, (b) the parties which will sign and acknowledge the same and (c) such other matters as are unique to the Village Project to which such Village Maintenance Agreement pertains.

2.9.2 Upon the recording of a Village Maintenance Agreement with respect to a Village Project that complies with the requirements of this Paragraph 2.9, such Village Maintenance Agreement will constitute a part of the Master Declaration as if it was originally attached hereto. The Master Association and each of the Owners within the Village Project affected by a Village Maintenance Agreement will, upon the recording thereof, have all of the rights, powers and obligations that have been therein granted to or imposed on, respectively, each such entity or person. Each Annexation, pursuant to Article 15 of this Master Declaration, of land described in a Village Maintenance Agreement as annexation property will automatically effect the annexation of said land under, and subject said land to, such Village Maintenance Agreement.

2.9.3 In the event of a conflict between any provision of a Village Maintenance Agreement and any provision of this Master Declaration (exclusive of such Village Maintenance Agreement), the provision of this Master Declaration will govern and control; however each Village Maintenance Agreement shall, whenever reasonably possible, be construed in such a manner as to further the purposes and the objectives thereof in harmony with the balance of this Master Declaration of which such Village Maintenance Agreement is a part.

ARTICLE 3

Village Projects

3.1 Village Declaration. Prior to the sale and conveyance of a Unit on any real property annexed under a Declaration of Annexation and Restrictions into the Master Project to a purchaser (other than Developer, Rancho, Home Building or a Builder), Developer will establish a Village Declaration with respect to all such real property or a portion thereof containing such Unit. A Village Declaration may provide for the addition, by means of annexation, of other real property into the Village Project governed by such Village Declaration, provided such real property has been or will be concurrently annexed into the Master Project. A Village Declaration may also specify the procedures for operation and management of the real property affected thereby and establish the uses permitted and prohibited regarding the Units and any common area affected thereby. The Owner of each Unit shall comply with the provisions of any Village Declaration affecting such Unit. A Village Association may be established to govern and manage the real property that is affected by a Village Declaration. Every member of the Master Board shall have the absolute right at any reasonable time to inspect all books, records and other documents of a Village Association, and to make at his or her expense extracts and copies of such documents.

3.2 Entry. The Master Association or its agents may enter any common area of a Village Project when necessary in connection with any maintenance, repair, landscaping or construction which the Master Association is authorized to accomplish. There are hereby established easements over, under, upon and across the common area (if any) of each Village Project for the benefit of the Master Association.

3.3 Uses and Activities Within a Village Project. The Units in each Village Project shall be occupied and used only for residential or other purposes as are permitted under the PRD Master Plan. The Master Association shall have the right to enforce any provision of any Village Declaration, to the extent that the Master Association deems it necessary to protect the overall interests in the Master Project. The Master Association shall not, however, in any event, be considered as having a duty or obligation to enforce any particular provision of any particular Village Declaration.

ARTICLE 4

Master Rules; Master Common Area

4.1 Master Rules. The Master Board may adopt Master Rules as it deems proper for the operation of the Master Project, and the maintenance and control of the Master Common Area. A copy of the Master Rules, as the same may from time to time be adopted, amended or repealed, will be available for inspection by any Owner at the offices of the Master Association and may be mailed or otherwise delivered to each Owner. After such mailing or deliverance, the Master Rules shall have the force and effect as if they were set forth in this Master Declaration; provided, however, that the Master Rules will be enforceable only to the extent that they are consistent with this Master Declaration, the Master Articles and the Master Bylaws. Each rule and regulation comprising the Master Rules must be reasonable.

4.2 Master Common Area. The Master Association may acquire and become the owner of any Master Common Area. The Master Association will accept, as Master Common Area, the title to any estate in fee, easement, license or leasehold estate in real property conveyed to it by Developer, Rancho, Home Building or any Builder, provided such conveyance has been approved by the DRE. The Master Board may grant permits, licenses and easements over, upon, under and across such Master Common Area for utilities, roads, and other purposes which are reasonably necessary to the ongoing operation of the Master Project. Each Owner hereby grants each director of the Master Association an irrevocable power of attorney to execute deed(s) or other instrument(s) to grant said permits, licenses and easements. The Master Association may acquire and become the owner of personal property for the maintenance and improvement of the Master Project and to implement the performance of its other duties hereunder. The transfer of such personal property by the Master Association pursuant to the Master Bylaws will transfer title thereto free and clear of any claim on the part of any Owner or Master Member.

4.3 Maintenance of Master Common Area. The Master Association will maintain the Master Common Area and all Improvements thereon in good condition, reasonable wear and tear excepted. Such maintenance obligations will include, without limitation, the repair and/or replacement of Improvements located on the Master Common Area when it becomes reasonably necessary to do so. Notwithstanding the foregoing, portions of the Master Common Area that are subject to easements or other interests of a governmental or quasi-governmental body, or of the owners or the administrator under the Ranch Maintenance Agreement described in Paragraph 2.8 above, may be maintained by such body pursuant to an assessment district formed for such purposes or otherwise, in which event the Master Association will be relieved of its maintenance obligations hereunder with respect to such portions. The Master Association may from time to time grant easements or licenses to any governmental or quasi-governmental body over, upon, across and under any portion(s) of the Master Common Area for the purposes of enabling such body to maintain such portions pursuant to an assessment district formed for such purposes or otherwise, in which event the Master Association will be relieved of its maintenance obligations hereunder with respect to such portions. The Master Association may also from time to time accept the termination of any such easements or licenses from such a governmental or quasi-governmental body, in which event the Master Association will assume fully all maintenance responsibilities hereunder with respect to the portions of the Master Common Area affected by the easements or licenses that have been terminated.

4.4 Special Limitations on Master Association. Except as set forth in this article, neither the Master Members nor the Master Association shall, by act or omission, without the prior written consent of at least 67 percent of all first Mortgagees (based upon one vote for each first Mortgage owned) be entitled to:

4.4.1 Abandon or terminate the planned development character of the Master Project;

4.4.2 Partition, subdivide, encumber, sell or transfer any Master Common Area or the Improvements thereon; provided, however, a granting of easements for public utilities or for other purposes consistent with the intended use of the Master Common Area shall not be a transfer within the meaning of this clause;

4.4.3 Change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;

4.4.4 Waive or abandon any scheme of regulations or the enforcement thereof pertaining to the architectural design or the exterior appearance of the residential improvements within the Master Project, the exterior maintenance of said residential improvements or the maintenance and upkeep of any Master Common Area and the Improvements thereon;

4.4.5 Fail to maintain insurance coverage under any extended coverage hazard policy(ies) against loss by fire and other perils with respect to all insurable improvements which may be located on any Master Common Area and all insurable personal property owned by the Master Association in an amount not less than 100 percent of the insurable value (based on then current replacement costs) of said improvements and of said personal property as determined annually by an insurance carrier selected by the Master Board pursuant to this Master Declaration;

4.4.6 Use hazard insurance proceeds for losses to any Improvements located on any Master Common Area and/or said personal property owned by the Master Association for other than the repair, replacement or reconstruction of said Improvements and/or personal property;

4.4.7 Change the boundaries of any Unit;

4.4.8 Convert one or more Units into part of the Master Common Area or convert any portion of the Master Common Area into one or more Units;

4.4.9 Impose any restrictions on an Owner's right to sell or transfer its Unit;

4.4.10 Establish self-management for the Master Project when professional management has been required previously by a Mortgagee under a then-existing first Mortgage.

4.5 Requirement for The City's Consent. In addition to the written consent of first Mortgagees required pursuant to Paragraph 4.4, the written consent of The City will be required before the Owners or the Master Association can, by act or omission, approve or permit any of the matters described in Paragraphs 4.4.1, 4.4.2, 4.4.4, 4.4.6 and 4.4.8, to occur.

4.6 Encroachments. In the event any portion of the Master Common Area encroaches upon any Unit or any residential improvement on a Unit encroaches upon the Master Common Area or another Unit as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the improvements or the drainage of rainwater from the roof of any residential improvement on a Unit, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists. Said valid easement shall apply only to encroachments. There shall be easements for the maintenance of said encroachments as long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachments; provided, however, that in no event shall an easement for encroachment be created in favor of an Owner if said encroachment occurred due to the willful misconduct of any Owner. Each Owner agrees that easements for encroachments over adjoining Units or Master Common Area and for the maintenance of said encroachments shall exist for as long as said encroachment shall exist. A nonexclusive easement for ingress, egress and support throughout the Master Common Area is and shall be appurtenant to each Unit, and the Master Common Area is and shall be subject to such easement.

ARTICLE 5

Assessments

5.1 Authorization to Levy Assessments. The Master Board has and shall have the right and power to make, from time to time, reasonable assessments upon the Units to meet anticipated authorized expenditures of the Master Association and to change from time to time the amount, installments and/or frequency of payment of assessments. Such expenditures of the Master Association shall include the establishment of an adequate reserve fund for the maintenance, repair and replacement of all Improvements located on the Master Common Area and all personal property owned by the Master Association. The Master Association shall collect any regular assessments levied pursuant to a Village Maintenance Agreement (described in Paragraph 2.9 above) either as part of or separate from any regular assessments levied under this Article 5, except that only the Owners of Units within the Village Project affected by such Village Maintenance Agreement will be obligated for payment of the regular assessments levied pursuant to such Village Maintenance Agreement.

5.1.1 No increase or decrease in the amount of such reasonable assessments for anticipated authorized expenditures of the Master Association in any one fiscal year of the Master Association which exceeds 10 percent of the regular assessment for the immediately preceding fiscal year may be made without the vote or written ballot of (i) the Master Members entitled to exercise a majority of the total voting power in each of the two voting classes as provided in the Article of this Master Declaration entitled "The Master Association" or (ii) upon

gross expenses of the Master Association for the then current fiscal year of the Master Association may be levied without the vote or written ballot of (i) the Master Members entitled to exercise a majority of the total voting power in each of the two voting classes as provided in the Article of this Master Declaration entitled "The Master Association" or (ii) upon cessation of one of the two voting classes, the Master Members entitled to exercise a majority of the total voting power in the remaining voting class, provided that such vote or written ballot shall include a majority of the votes that can be cast by Master Members other than Developer. The foregoing limitation does not apply to special assessment increases (i) for the maintenance or repair of the Master Common Area, including, but not limited to, the payment of insurance premiums, the payment of utility bills, the costs incurred in maintaining or repairing structures or improvements, and funding reserves or (ii) to address emergency situations; provided, however, if an increase for any of the foregoing purposes will exceed 15 percent of the budgeted gross expenses of the Master Association for the then current fiscal year of the Master Association, then no such increase may be made without the vote or written ballot of the Master Members approving such increase, all in the same manner as provided above with respect to an increase in excess of 5 percent that is not exempted from such limitation by this sentence.

5.2.2 The provisions of Paragraph 5.2.1 shall not apply to special assessment(s) for repair, or the like, described in the Article of this Master Declaration entitled "Destruction; Insurance," to special assessment(s) for enforcement of any obligation of Developer, Rancho, Home Building or a Builder as described in the Article of this Master Declaration entitled "Developer's/Builder's Security for its Obligations," to the special assessment(s) described in Paragraph 5.2.3 below, to special assessment(s) levied to address emergency situations, or to special assessment(s) which may be levied pursuant to a Village Maintenance Agreement (described in Paragraph 2.9 above) and which have been exempted thereby from the provisions of said Paragraph 5.2.1.

5.2.3 The Master Board may establish a special assessment (herein referred to as "Single Benefit Assessment") for reconstruction, capital improvement, extraordinary maintenance, or any other cost or expense not otherwise provided for in this Master Declaration which will benefit less than all of the Master Members. Such a Single Benefit Assessment may be imposed only by a vote of two-thirds of the Boards of Directors of all Village Associations within 90 days of the vote of the Master Board authorizing said Single Benefit Assessment. Each Single Benefit Assessment will be segregated from other funds of the Master Association and will be applied solely to the Village Project(s) which derive(s) the benefit therefrom. In the event that the Master Association obtains income directly related to an item which has been assessed as a Single Benefit Assessment, such income shall be allocated so as to reduce or offset such Single Benefit Assessments. Whenever the Master Association performs any service or accomplishes any item of repair or maintenance which it is the duty of a Village Association to accomplish, but which has not been accomplished by such Village Association, or whenever the Master Association determines to preempt the performance of a Village Association with respect to a given act of maintenance or repair, the Master Association shall specifically charge the cost thereof to the Village Project for which such work was done and may include such additional cost as a Single Benefit Assessment for the Owners within such Village Project in the same manner as regular assessments are allocated in the Village Declaration affecting such Village Project or, if no regular assessments have been allocated among Owners in such Village Declaration, then equally among said Owners. The due dates for payment of any Single Benefit Assessment will be established by the Master Board.

5.3 Late Charges and Other Costs. If the Master Association does not receive an Owner's payment of the entire amount of a regular or special assessment imposed upon the Owner's Unit pursuant to this article within 15 days after the due date thereof, a late payment penalty by way of liquidated damages shall be immediately due from such Owner. Each of the Owners recognizes and acknowledges that the late payment of an assessment will cause the Master Association to incur additional costs and expenses in connection with its management, control, maintenance, architectural control and preservation of the Master Project and that it is extremely difficult and impractical to ascertain the extent of such damages. Accordingly, each Owner shall pay to the Master Association a late payment penalty in an amount equal to 10 percent of the delinquent assessment or $10, whichever is greater.

5.3.1 No late payment penalty may be imposed more than once for delinquency of the same payment; however, the imposition of a late payment penalty on any delinquent payment shall not eliminate nor supersede late payment penalties imposed on prior delinquent payments. Acceptance of any late payment penalty by the Master Association shall neither constitute a waiver of such Owner's default with respect to the late payment, nor prevent the Master Association from exercising any of its other rights and remedies hereunder or at law.

5.3.2 In addition to the late payment penalty described above, each Owner shall pay to the Master Association (i) the amount of reasonable attorneys' fees, court costs and other costs incurred by the Master Association in connection with the creation and/or foreclosure of a lien for delinquent regular or special assessments and (ii) interest on any delinquent regular or special assessments, reasonable costs incurred in collecting a delinquent assessment (and/or foreclosing an assessment lien), including reasonable attorneys' fees, at an annual percentage rate of 10 percent computed from 30 days after the delinquent assessment became due.

5.4 Commencement and Payment of Assessments. Regular assessments shall commence as to all Units in the Property upon the first day of the first calendar month following the earlier to occur of (i) the closing of the first sale of a Unit in the Property to an Owner other than Developer, Rancho, Home Building or a Builder or (ii) the first occupancy of a Unit in the Property under a lease or rental or occupancy agreement, whether oral or written, but excluding any lease or rental of a Unit for model home display or sales office purposes only. As to any portion of the Annexation Property which is thereafter annexed into the Master Project pursuant to a Declaration of Annexation and Restrictions, the regular assessments shall commence as to all of the Units in such portion upon the first day of the first calendar month following the earlier to occur of (i) the closing of the first sale of a Unit in such portion to an Owner other than Developer, Rancho, Home Building or a Builder or (ii) the first occupancy of a Unit in such portion under a lease or rental or occupancy agreement, whether oral or written, but excluding any lease or rental of a Unit for model home display or sales office purposes only; provided, however, that the regular assessments against any such portion may commence sooner as specifically set forth in the Article of this Master Declaration entitled "Annexation."

5.4.1 Until such time as the Master Board shall change the same pursuant to Paragraph 5.1, such assessments shall be due and payable monthly on the first day of each calendar month of each fiscal year.

5.4.2 Developer, Rancho, Home Building and each Builder, as an Owner, shall be absolutely liable for the monthly installment of any assessment, and any special assessment, constituting a lien on any Unit owned by such person and accruing prior to the conveyance thereof by such person.

5.5 Foreclosure of Assessment Lien on Unit. Any assessment made in accordance with this Master Declaration shall be a debt of the Owner of a Unit from the time the assessment is due. At any time after any assessments levied by the Master Board affecting any Unit have become delinquent, the Master Board may file for recording in the Office of the County Recorder of San Diego County a notice of delinquency as to such Unit, which notice shall state (i) all amounts which have become delinquent with respect to such Unit and the costs (including attorneys' fees), late payment penalties and interest which have accrued thereon, (ii) the amount of any assessments relating to such Unit which is due and payable although not delinquent, (iii) a description of the Unit with respect to which the delinquent assessments are owed, (iv) the name of the record or reputed record Owner of such Unit, (v) the name and address of the Master Association and (vi) such other information as may then be required by law. Such notice shall be signed by the President or Vice President and Secretary or Assistant Secretary of the Master Association.

5.5.1 Immediately upon recording of any notice of delinquency pursuant to Paragraph 5.5 above, the amounts delinquent, as set forth in such notice, together with the costs (including attorneys' fees), interest and late payment penalties accruing thereon, shall be and become a lien upon the Unit described therein, which lien shall also secure all other payments and/or assessments which shall become due and payable with respect to said Unit following such recording, and all costs (including attorneys' fees), interest and late payment penalties accruing thereon. Said lien shall continue until the same has been released by the Master Board as herein provided. When a notice of assessment has been recorded, such assessment shall constitute a lien on each respective Unit prior and superior to all other liens, except (i) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (ii) the lien or charge of any first Mortgage of record and given for value.

5.5.2 In the event the delinquent assessments and all other assessments which have become due and payable with respect to a Unit, together with all costs (including attorneys' fees), interest and late payment penalties which have accrued on such amounts, are fully paid or otherwise satisfied prior to the completion of any sale held to foreclose the lien provided for in this article, the Master Board shall record a further notice, similarly signed, stating the satisfaction and releasing of such lien.

5.5.3 Each assessment lien may be foreclosed as, and in the same manner as, the foreclosure of a mortgage or deed of trust upon real property under the laws of the State of California, or may be enforced by sale pursuant to Sections 2924, 2924(b), 2924(c) and 1367 of the California Civil Code, and to that end a power of sale is hereby conferred upon the Master Board. The Master Board, acting on behalf of the Owners, shall have the power to bid for the Unit at a foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid assessments, rent, attorneys' fees and late payment penalties shall be maintainable without foreclosing or waiving the lien securing the same.

5.6 Subordination to Lien of First Mortgage. The lien of the assessments provided for herein shall be subordinate to the lien of any first Mortgage given for value, all as herein set forth. Sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to judicial or nonjudicial foreclosure of a first Mortgage (but excluding a transfer or conveyance in lieu of foreclosure) 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 Unit from lien rights for any assessments thereafter becoming due. Where the Mortgagee of a first Mortgage of record, or other purchaser of a Unit, obtains title to the same as a result of foreclosure of the first Mortgage (but excluding a transfer or conveyance in lieu of foreclosure), such acquirer of title, its successors and assigns, shall not be liable for the share of the common expenses or assessments by the Master Board chargeable to such Unit which became due prior to the acquisition of title to such Unit by such acquirer. Such unpaid share of common expenses or assessments, however, shall be reallocated among the Owners of all of the Units, including such acquirer, its successors and assigns. For the purposes of Paragraph 5.5.1 and this Paragraph 5.6 only, the term "first Mortgage" will include any assessment lien recorded pursuant to the Ranch Maintenance Agreement (described in Paragraph 2.8 above) and the term "Mortgagee of a first Mortgage" will include the administrator under the Ranch Maintenance Agreement.

5.7 Certificate Regarding Status of Payment. The Master Board shall furnish, or cause an appropriate officer of the Master Association to furnish, upon demand by any person, a certificate signed by an officer of the Master Association setting forth whether the assessments on a specified Unit have been paid. A properly executed certificate of the Master Association as to the status of assessments on a Unit is binding upon the Master Association as of the date of its issuance.

5.8 No Exemption from Assessment. No Owner may exempt itself from personal liability for assessment levied by the Master Board, nor release the Unit owned by it from the liens and charges hereof by waiver of the use or enjoyment of any of its rights hereunder or by abandonment of its Unit.

5.9 No Offsets. No offsets against any assessments will be permitted for any reasons, including, without limitation, a claim that the Master Association is not properly exercising its duties.

5.10 Subsidy Agreement. Developer may enter into a written subsidy agreement with the Master Association under which Developer may subsidize a portion of the operating common expenses of the Master Association for a reasonable period of time. Any such agreement will be subject to the approval of the DRE and of the VA.

5.11 Collection of Master Assessments by Village Associations. At the option of the Master Board, the Master Board may delegate the collection and administration of the proportionate amount of the assessments allocable to any particular Village Project to the Village Association for that Village Project. Any such collection and administration so delegated shall be undertaken at the cost of said Village Association. The Village Association shall deposit such regular or special assessments so collected in a separate trust fund for the benefit of the Master Association. Such regular or special assessments collected by a Village Association shall be paid to the Master Association on a minimum of on a monthly basis. The Village Association shall furnish the Master Association on a minimum of a monthly basis with a report of the current status of the assessment payments of each Owner in the Village Project governed by such Village Association.

5.12 Collection of Village Project Assessments by Master Association. The Master Association is empowered to, but shall not have the duty to, collect, enforce, and otherwise administer the assessments (if any) of any and all Village Associations such that assessments of the Master Association and of any Village Associations may be collected contemporaneously. The Master Board shall disburse funds collected on behalf of any such Village Association as promptly as possible. The Master Board may not charge for any such collection other than any actual additional costs for such collection that are charged to the Master Association. In the event a Village Association fails to levy or collect assessments or fails to duly operate and maintain the Village Project governed by such Village Association to the standards established for the Master Project, the Master Association may elect to preempt the rights of the Village Association and may fix, levy, collect, and enforce said assessments and arrange for such operation and maintenance. Such preemption regarding assessments of a Village Association and maintenance shall require a vote of two-thirds of the Master Board, which vote must be ratified by a vote of two-thirds of the Boards of Directors of all Village Associations within 90 days of the vote of the Master Board authorizing such preemption. Any assessments collected under such preemption by the Master Association shall be used solely for the purposes stated in the Village Declaration under which the assessments were collected. The Master Board may retain the funds collected and directly disburse such funds to assure that the Village Project is being properly operated and maintained. A Village Association may not levy or collect any assessments during the period in which the Master Association has preempted its rights to so levy or collect assessments. The preemption shall expire at the end of the fiscal year of the Village Project in which the preemption occurred. The Master Association may include in any such preempted Village Project's assessment a reasonable amount for reimbursement of direct costs of administration and collection of such preempted assessment.

ARTICLE 6

Destruction; Insurance

6.1 Hazard Insurance. The Master Board shall keep insured against loss by perils under a multi-peril policy(ies) of hazard insurance (i) all buildings, if any, and other insurable improvements located on any Master Common Area and (ii) all fixtures, building service equipment, common personal property and supplies owned by the Master Association, under one master extended coverage hazard policy(ies) for the benefit of all Owners. The amount of coverage of such insurance shall be not less than 100 percent of the insurable value (based on then current replacement cost) of said buildings and improvements and fair market value of personal property as determined annually by an insurance carrier selected by the Master Board. The name of the insured under each policy of such insurance shall be substantially "The Village of Rancho Del Oro Association, Inc., a California nonprofit corporation, for use and benefit of individual owners," followed, if desired by either the Master Association or the insurance carrier(s), by the designation of the Owners. Authority to adjust losses covered by the Master Association's policy(ies) shall be vested in the Master Board, and the Master Board is hereby irrevocably appointed as the attorney-in-fact for every Owner and Master Member for this purpose. Insurance proceeds shall be payable directly to the Master Association for the use and benefit of the Owners and the Mortgagees, as their interests may appear. The premiums for such policy shall be paid as a common expense by the Master Association.

6.1.1 Copies of all such insurance policies (or certificates thereof showing the premiums thereon to have been paid) shall be retained by the Master Association and open for inspection by Owners at any reasonable time(s). All such insurance policies shall (i) provide that they shall not be reducible or cancellable by the insurer, without first giving ten days' prior notice in writing to the Master Association and all first Mortgagees, (ii) contain a waiver of subrogation by the insurer(s) against the Master Association, Master Board, Master Members and Owners, (iii) contain or have attached thereto a standard loss payable clause or endorsement (customarily used by private institutional lenders in the county in which the Master Project is located) in favor of the Master Association as trustee for each Owner and each Mortgagee, (iv) contain or have attached thereto a standard mortgage clause or endorsement naming as "mortgagee" either the Federal National Mortgage Association or the servicers for the Mortgages held by the Federal National Mortgage Association and (v) contain or have attached thereto such other endorsement(s) as such first Mortgagees may require to fully protect their interests, to the extent obtainable, including, in the case of the hazard insurance policy, (a) an Agreed Amount and Inflation Guard Endorsement, and (b) any construction code endorsements (such as the Demolition Cost Endorsement, Contingent Liability From Operation of Building Laws Endorsement and the Increased Cost of Construction Endorsement) if there is a construction code provision that requires changes to undamaged portions of the buildings even when only part of any Master Common Area is destroyed by an insured hazard.

6.1.2 Said multi-peril policy(ies) of hazard insurance shall be issued by an insurance carrier which (i) has a financial rating by Best's Insurance Reports of Class B/VI or Class V (provided it has a general policy holder's rating of at least A) or better and (ii) is authorized to transact business within the State of California.

6.2 Replacement in the Event of Loss. In the event of any loss, damage or destruction so insured against, the Master Board shall cause the same to be replaced, repaired or rebuilt. If the cost of such replacement, repair or rebuilding exceeds the hazard insurance proceeds received therefor, the Master Board shall levy and collect a special assessment in an equal amount from each Owner in the Master Project. In any event, all such hazard insurance proceeds received for such loss, damage or destruction shall be used for such replacement, repair or rebuilding. In the event of any loss, damage or destruction to improvements on any Master Common Area or personal property owned by the Master Association not insured against under the policy(ies) of insurance required of the Master Association hereunder, the Master Board shall undertake to cause the same to be replaced, repaired or rebuilt. The cost of such replacement, repair or rebuilding shall be assessed equally to all of the Owners in the Master Project.

6.3 Fidelity Coverage. The Master Board shall also procure and keep in force a blanket fidelity bond in an amount equal to the greater of (i) an amount equal to 150 percent of the Master Association's annual assessments plus reserves or (ii) the maximum amount of funds that will be in the custody of the Master Association or its management agent at any time while the bond is in force. Such bond shall name the Master Association as obligee and protect against misuse and misappropriation of any property of the Master Association by members of the Master Board, officers and employees of the Master Association, or any management agent and its employees whether or not such persons are compensated for their services. Premiums on such bond shall be paid as a common expense by the Master Association. Said bond shall include a provision that calls for 30 days' written notice to the Master Association before the bond can be cancelled or substantially modified for any reason. The same notice must be also given to each servicer that services any Mortgage in the Master Project owned by the Federal National Mortgage Association.

6.4 Liability Insurance. The Master Board shall procure and keep in force during the term hereof insurance (containing a "severability of interest" clause or endorsement) in the name of the Master Association, the Master Members and the Owners against any liability to the public (including the Owners) resulting from any occurrence in or about the Master Common Area with coverage in the amount of at least $1,000,000 per occurrence, for personal injury and/or property damage. Such insurance shall also provide coverage (i) for any legal liability that results from lawsuits related to employment contracts in which the Master Association is a party and (ii) against such other risks as may be required by a first Mortgagee under the then current guidelines of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation. Premiums on such policy shall be paid as a common expense by the Master Association. The policy(ies) of such insurance shall contain a waiver of subrogation by the insurer(s) against (i) the Master Association, (ii) each of the directors serving from time to time on the Master Board, (iii) the Master Members and (iv) the Owners.

6.5 Feasibility of Maintaining Insurance. The obligation of the Master Board to maintain the insurance specifically described in this article will be subject to the continued availability of insurance. If such insurance is no longer available or cannot be obtained at economically feasible rates, the Master Board may instead procure and keep in force other types of insurance providing coverage which is similar to that required by this article or which, in the opinion of the Master Board, will reasonably protect the same interests of the Master Association and of the Owners that this article is intended to protect; provided, however, that the rights of the Master Board under this paragraph will be subject to the requirements of Paragraph 4.4 with respect to obtaining the prior written consent of first Mortgagees.

6.6 Insurance Maintained by Master Association for a Village Association. The Master Association may cause any Village Association(s) to be named as an additional insured under any policy(ies) of insurance required or permitted by this article to be maintained by the Master Association. In addition, the Master Association may, as an authorized expenditure, procure and maintain any separate policy(ies) of such insurance under which one or more Village Associations (and not the Master Association) are named as an insured. For example, the Master Association may procure and maintain separate directors' and officers' liability insurance coverage for each Village Association. The Master Association will not, however, procure and maintain any insurance coverage for a Village Association unless such Village Association has requested in writing that such insurance coverage be procured and maintained by the Master Association.

6.7 Other Insurance. The Master Board may also procure and keep in force such other policy or policies of insurance which the Master Board deems necessary and proper for the operation of Master Project and the protection of the interests of the Owners and of the Master Association.

ARTICLE 7

Condemnation

7.1 This Article to Control. In the event of any conflict between the provisions of this article and those of any other article of this Master Declaration, the provisions of this article shall govern and control.

7.2 Definitions. In this article, the following words and phrases shall have, respectively, the following meanings:

7.2.1 "Appropriation" means any taking of or damage to any part of the Master Common Area (or any interest therein) by reason of any exercise of the power of eminent domain (whether by condemnation proceedings, inverse condemnation or otherwise) or by reason of any transfer of a part of the Master Common Area (or any interest therein) made in avoidance of such an exercise.

7.2.2 "Condemnor" means any governmental entity or person possessing the right and power of eminent domain which exercises said right and power, or threatens so to do, with respect to a part of the Master Common Area (or any interest therein).

7.2.3 "Award" means compensation, including, but not limited to, monetary and other consideration, paid by a Condemnor for an Appropriation.

7.3 Powers of the Master Board. The Master Board is hereby irrevocably appointed as the attorney-in-fact for every Owner and Master Member to (i) negotiate with any Condemnor for settlement of an Award for any Appropriation, (ii) defend any action brought for an Appropriation, and to engage and compensate counsel and expert witnesses therefor or to aid the Master Board in the exercise of any of its powers under this article, (iii) conduct, arrange or supervise an independent appraisal to determine the value of the Master Common Area affected by any Appropriation, (iv) receive in the name of the Master Association an Award and to retain the same, pending its disbursement, in a noninterest-bearing bank account in the name of the Master Association and (v) disburse or retain the same, pursuant to the following paragraphs of this article. Notwithstanding any provision herein to the contrary, Mortgagees shall automatically be entitled to join in Appropriation proceedings. No settlement of an Award negotiated by the Master Association on behalf of the Owners and Master Members shall be binding upon said Mortgagees without their prior written consent.

7.4 Disbursement of Any Award. If an Award affecting all or a portion of the Master Common Area is not apportioned among the Owners by court judgment or by agreement between the Condemnor and the Master Board as the agent of the Owners and Master Members, and after the value of the Master Common Area affected by any Appropriation has been determined by independent appraisal, as soon as may be practicable after the receipt by the Master Association of any Award, the Master Board will disburse the same pursuant to the following:

7.4.1 First, to contractors, subcontractors, materialmen and others for the costs of the repair or restoration of damage or destruction to the Master Common Area caused by an Appropriation, or to the Master Association in reimbursement for such costs; the balance of the award is hereinafter referred to as "Award Balance."

7.4.2 Second, the Award Balance to the Master Association. In the event that the entire Master Common Area is appropriated, the Award Balance shall be distributed to the Owners so that each Owner receives one equal share of such Award Balance for each Unit in the Master Project owned by such Owner. In the event that the Master Common Area is appropriated only in part, the Award Balance shall be retained by the Master Association or disbursed to the Owners in whole or in part as determined by the Master Board.

7.5 Priority of Mortgagee Rights. In the event there shall be any express or implied conflict between any provision of this article and any provision of a note or first Mortgage held by a Mortgagee, the provisions of said note or first Mortgage shall govern and prevail.

ARTICLE 8

Accounting; Right of Inspection

8.1 Books and Records. The Master Board shall maintain books of account of all its receipts and expenditures and shall cause such books to be examined annually as of the close of each fiscal year and a report to be made thereon to the Master Association. The Master Board shall deliver a copy of such report to each Master Member and the Owner of each Unit within 120 days after the end of such year. Each Owner (or its duly appointed representative) and each Master Member, first Mortgagee, Eligible Insurer and Eligible Guarantor shall be entitled at reasonable times to inspect the books and records of the Master Association, to have such books and records examined at said Owner's, Master Member's, first Mortgagee's, Eligible Insurer's or Eligible Guarantor's expense by an attorney or accountant representing such Owner, Master Member, first Mortgagee, Eligible Insurer or Eligible Guarantor, and to make excerpts or copies of such books and records or portions thereof, and each such Owner (or its duly appointed representative) and Master Member, at its own expense, shall have the right, upon submission of a written request to the Master Board, to have such books and records independently audited by an accountant. In addition, upon submission of a written request to the Master Board, any first Mortgagee, Eligible Insurer or Eligible Guarantor shall be provided by the Master Board with (i) a copy of the report referred to above for the preceding fiscal year or (ii) if the report for such fiscal year is not in the form of an audited financial statement, an audited financial statement for such year, to be prepared at the expense of the party requesting the same.

8.2 Originals of the Governing Instruments. The original or a copy of this Master Declaration, the Master Articles, the Master Bylaws and any Master Rules shall be available for inspection by Owners, Master Members, first Mortgagees, Eligible Insurers and Eligible Guarantors at the Master Association's principal place of business at all reasonable times during office hours.

ARTICLE 9

Scope; Enforcement

9.1 General Plan Character. The limitations, restrictions, conditions, covenants, reservations, easements and equitable servitudes set forth in this Master Declaration constitute a general scheme for (i) the maintenance, protection and enhancement of the value of the Master Project and all Units and (ii) the benefit of all Master Members and Owners. Said limitations, restrictions, conditions, covenant, reservations, easements and equitable servitudes are imposed on each Unit, the Master Common Area and all other real property that is a part of the Master Project for the benefit of every Unit, the Master Common Area and all such other real property, as well as the present and future owners thereof. Said limitations, restrictions, conditions, covenants, reservations, easements and equitable servitudes are and shall be covenants running with the land or equitable servitudes, as the case may be.

9.2 Relationship of Master Declaration to The City's Approvals. No limitations, restrictions, conditions, requirements, covenants or other provisions of any kind contained in this Master Declaration, the Master Articles, the Master Bylaws, the Master Rules or any other written documents with respect to the Master Project to which The City is not a party shall, directly or indirectly, prevent or preclude Developer, Rancho, Home Building or any Builder, person, individual or entity from complying with all applicable provisions of any permits, approvals, ordinances or other imprimaturs of any kind affecting the Master Project which have been or may in the future be granted, adopted, enacted or otherwise approved by The City.

9.3 Termination of Master Declaration. Notwithstanding the provisions of the Articles hereof entitled "Master Rules; Master Common Area" and "Amendment" to the contrary, at any time 65 years after the date of recordation of this Master Declaration, this Master Declaration and each and every limitation, restriction, condition, covenant, reservation, easement and equitable servitude contained herein may be terminated and extinguished upon execution and filing for record in the Office of the County Recorder of San Diego County, California, of a written instrument which (i) declares that the provisions of this Master Declaration are thereby terminated and extinguished, (ii) is signed and acknowledged by 67 percent of the Owners in the Master Project and (iii) bears, or has attached thereto, the consent of 67 percent of all first Mortgagees (based upon one vote for each first Mortgage owned) as of the time of recordation of said written instrument.

9.4 Enforcing Persons. Breach of any of said limitations, restrictions, conditions, covenants, reservations, easements or equitable servitudes (or the continuation thereof) may be enjoined, abated or remedied by appropriate legal proceedings by (i) the Master Association, (ii) any Master Member, (iii) any Owner or its heirs, devisees, executors, administrators, successors and assigns, (iv) Developer, (v) The City, but only with respect to the provisions of Paragraphs 2.9, 4.2 through 4.5 and 16.2, the Article of this Declaration entitled "Property Rights in the Master Common Area" and this article, or (vi) any Mortgagee, any of whom is herein referred to as an "Enforcing

Person." Damages at law for any such breach, other than breach by failure to pay assessment(s), are hereby declared to be inadequate.

9.5 Remedies. The result of or condition caused by a violation of any of said limitations, restrictions, conditions, covenants, reservations, easements or equitable servitudes other than the payment of assessment(s), is and shall be a nuisance, and every remedy in law or equity now or hereafter available against a public or private nuisance may be exercised by any Enforcing Person.

9.6 Failure to Enforce Not a Waiver. The failure of any Enforcing Person to enforce any of said limitations, restrictions, conditions, covenants, reservations, easements or equitable servitudes shall not constitute a waiver of the right to enforce the same thereafter. No liability shall be imposed on or incurred by any Enforcing Person as a result of such failure.

9.7 Attorneys' Fees. The prevailing party in any action at law or in equity instituted by an Enforcing Person(s) to enforce or interpret the limitations, restrictions, conditions, covenants, reservations, easements or equitable servitudes contained herein shall be entitled to all costs incurred in connection therewith, including, but not limited to, court costs and reasonable attorneys' fees.

ARTICLE 10

Property Rights in the Master Common Area

10.1 Owner's Easements of Use. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Master Common Area which shall be appurtenant to and shall pass with the title to every Unit, subject to the following:

10.1.1 The right of the Master Association to charge reasonable admission and other fees for the use of any Master Recreational Facilities (except the streets, sidewalks and other means of ingress and egress).

10.1.2 The right of the Master Association to suspend the right to the use of Master Recreational Facilities (except the streets, sidewalks and other means of ingress and egress) by an Owner, their occupants and guests for any period during which any assessment that has been levied pursuant to this Master Declaration against its Unit remains unpaid, or for a period not to exceed 30 days for any infraction of the Master Rules, the Master Bylaws or this Master Declaration.

10.1.3 The right of the Master Association to limit the number of occupants and guests of Owners using Master Recreational Facilities.

10.1.4 The right of the Master Association to enact and enforce rules and regulations affecting use of the Master Common Area in furtherance of this Master Declaration.

10.1.5 The right of the Master Association to limit and restrict the use of the Master Common Area and portions thereof, during specific times or on specific dates and to prohibit all use and access to portions of the Master Common Area as deemed necessary by the Master Board for health, safety, welfare, privacy or security purposes.

10.1.6 The right of any governmental or quasi-governmental body to limit and restrict the use of any portion of the Master Common Area which is subject to an easement or other interest of such body.

10.2 Permitted Uses of Master Common Area. The Master Common Area shall be used by the Owners, their occupants and guests for the common interest and benefit of the Master Project as provided in this Master Declaration.

10.3 Alteration or Improvement of Master Common Area. Other than work performed or authorized by Developer in connection with development of the Master Common Area, no work which in any way alters any Master Common Area from its natural or existing state after the date such Master Common Area was conveyed by Developer, Rancho, Home Building or a Builder to the Master Association shall be made or done except by the Master Association or its agents. The Master Association shall reconstruct, replace or refinish any improvement or portion thereof situated within the Master Common Area. Such work shall be in accordance with the original design, finish or standard of construction of such improvement when such Master Common Area was conveyed by Developer, Rancho, Home Building or a Builder to the Master Association and which was approved by The City, or in a different manner if approved by The City. Additionally, the Master Association shall maintain and landscape the Master Common Area and the Master Association may place and maintain upon the Master Common Area such signs as the Master Board may deem necessary for the identification of the property and roads, the regulation of traffic (including parking), the regulation and use of the Master Common Area and the health, welfare and safety of the Owners, their occupants and guests.

10.4 Limitations on Use of Master Common Area. The following restrictions on use of the Master Common Area shall apply:

10.4.1 Nothing shall be done or kept in the Master Project which will increase the rate of insurance on the Master Common Area without the prior written consent of the Master Association. No Owner shall permit anything to be done or kept in its Unit, in the common area of any Village Project or in the Master Common Area which will result in the cancellation of insurance on the Master Common Area or which would be in violation of any law. No waste will be committed in the Master Common Area.

10.4.2 There shall be no obstruction of the Master Common Area except as permitted herein or as provided by the Master Board. Nothing shall be placed or stored in the Master Common Area except as allowed by the express permission of the Master Board.

10.4.3 No noxious or unreasonably offensive activities shall be carried on, nor shall anything be done or placed on the Master Common Area which are or become a nuisance, or cause unreasonable embarrassment, disturbance or annoyance to Owners in the enjoyment of their property or in the enjoyment of the Master Common Area.

10.4.4 No portion of the Master Common Area shall be used or maintained as a dumping ground for rubbish. No oil or other refuse shall be allowed to enter storm drains.

10.4.5 There shall be no exterior fires on Master Common Area, except barbecue fires contained within receptacles which may be provided by the Master Association or as otherwise permitted by the Master Board.

10.4.6 No sign of any kind shall be placed or displayed on the Master Common Area, without the prior consent of the Master Board, except:

(a) Such signs as may be required by legal proceedings or the prohibition of which is precluded by law.

(b) During the time of construction of any improvements by Developer, Rancho, Home Building or a Builder, identification signs regarding financing and construction.

(c) Such signs as may be required for traffic control and regulation of open areas within the Master Project.

(d) Such identification signs as may be deemed appropriate by the Master Board to designate facilities within the Master Project.

(e) Developer may locate on the Master Common Area any and all signs as Developer deems necessary or desirable in its sole discretion to facilitate the marketing of Units in the Master Project. Developer may permit Rancho, Home Building and Builders to place such signs on the Master Common Area for such marketing purposes as Developer deems appropriate. Developer's rights to so establish signs shall be subject to the approval of the Master Board, beginning on that certain date which is 20 years after the date on which this Master Declaration has been recorded.

10.4.7 No trailer, tent, shack or other outbuildings shall be kept upon the Master Common Area or in any street within the Master Project, except in connection with work or construction diligently pursued. No housetrailers, campers, recreational vehicles, boats, or trailers shall be kept upon the Master Common Area or in any street, Units or common area of any Village Project within the Master Project, except in locations expressly designated by the Master Board.

10.4.8 No vehicle of any type, motorized or otherwise, shall be operated on the Master Common Area except as authorized by the Master Association. No automobile or other motor vehicles shall be parked in the Master Common Area except in designated parking areas. No vehicles shall be kept or stored on the Master Common Area or in any street within the Master Project for purposes of accomplishing repairs thereto or the reconstruction thereof, except as permitted by resolution of the Master Board.

10.4.9 No pet or other animal shall be permitted on the Master Common Area except as allowed by the Master Rules. The Owner of any pet or animal shall be responsible for the immediate removal and clean-up of such animal's waste in the Master Common Area. The Owner of any pet or animal shall at no times allow such animal to run unrestrained on the Master Common Area or the streets, sidewalks or pathway areas of the Master Project and the Owner of such pets shall at all times maintain full and complete control over such animal. The Master Board shall have the right after notice and hearing to remove any animals from the Master Common Area which it finds constitute a continuing unreasonable nuisance to any Owners.

10.4.10 Any Owner may delegate, in accordance with the Master Bylaws, its right of enjoyment of the Master Common Area to the members of its family or its tenants in possession of its Unit.

10.4.11 In no event shall an Owner sell or otherwise sever or separate the rights and interests it may have in the Master Common Area from its ownership interest in a Unit.

10.5 Easements over Master Common Area. The Master Common Area shall be subject to the following easement rights and encroachment rights:

10.5.1 Each Owner of a Unit served by utility connections, lines or facilities, including those for water, electric, gas, sanitary sewer, telephone, drainage, and cable television services, shall have the right and is hereby granted an easement across and through the Master Common Area for entry to the full extent necessary by the appropriate utility companies where such connections, lines, or facilities may be located for the repair, replacement, and maintenance thereof pursuant to the direction of the Master Association. Whenever utility connections, lines, or facilities installed within the Master Project serve more than one Unit, the Owner of each Unit served thereby shall be entitled to full use and enjoyment of the portions thereof which service its Unit.

10.5.2 Developer, for itself and its successors in interest, hereby reserves nonexclusive easements over, under, upon and across the Master Common Area for installation of such utility connections, lines, or facilities as shown on recorded subdivision maps for any real property in the Master Project or other recorded instruments, together with the right to (i) grant and transfer the same to the Master Association, any Village Associations, utility companies, The City, Builders, or other appropriate entities and (ii) use such utility connections, lines, or facilities for the benefit of the real property described in Exhibit C. Additionally, Developer, for itself and its successors in interest, hereby reserves a nonexclusive easement over, under, upon and across the Master Common Area for drainage and encroachment purposes and for ingress and egress, all for Developer's reasonable use in completing improvements, developing the Master Project and performing necessary repair work within the Master Project. There is hereby reserved to Developer and granted to Rancho, Home Building and Builders in the Master Project, easements over the Master Common Area and the facilities located thereon for construction and sales activities, all as more particularly described in the Article of this Master Declaration entitled "Development Rights." The foregoing reservations of easements will become effective concurrently with the conveyance(s) to the Master Association of the Master Common Area without necessity of Developer setting forth such reservations in the deed(s) with respect to said conveyance(s). Said reserved easements (excepting all utility easements in which utility connections, lines or facilities have been installed) shall expire and be of no further force and effect 20 years after the date on which this Master Declaration has been recorded. Notwithstanding the Article entitled "Amendment," no amendment, revocation or rescission of said reservations of easements may be had without the (i) written consent of Developer and (ii) recording of such consent in the Office of the Recorder of San Diego County, California.

ARTICLE 11

Rights of Mortgagees; Eligible Mortgagees, Eligible Insurers and Eligible Guarantors

11.1 Right of an Owner to Mortgage. Any Owner may voluntarily or involuntarily encumber its Unit(s) with or by a Mortgage or other instrument of hypothecation.

11.2 Effect of a Breach of this Master Declaration. A breach of any of the foregoing limitations, restrictions, conditions, covenants, reservations, easements or equitable servitudes (except as provided in this article with respect to a breach by failure to pay any assessment), shall not defeat or render invalid the lien of any first Mortgage made in good faith and for value as to a Unit or any undivided interest therein; provided, however, such limitations, restrictions, conditions, covenants reservations, easements and equitable servitudes shall be binding upon and effective against any person whose title to said Unit is acquired by foreclosure, trustee's sale or otherwise.

11.3 Subordination of Assessment Liens to First Mortgages. Subject to the provisions of this Article, each and every assessment lien described in the Article of this Master Declaration entitled "Assessments" is and shall be subordinate, inferior and subject to the lien and charge of any first Mortgage of record made in good faith and given for value, including a first mortgage(s) or deed(s) of trust encumbering all or any part of the Master Project which mortgage(s) or deed(s) of trust may have been subordinated to this Master Declaration.

11.3.1 Any person who acquires title to any Unit by purchasing the same at a foreclosure or trustee's sale of a first Mortgage (but excluding any transfer or conveyance in lieu of foreclosure), shall take title to such Unit free of any (i) claims by or on behalf of the Master Association for unpaid assessments, charges and/or fines (if any) levied by the Master Association which accrue prior to the time such purchaser takes title to such Unit and (ii) assessment lien and/or other lien of the Master Association then encumbering any such Unit. Such unpaid assessments shall be reallocated among the Owners, including said purchaser.

11.3.2 In the event any Mortgagee (i) shall acquire title to any Unit by judicial foreclosure, exercise of power of sale contained in any Mortgage or deed in lieu of foreclosure and (ii) shall thereafter sell and convey such Unit, any Mortgage received by such lender as security for all or a portion of the purchase price of such Unit shall be incontrovertibly deemed "given for value." Notwithstanding any of the provisions of Paragraph 11.3 above, any lien created by or pursuant to this Master Declaration, which lien arises from failure to pay assessment(s) accruing during the period of such Mortgagee's holding of title to said Unit, shall be a lien superior to the lien of said Mortgage received to secure a portion of said purchase price.

11.3.3 For the purposes of this Paragraph 11.3 only, the term "first Mortgage" will include any assessment lien recorded pursuant to the Ranch Maintenance Agreement (described in Paragraph 2.8 above) and the term "Mortgagee of a first Mortgage" will include the administrator under the Ranch Maintenance Agreement.

11.4 Right to Notice of Breach By an Owner. In the event of any breach or default hereunder by any Owner, and in the further event such breach or default is not cured within 60 days after its occurrence, the Master Board shall immediately notify, in writing, any Eligible Mortgagee holding a first Mortgage on such Owner's Unit of said default; provided, however, failure to give such notice shall in nowise affect any right or remedy of any Enforcing Person under the Article entitled "Scope; Enforcement."

11.5 Right to Notices of Master Association Meetings. Each first Mortgagee shall advise the Master Association in writing of its address for the purpose of receiving any notice required or permitted hereunder. Any first Mortgagee may request in writing to be notified by the Master Association of any action which requires the prior approval of the first Mortgagees. Further, each first Mortgagee shall be entitled, upon request, to (i) receive notice of any and all meetings of the Master Association and (ii) designate a representative to attend such meetings on its behalf.

11.6 Right to Other Notices. Any Eligible Mortgagee, Eligible Insurer or Eligible Guarantor shall be entitled to timely written notice of (i) any condemnation or casualty loss that affects either a material portion of the Master Project or the Unit encumbered by its Mortgage, (ii) any 60-day delinquency in the payment of assessments or charges owed by the Owner of any Unit encumbered by its Mortgage, (iii) a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Master Association, and (iv) any proposed action that requires the consent of a specified percentage of Mortgagees.

11.7 Special Agreement With First Mortgagees. The Master Association shall, upon the request of any first Mortgagee, enter into an agreement with such first Mortgagee which agreement shall include the substance of the following provisions and/or any other reasonable requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the VA or the FHA: (i) that the Master Association will pay when due all premiums on all insurance policies insuring any Master Common Area and taxes, assessments or other charges which may become a lien on any Master Common Area, (ii) that if the Master Association should fail to make a payment as described in clause (i) above, such first Mortgagee may by itself or in combination with other holders of Mortgages encumbering Units, but shall not be required to, pay such taxes, assessments or charges and any such insurance premiums, (iii) that should any policies of insurance insuring Master Common Area lapse because of the Master Association's failure to pay such premium, such first Mortgagee may by itself or in combination with any other holders of Mortgages encumbering Units, but shall not be required to, secure new policies of insurance as it may deem necessary and (iv) that the Master Association shall promptly reimburse such first Mortgagee for any and all payments made by it pursuant to clauses (ii) and (iii) above.

11.8 This Article to Control. In the event there shall be any express or implied conflict between any provision of this article and any other provision of this Master Declaration, the provisions of this article shall govern and prevail.

ARTICLE 12

Developer's/Builder's Security for its Obligations

12.1 Bond for Completion of Improvements. If the Master Association is obligee under a bond ("the Bond") obtained pursuant to California Business and Professions Code section 11018.5(a)(2)(A), to secure completion of improvements in and to any Master Common Area, the following provisions shall govern any action brought by the Master Association to enforce the obligations under the Bond:

12.1.1 The Master Board shall, within ten days after passage of the Grace Period (hereinafter defined), consider and vote on the question of action to be taken by the Master Association to enforce the obligations under the Bond with respect to any improvement in or to any Master Common Area for which a Notice of Completion has not been filed within 60 days ("the Grace Period") after the completion date specified for that improvement in the "Planned Construction Statement" appended to the Bond. If the Master Association has, in writing, extended the time for completion of any improvement in or to any Master

Common Area, the Master Board shall consider and vote on the question of action to be taken to enforce the obligations under the Bond if a Notice of Completion has not been filed for said improvement within 30 days after the expiration of said extended time period. Any such extension granted by the Master Association shall override any contrary decision of the Master Board.

12.1.2 If the Master Board fails to consider and vote on the question of action to be taken by the Master Association to enforce the obligations under the Bond or should the Master Board decide not to initiate action to enforce said obligations, a special meeting of Master Members shall be held to consider and vote on such action if Master Members having at least five percent of the voting power of the Master Association sign and submit to the Master Board a petition demanding such meeting. Such meeting shall be held not less than 35 days nor more than 45 days after receipt by the Master Board of said petition. At such special meeting, all Master Members (other than Developer) shall be entitled to vote.

12.1.3 If, at such special meeting, Master Members (other than Developer) having a majority of the voting power of the Master Association (exclusive of the voting power attributed to Developer) vote in favor of taking action to enforce the Bond, the Master Board shall immediately initiate and thereafter pursue appropriate action in the name of the Master Association to enforce the obligations under the Bond. If the Master Board refuses to pursue such action, then any Master Member(s) may initiate and pursue appropriate action in the name of the Master Association to enforce the obligations under the Bond. Funds for pursuing such action shall be obtained by means of a special assessment of the Owners pursuant to the Article of this Master Declaration entitled "Assessments;" such funds shall be kept in a separate account at a bank designated by the Master Association and used only for initiation and prosecution of said action.

12.1.4 If, at such special meeting, Master Members (other than Developer) having a majority of the voting power of the Master Association (exclusive of the voting power attributed to Developer) vote against taking action to enforce the Bond, then no such action may be taken by any director serving on the Master Board or Master Member on behalf of the Master Association for a period of 60 days after said special meeting. If no Notice of Completion is filed for said improvements in or to any Master Common Area within 60 days after the date of said special meeting, the provisions of the foregoing paragraphs shall govern the action to be taken by the Master Board and the Master Association with respect to enforcing the obligations under the Bond.

12.2 Bond or Deposits to Secure Payment of Assessments. If Developer, Rancho, Home Building or a Builder posts a surety bond or deposits funds (pursuant to § 2792.9, Article 12, Chapter 6, Title 10, Cal. Adm. Code) for the benefit of the Master Association, to assure the fulfillment by such party of its obligations to pay assessments, the exoneration or release of such bond or funds being subject to the conditions set forth in said Section 2792.9, and a dispute arises between such party and the Master Association with respect to the question of satisfaction of such conditions for exoneration or release, then, in such event, such dispute shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof. The fee payable to the American Arbitration Association to initiate such arbitration shall be remitted by such party; however, the costs of such arbitration shall ultimately be borne as determined by the Arbitrator(s) under the aforesaid Commercial Arbitration Rules.

ARTICLE 13

Development Rights

13.1 Development Rights. Developer, Rancho, Home Building and Builders shall be entitled to the development rights stated in this article provided that Developer, Rancho, Home Building and Builders shall not, in the exercise thereof, unreasonably interfere with the use of any Master Common Area by an Owner. As the development and marketing of the Units is essential to the establishment of the Master Project and the welfare of all Owners therein, nothing in this Master Declaration shall be understood or construed to:

13.1.1 Prevent Developer, Rancho, Home Building or a Builder from doing, within any portion of the Master Project owned by such person, whatever is reasonably necessary or appropriate in connection with the completion of any improvements thereon, including, without limitation, any residential dwelling improvements which such person in its sole discretion deems appropriate.

13.1.2 Prevent Developer, Rancho, Home Building or a Builder from erecting, constructing and maintaining on any portion of the Master Project owned by such person, such structures as may be reasonably necessary for the conduct of its business of completing said work of improvement, developing such portion as a residential community and disposing of the same in Units by sale, lease or otherwise.

13.1.3 Prevent Developer, Rancho, Home Building or a Builder from maintaining such signs within the Master Project, as may be necessary for the sale, lease or disposition of any portion of the Master Project, as Developer, Rancho, Home Building or such Builder may deem appropriate.

13.1.4 Prevent Developer, Rancho, Home Building or a Builder from filing a Sub-Declaration (and establishing a Sub-Association) as may be deemed appropriate with respect to any portion of the Annexation Property annexed into a Village Project and, pursuant to the Article of this Master Declaration entitled "Annexation," into the Master Project.

13.1.5 Prevent Developer, Rancho, Home Building or a Builder from subdividing or resubdividing any portion of the Master Project owned by such person.

13.1.6 Prevent Developer, Rancho, Home Building or a Builder from using any portion of the Master Project owned by such person for model homes or real estate sales or leasing offices.

13.1.7 Require Developer, Rancho, Home Building or a Builder to obtain the approval of the architectural committee of any Village Association, or of any architectural committee which may be created by the Master Board, with respect to any improvements constructed or placed by such person on any portion of the Master Project owned by such person.

13.2 Expiration of Rights Regarding Master Common Area. All rights of Developer, Rancho, Home Building and Builders set forth in this article, whether express or implied, to use any portion of the Master Common Area, except as an Owner, shall expire and be of no further force and effect on that certain date which is 20 years after the date on which this Master Declaration has been recorded.

13.3 Limitations on Amendment. Notwithstanding the Article of this Master Declaration entitled "Amendment," no amendment, revocation or rescission of this article may be had without the (i) written consent of Developer and (ii) recording of such consent in the Office of the Recorder of San Diego County, California.

ARTICLE 14

FHA and VA Requirements

14.1 Special Requirements. Anything herein to the contrary notwithstanding, as long as there remain two voting classes (as provided in the Article of the Master Bylaws entitled "Voting Rights"), the following matters shall require the prior written approval of the VA and the FHA: (i) annexation of additional properties, (ii) mergers and consolidations, (iii) special assessments and (iv) any amendment to this Master Declaration; provided, however, any provision contained herein which states that the approval of the FHA is required shall be applicable only if the FHA is insuring a loan secured by a Mortgage encumbering a Unit. With respect to any proposed deannexation of property from the Master Project, Developer shall notify the VA in writing, for informational purposes only, prior to effecting such deannexation.

14.2 Limitation on Power of Attorney. Notwithstanding anything contained in this Master Declaration to the contrary, the power of attorney granted to the Master Board or the Master Association pursuant to Paragraphs 2.8, 4.2 and 7.3 of this Master Declaration shall not apply to or be binding upon the Administrator of Veteran Affairs, an Officer of the United States of America.

ARTICLE 15

Annexation

15.1 Developer's Right of Annexation. Developer has, and shall have, the absolute right to impose this Master Declaration upon all or any portion of the Annexation Property by the annexation thereof in the manner herein set forth and, when such annexation is accomplished, this Master Declaration shall be of the same force and effect with respect to such annexed property as if such annexed property was originally described herein. Any such annexation shall be accomplished as follows:

15.1.1 To effect the annexation of all or any portion of the Annexation Property, Developer shall file for record in the Office of the County Recorder of San Diego County, California, on or before (i) four years after the date of the original issuance of the then most recent final subdivision public report issued by the California Department of Real Estate for a phase of development of the Master Project, or (ii) 12 years after the recordation of this Master Declaration, whichever occurs first, a Declaration of Annexation and Restrictions describing the property to be annexed and otherwise substantially in form as set forth in Exhibit E. Developer may effect one or more annexations pursuant to this article.

15.1.2 The annexation into the Master Project of the property described in such Declaration of Annexation and Restrictions shall be accomplished upon the recordation of any such Declaration of Annexation and Restrictions.

15.1.3 At any time following the recordation of a Declaration of Annexation and Restrictions, but prior to the first conveyance of a Unit in the property described in such Declaration of Annexation and Restrictions to a purchaser (other than a Builder), Developer shall have the right to record a Termination and Extinction of Declaration of Annexation and Restrictions describing all or any portion of such property and otherwise substantially in form as set forth in Exhibit F and, upon recordation thereof, (i) any Declaration of Annexation and Restrictions described therein shall cease to be of any force or effect with respect to the property described in such Termination and Extinction of Declaration of Annexation and Restrictions and (ii) any subsequent conveyance of a Unit in the property described in such Termination and Extinction of Declaration of Annexation and Restrictions shall be free and clear of this Master Declaration. If Developer has previously conveyed any portion of the property described in such Termination and Extinction of Declaration of Annexation and Restrictions to a Builder(s), the written acknowledged consent of each such Builder shall be attached to the Termination and Extinction of Declaration of Annexation and Restrictions.

15.1.4 A Declaration of Annexation and Restrictions may also contain complementary additions to and/or reasonable modifications of the provisions of this Master Declaration as may be appropriate to reflect the different character, if any, of the developmental plan for the property to be annexed.

15.2 Limitations on Developer. Nothing contained herein shall be construed to permit, expressly or by implication, Developer to (i) annex or deannex any portion of the Annexation Property which does not constitute a legal lot or parcel or (ii) sell Units to the public (other than a Builder) in any phase of development of the Master Project without first having obtained a final subdivision public report thereon from the DRE.

15.3 Annexation By the Master Association. Except as expressly provided in this article with respect to Developer's absolute right to annex portions of the Annexation Property, the annexation of any property shall require the vote or written assent of not less than 67 percent of the total voting power residing in Master Members other than Developer. Upon such approval, the Owner of the property proposed to be annexed may file for record a Declaration of Annexation and Restrictions which will impose this Master Declaration upon such property.

15.4 Assessments. Upon annexation of all or any portion of the Annexation Property or any other property pursuant to this article, assessments against the Units in such annexed property shall commence as provided in the Article of this Master Declaration entitled "Assessments." Notwithstanding the foregoing, Developer may, in its sole discretion, provide in any Declaration of Annexation and Restrictions for the earlier commencement of assessments against the property being annexed pursuant thereto than that provided for in said Article entitled "Assessments." At the time of such commencement of assessments, the anticipated authorized expenses of the Master Association shall be adjusted to reflect the increased costs to the Master Association of the management, operation and maintenance of the Master Project arising by reason of such annexation, and the assessment upon each Unit then subject to assessment shall be accordingly adjusted so as to apportion all of said costs equally among all of the Units then subject to assessment.

15.5 Indemnity of Owner of Any Annexed Property. During any period in which assessments have not commenced with respect to any annexed property, the then Owner of such annexed property shall hold harmless the Master Association (and other Owners) for any charges or costs incurred by the Master Association with respect to such annexed property for which assessments have not commenced.

15.6 Voting Rights. No vote(s) in the Master Association shall be attributable to ownership of any portion of the Annexation Property until such portion has been annexed into the Master Project and assessments against such portion have commenced. Upon commencement of the voting rights for any property that has been annexed pursuant to this article, Developer or the Village Association (if one has been formed) with respect to such annexed property shall be entitled to the number of votes attributable to such annexed property based on the total number of Units thereon or allocated thereto, as the case may be.

15.7 Limitations on Amendment. Notwithstanding the Article of the Master Declaration entitled "Amendment," no amendment, revocation or rescission of this article may be had so long as Developer has the right to annex any portion of the Annexation Property pursuant to this article without the (i) written consent of Developer and (ii) recording of such consent in the Office of the Recorder of San Diego County, California.

15.8 Rights of Owners. Unless otherwise specifically provided in this Master Declaration, each Owner shall have equal rights and obligations with respect to any Master Common Area, without regard to whether such Master Common Area is created before or after such Owner acquires its Unit.

ARTICLE 16

Amendment

16.1 Amendment Requirements. This Master Declaration may be amended only by written instrument (i) signed and acknowledged by the President and Secretary of the Master Association which certifies that the amendment therein set forth has been approved (a) by the Master Members entitled to exercise 75 percent of the total voting power in each of the two voting classes as provided in the Article of this Master Declaration entitled "The Master Association" or (b) upon cessation of one of the two voting classes, by the Master Members entitled to exercise 75 percent of the total voting power including the vote(s) of Developer in the remaining voting class, provided that such votes include not less than a majority of the votes that can be cast by Master Members other than Developer and (ii) filed for record in the Office of the County Recorder of San Diego County, California. The President and Secretary of the Master Association are hereby granted an irrevocable power of attorney to act for and on behalf of each and every Master Member and Owner in certifying, executing and recording said instrument. Notwithstanding the foregoing, at any time prior to the sale and conveyance of a Unit to a purchaser (other than Developer, Rancho, Home Building or a Builder), this Master Declaration may be amended by written instrument signed and acknowledged by Developer and a majority of all Builders then owning land in the Master Project, which is filed for record in the Office of the County Recorder of San Diego County, California. Any written instrument amending this Master Declaration shall also bear, or have attached thereto, the written consent of 67 percent of all first Mortgagees as of the time of recording such amendment (based upon one vote for each first Mortgage owned) if such amendment would affect to any degree the rights, powers, privileges, interests or security of said first Mortgagees as set forth (i) in the Articles hereof entitled "Definitions," "The Master Association," "Master Rules; Master Common Area," "Assessments," "Destruction; Insurance," "Condemnation," "Accounting; Right of Inspection," "Scope; Enforcement," "Property Rights in the Master Common Area," "Rights of Mortgagees, Eligible Mortgagees, Eligible Insurers and Eligible Guarantors," "FHA and VA Requirements" and "Amendment" or (ii) in any other provision of this Master Declaration which, by its terms, is specifically for the benefit of first Mortgagees or specifically confers rights on first Mortgagees.

16.2 Amendments Requiring Consent of Developer and The City. Notwithstanding Paragraph 16.1, this Master Declaration may not be amended:

16.2.1 At any time within ten years after the date of recordation of this Master Declaration without (i) the prior written consent of Developer and (ii) the recording of said written consent together with the written instrument amending this Master Declaration which satisfies the requirements set forth in Paragraph 16.1; the provisions of this paragraph will not be construed to limit in any way the requirement set forth in other paragraphs of this Master Declaration that the written consent of Developer be obtained with respect to the amendment of certain provisions of this Master Declaration.

16.2.2 At any time, with respect to Paragraphs 2.9 and 4.2 through 4.5 or the Articles hereof entitled "Scope; Enforcement," "Property Rights in the Master Common Area" and "Amendment," without (i) the prior written consent of The City and (ii) the recording of said written consent together with the written instrument amending this Master Declaration which satisfies the requirements set forth in Paragraph 16.1.

16.3 Recording of Amendment. Each such amendment to this Master Declaration shall become effective only upon being filed for record as hereinabove provided and shall, from and after its effective date, be as effective as this Master Declaration as to all (i) Master Common Area, (ii) the Units, (iii) the Master Project, (iv) the Master Members, and (v) the Owners (as of the effective date) and their successors in interest.

16.4 Nonmaterial Amendments. If any amendment is not considered as a material change (such as the correction of a technical error or the clarification of a statement) the amendment shall be deemed impliedly approved by any first Mortgagee who fails to submit a written response to any written proposal for an amendment within 30 days after the proposal is made.

ARTICLE 17

General Provisions

17.1 Notices. Notices required by this Master Declaration, or desired, to be given shall be conclusively deemed served (i) if personally served, at the time of such service, and (ii) if mailed, 72 hours after deposit thereof in the United States mail, postage prepaid, addressed to the person(s) to whom such notice is to be given at the last known address of such person(s).

17.2 Severability of Provisions. In the event any limitation, restriction, condition, covenant or provision contained in this Master Declaration is held to be invalid, void or unenforceable by any court of competent jurisdiction, the remaining portions of this Master Declaration shall, nevertheless, be and remain in full force and effect.

17.3 Supremacy of Master Declaration. No provision of the Master Articles or the Master Bylaws, and no action of the Master Association, in violation or contravention of any provision of this Master Declaration shall be valid, subsisting or of any effect whatsoever.

17.4 Singular Includes Plural. The use herein of the neuter gender includes the masculine and the feminine genders, and the use herein of the singular number includes the plural, whenever the context so requires.

17.5 Captions. Captions in this Master Declaration are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Master Declaration or any of the terms hereof.

17.6 Exhibits. All exhibits, if any, referred to herein and attached hereto are a part hereof.

17.7 Construction. This Master Declaration and every provision hereof shall be construed to facilitate the operation of the Master Project.

IN WITNESS WHEREOF, this Master Declaration has been executed as of the day first above set forth.

RANCHO DEL ORO DEVELOPMENTS, a California general partnership

By COLLINS-RANCHO DEL ORO COMPANY, a California corporation

By ______________________

Title PRES

By Ronald C. [signature]

Title V.P

RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership

By RANCHO DEL ORO DEVELOPMENTS, a California general partnership, General Partner

By COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By ____________________

Title PRES.

By ____________________

Title V.P.

By J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By ____________________

Title VP

By Barbara A Rossa

Title Assist Secretary

VILLAGE HOME BUILDING PARTNERSHIP NO. I, a California limited partnership

By J. F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By [signature]

Title VP

By Barbara Rosson

Title Assist. Secretary

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On August 27, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Eugene Gentz, personally known to me (or proved to me on the basis of satisfactory evidence) to be the President, and Ronald D. Sealer, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice Pres. of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its bylaws or a resolution of its Board of Directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
Dorothy C. Brockmoller
Notary Public California
Principal Office in
San Diego County
My Comm. Exp. Oct. 18, 1988

Dorothy C. Brockmoller
Notary Public in and for said County and State

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On August 28, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Thomas Noon, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice President, and Barbara A. Rossoll, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Assistant Secretary of J.F. SHEA CO., INC., the corporation that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its bylaws or a resolution of its Board of Directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC—CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Notary Public in and for said County and State

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On August 27, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Eugene Seitz, personally known to me (or proved to me on the basis of satisfactory evidence) to be the President, and Ronald G. Sigler, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice Pres. of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its bylaws or a resolution of its Board of Directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such partner of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, and that such partnership executed it.

WITNESS my hand and official seal.

Notary Public in and for said County and State

9782.01/AGP80/101

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STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On August 28, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Thomas Nolan, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice President, and Barbara Russell, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Assistant Secretary of J. F. SHEA CO., INC., the corporation that executed this instrument on behalf of VILLAGE HOME BUILDING PARTNERSHIP NO. I, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its bylaws or a resolution of its Board of Directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC–CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Carol J. Clark
Notary Public in and for said
County and State

EXHIBIT A

MASTER DECLARATION OF C.C.& R'S

"THE PROPERTY"

All of Lots 39 through 114, inclusive, of Map Number 11501, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on May 1, 1986.

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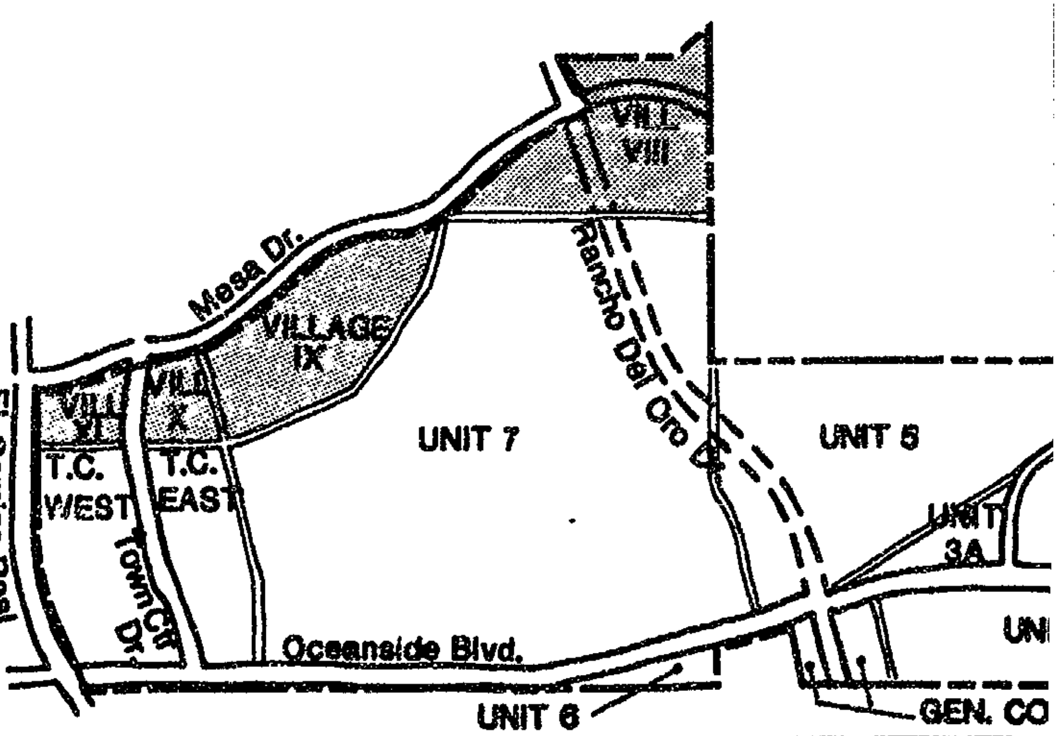
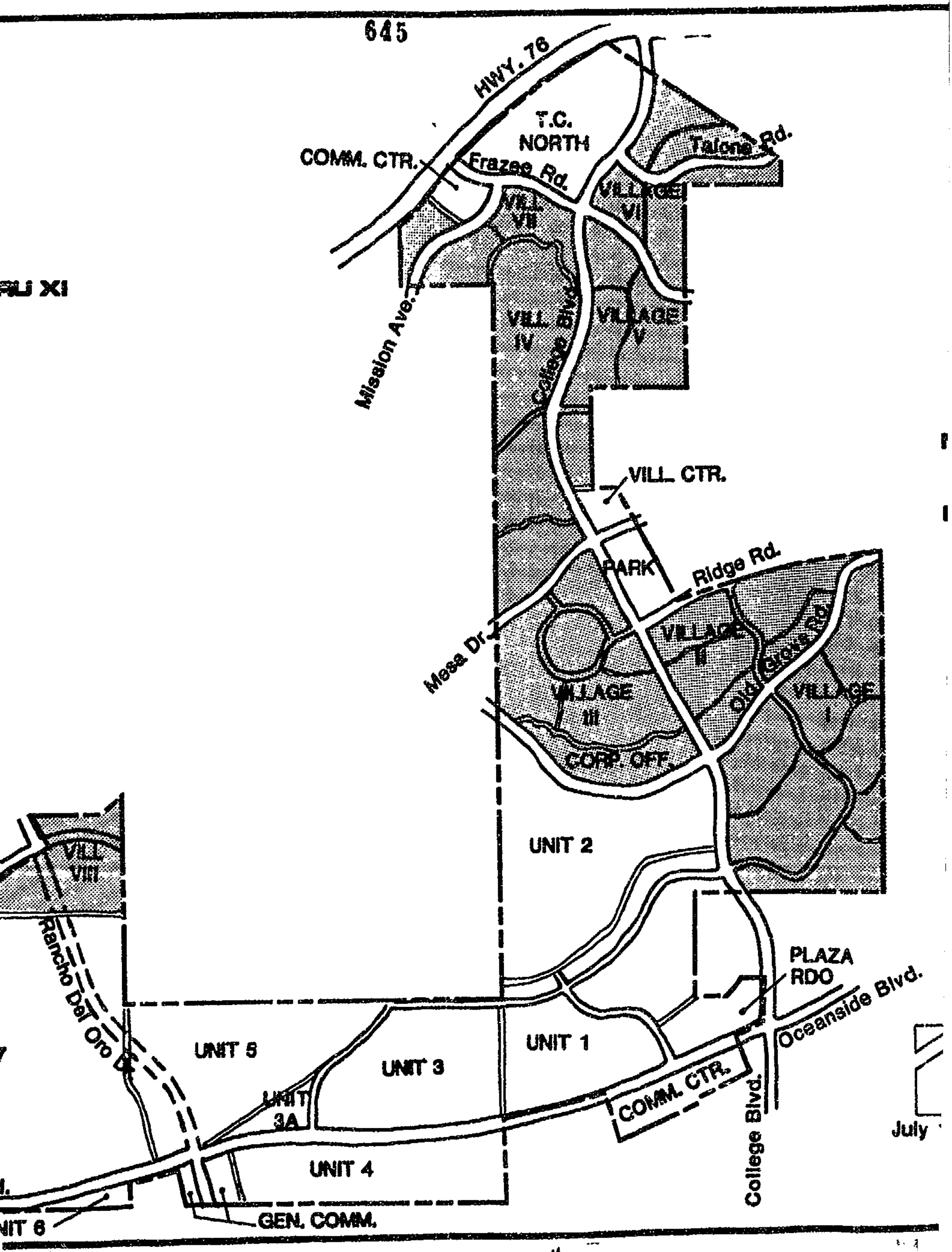
VILLAGES I THRU XI

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College Blvd.
VILLAGE
V
VILL. CTR.
PARK
Ridge Rd.
Mesa Dr.
VILLAGE
II
Old Grove Rd.
VILLAGE
III
VILLAGE
I
CORP. OFF.
UNIT 2
VILL.
VIII
Rancho Del Oro Dr.
PLAZA
RDO
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UNIT 1
UNIT 3
UNIT
3A
COMM. CTR.
College Blvd.
UNIT 4
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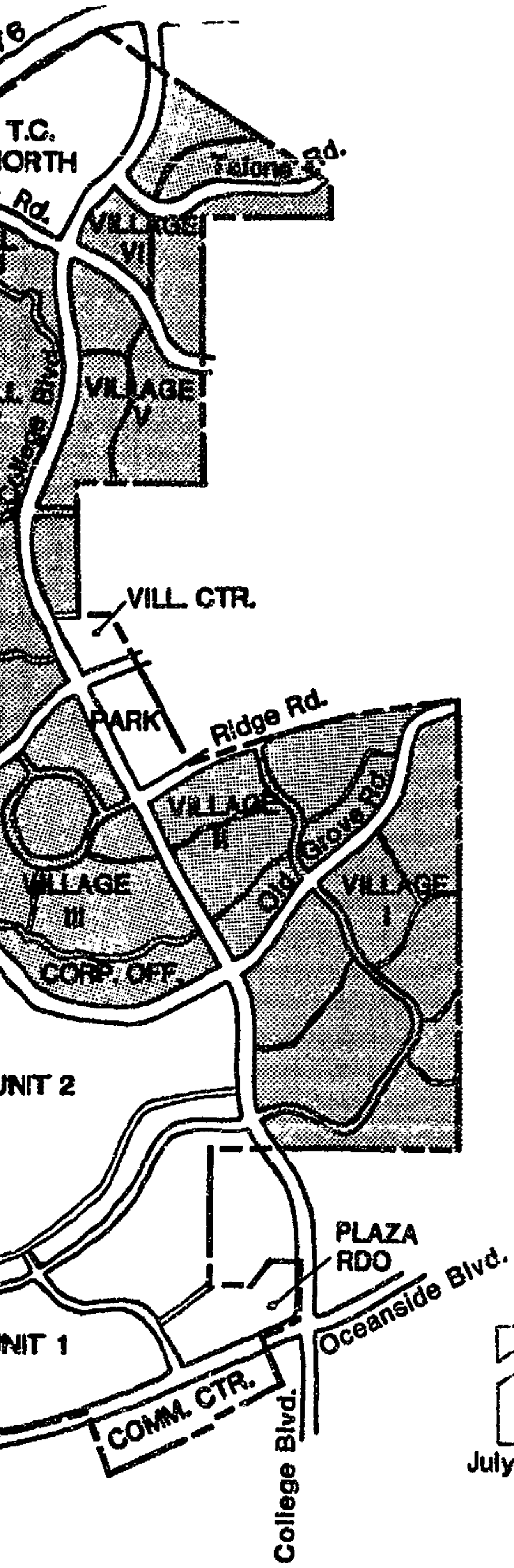


RANCHO DEL ORO

OCEANSIDE
CALIFORNIA

MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE VILLAGES OF RANCHO DEL ORO

July 10, 1986

EXHIBIT B - VILLAGES I THRU XI

EXHIBIT C

MASTER DECLARATION OF C.C.& R'S

"VILLAGES OF RANCHO DEL ORO"

All of Lots 1.1, 1.2, 1.3, 1.4, 1.5, 1.6, "K," 2.1, 2.2, 2.3, 2.4, 2.5, 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 4.1, 4.2, 5.1, 5.2, 5.3, 5.4, 6.1, 6.2, 6.3, 6.4, 6.5, 7.1, 7.2 and 7.5 of Map Number 11409, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on December 27, 1985, and all of Lots 8.1, 8.2, 8.3, 9.1, 10.1 and 11.1 of Map Number 11410, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on December 27, 1985,

EXCEPTING THEREFROM the following:

All of Lots 39 through 114, inclusive, of said Map Number 11501.

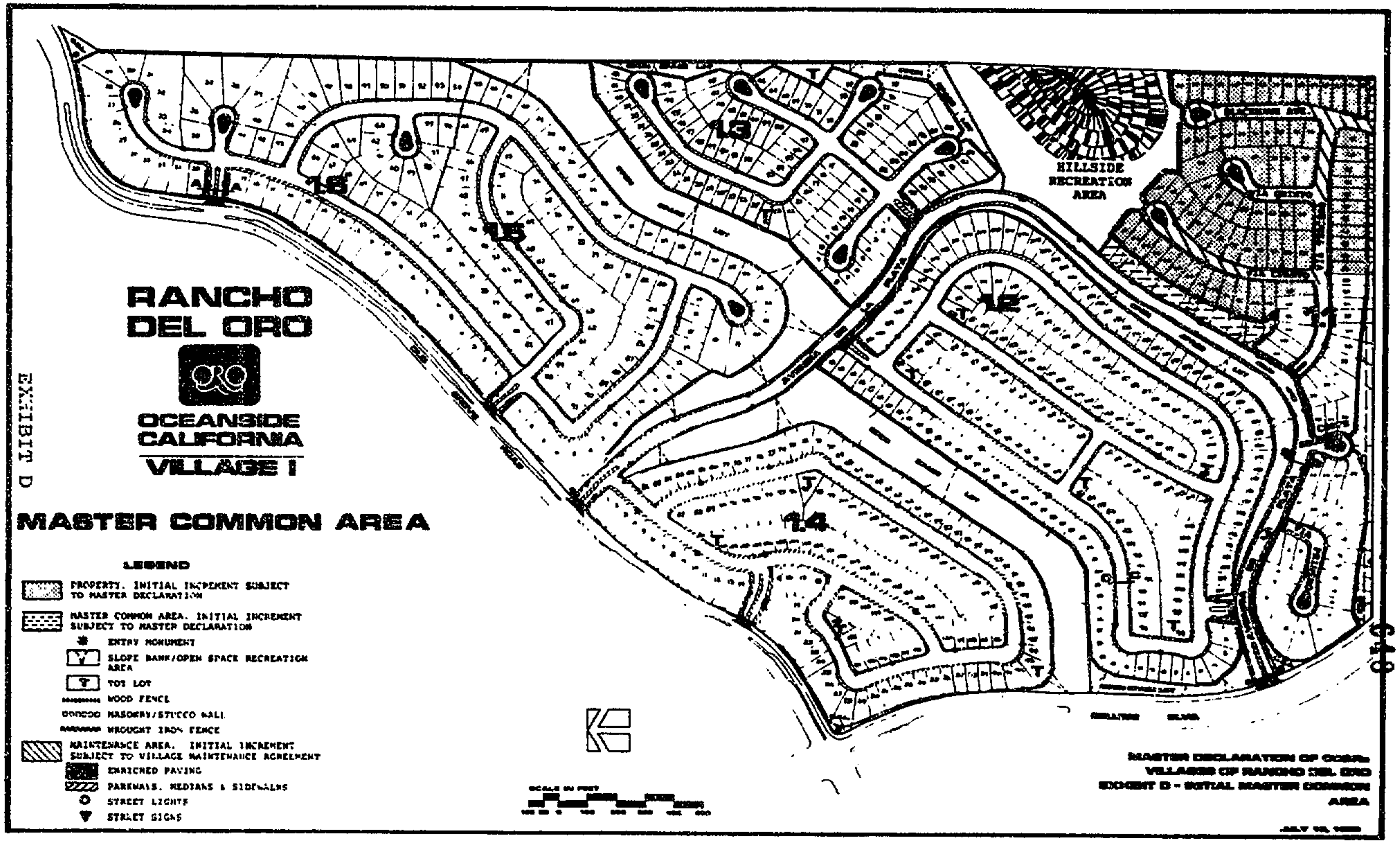

RANCHO
DEL ORO
OCEANSIDE
CALIFORNIA
VILLAGE I
MASTER COMMON AREA
HILLSIDE RECREATION AREA
12
13
14
15
16
LEGEND
PROPERTY. INITIAL INCREMENT SUBJECT TO MASTER DECLARATION
MASTER COMMON AREA. INITIAL INCREMENT SUBJECT TO MASTER DECLARATION
ENTRY MONUMENT
SLOPE BANK/OPEN SPACE RECREATION AREA
TOT LOT
WOOD FENCE
MASONRY/STUCCO WALL
WROUGHT IRON FENCE
MAINTENANCE AREA. INITIAL INCREMENT SUBJECT TO VILLAGE MAINTENANCE AGREEMENT
ENRICHED PAVING
PARKWAYS, MEDIANS & SIDEWALKS
STREET LIGHTS
STREET SIGNS
SCALE IN FEET

EXHIBIT D

Recording Requested By:)
Developer)
When Recorded Mail To:)

) Space Above For Recorder's Use

DECLARATION OF ANNEXATION AND RESTRICTIONS

[Name of Developer] ("Developer"), makes this Declaration of Annexation and Restrictions ("this Declaration of Annexation") on the terms and conditions herein stated:

RECITALS

Developer makes this Declaration of Annexation based on the following facts and intentions:

A. Pursuant to the provisions of the "Master Declaration of Covenants, Conditions and Restrictions for The Villages of Rancho Del Oro" filed in the Office of the County Recorder of San Diego County on __________, 1986, File/Page No. 86-__________, as amended ("the Master Declaration"), Developer has the right to annex the real property described in Exhibit 1 attached hereto ("the Annexable Property") to the Master Project as defined in the Master Declaration.

B. Developer desires to annex the Annexable Property into the Master Project. By such annexation, Developer intends that the covenants, conditions and restrictions of the Master Declaration shall apply to the Annexable Property in the same manner as if it were originally covered by the Master Declaration as a part of the Master Project. No amendment, addition, change or deletion in this Declaration of Annexation shall be deemed to affect the provisions of the Master Declaration as covenants running with the land or as equitable servitudes to be uniformly applicable to all portions of the Master Project, including those portions added thereto by annexation.

1. <u>ANNEXATION OF ANNEXABLE PROPERTY</u>: Therefore, Developer declares the following:

1.1 This Declaration of Annexation is issued in compliance with the Master Declaration.

1.2 Upon the recordation of this Declaration of Annexation in the Office of the Recorder of the County of San Diego, the annexation of the Annexable Property shall be and become accomplished and all of the incidents of the annexation of said property, as set forth in the Master Declaration, shall be in full force and effect.

2. <u>APPLICATION OF MASTER DECLARATION</u>: The terms and provisions of the covenants, conditions and restrictions of the Master Declaration shall apply to the Annexable Property as if it were originally covered by the Master Declaration as a part of the Master Project.

2.1 After this annexation and upon commencement of the assessments established in the Article of the Master Declaration entitled "Assessments" with respect to the Annexable Property, said assessments for the Master Project shall be reassessed with the Annexable Property being assessed for a proportionate share of the total expenses of the Master Association on the same basis as other property in the Master Project.

2.2 Assessments shall commence as to all of the Annexable Property as set forth in the Article of the Master Declaration entitled "Assessments."

3. INTERPRETATION: Words, terms and phrases used herein and in the Master Declaration shall have the meaning ascribed thereto in the Master Declaration.

Developer has executed this Declaration of Annexation at San Diego, California, on __________, 1986.

____

____

[Acknowledgement]

Recording Requested by:

When Recorded Mail to:

Space Above For Recorder's Use

TERMINATION AND EXTINCTION OF

DECLARATION OF ANNEXATION AND RESTRICTIONS

THIS TERMINATION AND EXTINCTION OF DECLARATION OF ANNEXATION AND RESTRICTIONS, made and executed by [Name of Developer] herein referred to as "Developer,"

W I T N E S S E T H   T H A T :

WHEREAS, Developer (or Developer's predecessor in interest) has caused to be executed, acknowledged and recorded a Master Declaration of Covenants, Conditions and Restrictions for The Villages of Rancho Del Oro ("the Master Declaration"), recorded ________________, 1986, File/Page No. 86-______________, Official Records of San Diego County, California, as amended.

WHEREAS, the Master Declaration provides, inter alia, for the annexation and incorporation into the Master Project described in the Master Declaration of certain property described therein, including, but not limited to, the above described property.

WHEREAS, Developer has caused to be executed, acknowledged and recorded a Declaration of Annexation and Restrictions, recorded __________, 19__, File/Page No. __________, Official Records of San Diego County, California, which describes all of the property described as:

[LEGAL DESCRIPTION OF PROPERTY TO BE DEANNEXED]

WHEREAS, ____________________ is the owner of the property described above.

WHEREAS, the Master Declaration provides that prior to the first conveyance of a Unit in the property described in said Declaration of Annexation and Restrictions, Developer has the right to record a Termination and Extinction of Declaration of Annexation and Restrictions substantially in form as set forth herein.

WHEREAS, neither Developer nor a Builder has conveyed a Unit in the property described in said Declaration of Annexation and Restrictions to a purchaser (other than a Builder).

WHEREAS, Developer desires to terminate and extinguish the effect of said Declaration of Annexation and Restrictions as set forth herein.

NOW, THEREFORE, by this Termination and Extinction of Declaration of Annexation and Restrictions, Developer hereby declares that, effective upon the recording of this instrument, the above described property, and each and every Unit therein or thereon, (i) shall not be annexed into the Master Project described in the Master Declaration and (ii) shall hereafter be held, leased, encumbered, sold and/or conveyed by the owner thereof, and each and every successor in interest of such owner, free and clear of all of the limitations, restrictions, conditions, covenants, reservations, easements and equitable servitudes set forth in the Master Declaration.

IN WITNESS WHEREOF, this Termination and Extinction of Declaration of Annexation and Restrictions has been executed at San Diego, California, as of the ____ day of ____________, 1986.

____

____

[Acknowledgments]

EXHIBIT G

RECORDING REQUESTED BY:)
RECORDING REQUESTED BY CONTINENTAL LAND TITLE)
)
WHEN RECORDED MAIL TO:)
Rancho Del Oro Development)
c/o Jenkins & Perry)
1100 Central Savings Tower)
225 Broadway)
San Diego, California 92101)SPACE ABOVE FOR RECORDER'S USE

VILLAGE MAINTENANCE AGREEMENT
[Village I]

California Civil Code Section 1468

THIS VILLAGE MAINTENANCE AGREEMENT ("Agreement"), is executed as of 28 AUGUST, 1986, by RANCHO DEL ORO DEVELOPMENTS, a California general partnership ("Developer"), RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership ("Rancho"), and VILLAGE HOME BUILDING PARTNERSHIP NO. 1, a California limited partnership ("Home Building"), with reference to the following facts:

RECITALS

A. This Agreement is being executed pursuant to Paragraph 2.9 of the Master Declaration of Covenants, Conditions and Restrictions for The Villages of Rancho Del Oro ("Master Declaration"), executed concurrently herewith. This Agreement is attached to and constitutes a part of the Master Declaration.

B. Home Building and Rancho are the owners in fee of the land described on attached Exhibit "1" ("Property"), which is affected by the Master Declaration.

C. The Property is part of a larger parcel of real property ("Village I"), owned in part by Rancho and in part by Home Building, which is legally described on attached Exhibit "2". Village I includes six separate tracts ("Tracts"), as shown on the map attached as Exhibit "3", which are designated for residential development. The Property consists of a portion of Tract 1.1 of Village I.

D. Village I is part of a larger parcel of real property ("Rancho Del Oro Property") covered by a Specific Plan [S-1-84] ("Specific Plan") approved by the City of Oceanside ("City"). The residential portions of the Rancho Del Oro Property, including the Property, are subject to the Rancho Del Oro Planned Residential Development (PRD) Master Plan ("PRD Master Plan") approved by the City on October 15, 1985, as amended from time to time.

E. The Rancho Del Oro Property, including the Property, is subject to a Ranch Maintenance Agreement, executed by the fee owners of the Rancho Del Oro Property and recorded concurrently herewith, which provides for maintenance of certain major streets serving the Rancho Del Oro Property.

F. Pursuant to the Master Declaration, a homeowners' association ("Master Association") has been established to provide for management and maintenance of the Master Common Area, as described therein.

G. The Property comprises the initial increment of real property subject to this Agreement. All or any part of the property described on attached Exhibit "4" ("Annexation Property"), which consists of the remaining property within Village I, may be added to the Property by annexation pursuant to this Agreement and shall thereupon be subject to the provisions of this Agreement.

H. In connection with the development of Village I, certain improvements ("Improvements", as defined in Article 1) will from time to time be constructed or installed within (i) certain portions of the rights-of-way of certain public streets serving Village I ("Village Streets", as defined in Article 1), (ii) certain portions of the rights-of-way of certain public streets serving primarily an individual Tract ("Tract Streets", as defined in Article 1), and (iii) certain slope areas adjacent to Village Streets or Tract Streets over which an easement for landscaping purposes has been or will be dedicated to the City (collectively, "Maintenance Areas"). The location of the Maintenance Areas for Village I as of the date of this Agreement is shown on attached Exhibit "5." Such Improvements may be installed and constructed by Developer, Rancho or Home Building, or by builders or other developers ("Builders") who acquire ownership of portions of Village I.

I. The Improvements may include, without limitation, street lights, traffic signs and signals, fire hydrants, sidewalks, street signs, street furniture, monument signs, drainage facilities, landscaping and irrigation systems, underground utilities and improvements located within parkways, street medians and slopes and special paving located within certain public rights-of-way.

J. Pursuant to the Specific Plan and the conditions of City approvals of development of Village I, the fee owners of land subject to this Agreement ("Owners") are required to perform certain obligations related to maintenance of the Improvements (collectively, "Maintenance Obligations", as defined in Article 1), including without limitation the obligation (i) to maintain, repair and replace certain of the Improvements, (ii) to pay the cost (or a portion of the cost) of City maintenance of other Improvements, and (iii) to supply to the City replacements for certain Improvements which are not

City-standard improvements. The Maintenance Obligations shall be set forth in a written agreement executed by City and Rancho, as the same may be modified from time to time ("City Maintenance Agreement").

K. The City shall grant an easement to the Owners, acting through the Administrator, to enter onto the Maintenance Areas for purposes of performing the Maintenance Obligations.

L. All of the Improvements will benefit and enhance the value of each and every portion of the Property.

M. The Owners desire to provide in this Agreement for the (i) performance of the Maintenance Obligations in accordance with the City Maintenance Agreement, (ii) sharing of the cost of performing the Maintenance Obligations by means of assessments that will be levied against each of the Owners, and (iii) administration, supervision and management related to performance of such Maintenance Obligations, all in accordance with the provisions of this Agreement and the Master Declaration.

NOW, THEREFORE, pursuant to California Civil Code Section 1468 and the Master Declaration, and in consideration of the covenants herein contained, each of the Owners hereby agrees and covenants with each other as follows:

ARTICLE 1
DEFINITIONS

1.1 "Administrator" means the person appointed pursuant to Article 2 of this Agreement to act on behalf of the Owners and perform the duties and exercise the rights described therein.

1.2 "Annexation" shall mean the process by which additional real property may be made subject to this Agreement and included in the Property pursuant to the provisions of Article 9 of this Agreement.

1.3 "Annexation Property" shall mean the real property described on Exhibit "4" attached hereto, all or any portion of which may from time to time be made subject to this Agreement by Annexation.

1.4 "Builder" means an Owner, including Developer, Rancho and Home Building, which has constructed or installed Improvements in any of the Maintenance Areas, or has provided to the City security for the completion of such Improvements, pursuant to the conditions of City approval of any Final Map, Development Plan or other development permit or approval granted by the City, or a successor Owner responsible for satisfying such conditions.

1.5 "City" means the City of Oceanside, California, a municipal corporation.

1.6 "City Maintenance Agreement" means the agreement to be executed by the City and Rancho describing the Maintenance Obligations for the Improvements, as the same may be modified from time to time.

1.7 "Condominium" means a condominium as defined in California Civil Code Section 783, or any similar California statute hereunder enacted, and shall include a condominium owned in fee simple, a long-term leasehold condominium or a condominium comprising a combination of fee simple and long-term leasehold characteristics. For the purposes of this paragraph, a "long-term" leasehold shall mean a leasehold interest in a Lot or Condominium which has an original term of not less than ten years. For the purposes of this Agreement, the term "Condominium" shall also include a single-family residential dwelling or other area space which is appurtenant to one or more ownership interests in a community apartment or stock cooperative project as defined in California Civil Code Section 1351 or any similar California statute hereafter enacted.

1.8 "Condominium Project" means a condominium project as defined in California Civil Code Section 1351, or any similar California statute hereafter enacted. For purposes of this Agreement, the term "Condominium Project" shall include a community apartment and stock cooperative project as defined in California Civil Code Section 1351, or any similar California statute hereafter enacted.

1.9 "Developer" means (i) Rancho Del Oro Developments, a California general partnership, and (ii) any successor in interest of Rancho Del Oro Developments to which all or any of the rights of Developer hereunder have been transferred pursuant to a written assignment which has been recorded in the Official Records of San Diego County, California.

1.10 "Development CC&Rs" means the Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Planned Community recorded on December 27, 1985, as File No. 85-490781 of the Official Records of San Diego County, California, as thereafter amended from time to time.

1.11 "Development Plan" means a development plan for a specific site within the Property which has been approved by the City pursuant to Article 16 of the City's Zoning Ordinance, or any successor ordinance.

1.12 "Final Map" means a recorded final subdivision or parcel map affecting any portion of the Property, excluding the Master Subdivision Map.

1.13 "Home Building" means Village Home Building Partnership No. I, a California limited partnership.

1.14 "Improvements" means improvements and facilities (i) which are constructed or installed within the Maintenance Areas (ii) in accordance with the Specific Plan, the PRD Master Plan, the Master Landscape Plan, drawings approved by the RDO Planning Board (street improvement, landscape and irrigation and/or underground utility drawings, whichever are applicable) and other applicable City requirements, and (iii) with respect to which one or more Owner(s) have Maintenance Obligations pursuant to the conditions of a Final Map, Development Plan or other development permit or approval granted by the City, which Maintenance Obligations may be transferred to all of the Owners in accordance with this Agreement. The Improvements may include, without limitation, street lights, traffic signs and signals, fire hydrants, sidewalks, street signs, street furniture, monument signs, drainage facilities, landscaping and irrigation systems, underground utilities and improvements, and special paving located within certain public rights-of-way.

1.15 "Lot" means any lot or parcel of land shown upon a recorded final subdivision map or recorded final parcel map of any portion of the Property, excepting (i) any Master Common Area and common area of any Village Project, as defined in the Master Declaration, and (ii) Condominiums in a Condominium Project.

1.16 "Maintenance Areas" means (i) certain portions of the rights-of-way of Village Streets, (ii) certain portions of the rights-of-way of Tract Streets, and (iii) slope areas adjacent to Village Streets or Tract Streets over which a landscaping easement has been or will be dedicated to the City. The location of the Maintenance Areas as of the date of this Agreement is shown on Exhibit "5;" provided, however, the rights-of-way and easement areas shown on Exhibit "5" may be modified subsequently, from time to time, as shown on a Final Map or other recorded instrument evidencing the dedication or offer of dedication of the same to the City.

1.17 "Maintenance Obligations" means the obligation of one or more Owner(s) with respect to maintenance of any Improvements pursuant to the conditions of approval of any Final Map, Development Plan or other development permit or approval granted by City, which obligations shall be further described in the City Maintenance Agreement and may be transferred to all of the Owners in accordance with this Agreement. The Maintenance Obligations may include, without limitation, the obligation (i) to maintain, repair and replace certain of the Improvements, (ii) to pay the cost (or a portion of the cost) of City maintenance of other Improvements, and (iii) to supply to the City replacements for certain Improvements which are not City-standard improvements.

1.18 "Master Association" means The Villages of Rancho Del Oro Association, Inc., a California nonprofit mutual benefit corporation, or any successor entity charged with the duties, obligations and powers of said Master Association, pursuant to the Master Declaration.

1.19 "Master Declaration" means the Master Declaration of Covenants, Conditions and Restrictions for the Villages of Rancho Del Oro recorded for the Property in the Official Records of San Diego County, California, concurrently herewith.

1.20 "Master Landscape Plan" means the Master Landscape Plan for Rancho Del Oro approved by the City pursuant to the Specific Plan, as modified from time to time.

1.21 "Mortgage" means any real property mortgage or deed of trust encumbering a Unit.

1.22 "Owner" means the person(s) who hold(s) record fee simple title to any portion of the Property, including Builders, for so long as such person holds such title, but excluding persons who hold title as security for the performance of an obligation. As of the date of recordation of this Agreement, Home Building is the only Owner.

1.23 "Planned Development Project" shall mean a project of one or more Lots developed within Village I and subject to this Agreement, with each such Lot to be improved with a single-family dwelling(s) that may be detached, a "townhouse," or part of an "attached cluster," as defined in the PRD Master Plan), which increment may be developed in phases and may or may not be defined as a planned development in California Civil Code Section 1351, or any similar California statute hereafter enacted.

1.24 "PRD Master Plan" means the Rancho Del Oro Planned Residential Development (PRD) Master Plan approved by the City on October 15, 1985, as amended from time to time, which covers the portions of the Rancho Del Oro Property designated for residential development.

1.25 "Property" means the real property described on attached Exhibit "1," consisting of a portion of Tract 1.1 of Village I.

1.26 "Rancho" means Rancho Del Oro Villages Land Development, a California general partnership, and one of the Owners.

1.27 "Rancho Del Oro Property" means the real property covered by the Specific Plan.

1.28 "RDO Planning Board" means the Rancho Del Oro Planning and Development Board established pursuant to the Development CC&Rs.

1.29 "Specific Plan" means the Rancho Del Oro Specific Plan [S-1-84] approved on October 15, 1985 by Resolution No. 85-238 adopted by the Oceanside City Council, as modified from time to time.

1.30 "Tract Streets" means those public streets primarily serving one of the Tracts within Village I and designated as "Residential Tract Collector (L)," "Residential Tract Street (M1)" and "Residential Tract Street (M2)" streets pursuant to the Street Standards and Circulation System for Rancho Del Oro included in the Specific Plan. The Tract Streets as of the date of this Agreement are identified on Exhibit "4;" provided, however, the Tract Streets may be modified subsequently, from time to time, as shown on any Final Map or other recorded instrument evidencing the dedication or offer of dedication of the same to City.

1.31 "Unit" shall mean (i) any Condominium which is part of a Condominium Project in Village I and subject to this Agreement, (ii) any Lot within Village I and subject to this Agreement on which only one single-family residential dwelling has been or will be constructed, (iii) each multi-family residential dwelling unit located within an Apartment Area (as defined in the Master Declaration) in Village I and subject to this Agreement, (iv) each single-family dwelling located on a Lot in a Planned Development Project, (v) with respect to any Lot within Village I and subject to this Agreement on which structures for a use permitted under the PRD Master Plan (excluding the uses described above in clauses (i), (ii), (iii) and (iv)] have been or will be constructed, each 7,260 square feet of gross land area or fractional portion thereof contained within such Lot, unless expressly provided otherwise in any Declaration of Annexation and Restrictions recorded pursuant to the Master Declaration and encompassing such Lot, or (vi) with respect to any portion of Village I that is subject to this Agreement and which has not been divided into Units [as described above in clauses (i), (ii), (iii), (iv) or (v)], each residential dwelling unit approved for, and allocated to, such portion on the Residential Density Management Table maintained by the City pursuant to the Specific Plan, as the same may from time to time be amended. Units determined initially under clause (vi) of the preceding sentence may subsequently become Units determined under clause (i), (ii), (iii), (iv) or (v) of said sentence. As examples of the application of the aforesaid clause (v): (i) any such Lot containing only 6,000 square feet of gross land area shall be deemed to constitute one "Unit" and (ii) any such Lot containing 8,000 square feet of gross land area shall be deemed to constitute two "Units." "Gross land area" as used in this Section will mean the gross land area of a Lot, excluding any (i) open-space areas affecting such Lot which are owned by the Master Association, a Village Association or a Sub-Association or by the Owners of such Lot in undivided interests, or which are subject to an easement for the benefit of the Owners of such Lot, and (ii) other areas affecting a Lot which have been dedicated to the City or any other governmental agencies.

1.32 "Village I" means the real property legally described on attached Exhibit "2" and graphically shown on attached Exhibit "3".

1.33 "Village Streets" means those public streets within Village I designated as "Residential Village Collector (K)" streets pursuant to the Street Standards and Circulation System for Rancho Del Oro included in the Specific Plan. The Village Streets as of the date of this Agreement are identified on Exhibit "4;" provided, however, the Village Streets may be modified subsequently, from time to time, as shown on any Final Map or other recorded instrument evidencing the dedication or offer of dedication of the same to City.

ARTICLE 2
THE ADMINISTRATOR

2.1 Appointment. To give effect to the provisions contained in this Agreement, an administrator to be known as "the Administrator" shall be appointed as herein provided to perform all of the duties and exercise all of the rights that have been imposed upon or granted to the Administrator under this Agreement. The Master Association is hereby appointed as the Administrator.

2.2 Compensation. The Administrator shall not be entitled to receive any compensation for services performed under this Agreement.

2.3 Books, Accounts, Records. The Administrator will maintain adequate accounts, books and records of any business activities performed by the Administrator under this Agreement, as part of its record-keeping responsibilities under the Master Declaration.

2.4 Powers. The Administrator is hereby irrevocably appointed as the attorney-in-fact for every Owner to:

2.4.1 Maintain bank account(s) for funds coming under the control of the Administrator.

2.4.2 Levy assessments as permitted under this Agreement.

2.4.3 Contract for and maintain fire, casualty, liability, worker's compensation, medical, hospital and other insurance insuring the Owners and itself, all as a reasonable and prudent businessman may deem appropriate or as may be required by this Agreement.

2.4.4 Contract, provide and pay for maintenance, repair, replacement, gardening and other services for which the Administrator has a duty or a right pursuant to this Agreement to undertake, including, without limitation, employment of legal and accounting services, and consultants, managers, experts, and others to assist it in performing its duties.

2.4.5 Contract for and purchase or lease tools, equipment, materials, supplies and other personal property and services consistent with its duties and rights under this Agreement.

2.4.6 Contract for and pay for reconstruction of any of the Improvements that may be damaged or destroyed from any cause whatsoever, where the Administrator has a duty or right pursuant to this Agreement to do so.

2.4.7 Post any bonds or other security required by the City to secure performance of the Maintenance Obligations.

2.4.8 Enter at all reasonable times any portion of the Property when reasonably necessary in connection with the performance or exercise of its duties and rights under this Agreement.

2.4.9 Prosecute or defend, in the name of the Owners, any action affecting or relating to the Maintenance Obligations or the duties and rights of the Administrator hereunder, including, without limitation, enforcement and collection of any assessments that have been levied against an Owner pursuant to this Agreement.

2.4.10 Take actions reasonably required to form an assessment district and delegate any appropriate Maintenance Obligations to such district as described in Section 4.2.

2.4.11 Undertake to perform such other acts as are consistent with this Agreement or will further the objectives of this Agreement.

2.5 Authority. Any contract entered into or instrument executed by the Administrator pursuant to this Agreement will be (i) valid and subsisting according to the tenor of such contract or instrument and (ii) a charge upon all cash, bank accounts and other personal property authorized under this Agreement and under the control of the Administrator. So long as the Administrator acts within the scope of its authority as the Administrator, it will not have any personal liability under any such contract or instrument.

ARTICLE 3
THE IMPROVEMENTS

3.1 Responsibility Prior to Transfer and Assessment. As provided in Section 5.1, the Owner of a Unit shall not be subject to assessments under this Agreement until assessments have commenced for such Unit under the Master Declaration. No such Owner of a Unit subject to assessment nor the Administrator shall have any responsibility under this Agreement for the Maintenance Obligations with respect to any Improvements until the responsibility therefor has been transferred to the Owners in accordance with the provisions of this Article.

3.1.1 Village Streets. In accordance with the Development CC&Rs, each Owner of a Unit prior to sale to a residential homeowner, and each fee owner of a portion of Village I which has not been made subject to this Agreement, shall pay a prorata share of the costs incurred by Rancho in performing the Maintenance Obligations for those Improvements within Maintenance Areas within or adjacent to the rights-of-way of Village Streets, commencing with the filing of a Notice of Completion for such Improvements, until such Maintenance Obligations have been transferred to the Owners hereunder. The prorata share of each Owner and fee owner described in this Section shall be determined by the ratio of the Unit(s), including future Unit(s) that would exist following Annexation, owned by such Owner or fee owner compared to the total number of Units, including future Units, subject to such obligation.

3.1.2 Tract Streets and Other Improvements. With respect to all Improvements other than those within or adjacent to Village Streets which are to be maintained by Rancho as described in Section 3.1.1 above, the Builder which has constructed or installed such Improvements shall remain fully responsible for all Maintenance Obligations with respect thereto, for maintaining such insurance as may be reasonably appropriate, and for compliance with all applicable City requirements in connection therewith.

3.2 Transfer of Maintenance Obligations. Any Builder which has constructed or installed Improvements in any of the Maintenance Areas pursuant to the conditions of City approval of any Final Map, Development Plan or other development permit or approval granted by the City, in accordance with improvement plans and specifications approved by the City and in conformance with the Specific Plan, the PRD Master Plan, the Master Landscape Plan, and other applicable City requirements, shall transfer fully to all of the Owners under this Agreement the Maintenance Obligations with respect to such Improvements, subject to such conditions of approval, the City Maintenance Agreement, and the provisions of this Article. Prior to construction or installation of any Improvements, improvement drawings (consisting of street improvement, landscape and irrigation and/or underground utility drawings, whichever are applicable) substantially in accordance with the Master Landscape Plan and other criteria described above shall have been prepared by the Builder and approved by the RDO Planning Board pursuant to the Development CC&Rs.

3.3 Improvements Eligible for Transfer. Maintenance Obligations may be transferred only for Improvements within the rights-of-way of, or within slope areas adjacent to, those Tract Streets or Village Streets which provide access to portions of Village I which are subject to this Agreement.

3.4 Procedure for Transfer. Any transfer by a Builder after the date of recordation of this Agreement, as described in Section 3.2 above, will be effected as follows:

3.4.1 Notice of Proposed Transfer. The Builder will first deliver to the Administrator a written notice of the proposed transfer signed by the Builder, which will be in a form prescribed by the Administrator ("the Notice of Proposed Transfer"). The Notice of Proposed Transfer will (i) specifically describe in reasonable detail all of the Improvements within Maintenance Areas for which such Builder proposes to transfer the Maintenance Obligations, (ii) have attached thereto a complete copy of "as built" plans and specifications for the Improvements, (iii) contain a certification that all of the Improvements described therein have been completed in a good, workmanlike and lien-free manner in accordance with the Specific Plan, the PRD Master Plan, the Master Landscape Plan, and all other applicable City requirements, and (iv) have attached thereto written evidence of the City's acceptance of Improvements within the public rights-of-way and the City's release of all performance and labor and material bonds or other security provided to secure completion of the Improvements described therein. The Administrator may require that each transfer consist of a reasonable increment of Improvements.

3.4.2 Correction of Deficiencies. Within 30 days following the Administrator's receipt of the Notice of Proposed Transfer, the Administrator and the Builder will schedule a walk-through to inspect all of the Improvements. In the course of such walk-through, the Administrator and the Builder will prepare a written list of all defects and deficiencies in the Improvements that have been noticed by either the Administrator or the Builder. A copy of this list will be kept by the Administrator and by the Builder. Within 90 days following the walk-through, the Builder will cause all defects and deficiencies to be fully remedied and will schedule a second walk-through with the Administrator. Within 30 days following this second walk-through, and provided that all defects and deficiencies have been fully remedied, the Administrator will notify the Builder that it has approved all of the Improvements.

If necessary, additional walk-throughs will be conducted by the Builder and the Administrator until the Administrator has satisfied itself that all defects and deficiencies have been remedied and has given written notice of its approval of the Improvements to the Builder. The Administrator will not unreasonably withhold its approval of the Improvements.

3.4.3 Notice of Transfer. Upon receipt from the Administrator of written notice of approval of the Improvements, the Builder may at any time thereafter deliver a written notice of transfer of the Maintenance Obligations with respect thereto, in a form prescribed by the Administrator ("the Notice of Transfer"). The Notice of Transfer will set forth the same information and have the same attachments as were set forth in, and attached to, the Notice of Proposed Transfer, except to the extent that all such information has changed or become modified since the Notice of Proposed Transfer was given.

3.4.4 Effective Date of Transfer. The transfer will be deemed to have been effected on the 31st day following receipt by the Administrator of the Notice of Transfer ("the Effective Date"). Provided, however, in no event shall the transfer be effective until each of the following have occurred: (i) completion of the Improvements; (ii) acceptance by the City of all Improvements within public rights-of-way (to the extent the type of Improvement is normally accepted by the City); (iii) release by the City of all performance and labor and material bonds or other security provided by the Builder or any other party to secure completion of the Improvements; and (iv) expiration of 90 days after either City acceptance or expiration of the applicable period for filing mechanics' liens, whichever occurs first. Commencing on the Effective Date, the Administrator will become responsible for the Maintenance Obligations with respect to the Improvements described in the Notice of Transfer to which such Effective Date pertains.

3.5 Builder's Warranty. Notwithstanding anything contained in this Agreement to the contrary, a Builder, which transfers the Maintenance Obligations with respect to any Improvements pursuant to this Article, warrants that such Improvements will be free from defects in material or workmanship for a period of time expiring on the date of expiration of any express warranties with respect to such Improvements that have been given by such Builder to the City. Any defects in Improvements that are covered by a Builder's warranty in favor of the Owners or the City will be promptly remedied by such Builder at its sole cost and expense. In addition, such Builder will indemnify and hold harmless the Administrator and all other Owners from any liability (including, without limitation, attorneys' fees and court costs) arising from any defects in Improvements which are covered by the foregoing warranty.

3.6 Ownership of Improvements. Neither the Owners nor the Administrator will have any duty or obligation to accept ownership of any Improvements for which a Builder has transferred the Maintenance Obligations under this Agreement. It is intended that (i) ownership of Improvements within the public rights-of-way will be transferred to the City, and that (ii) ownership of Improvements within slope easement areas will be transferred to the Master Association. Ownership of Improvements shall remain in the Builder constructing or installing the same until ownership is transferred to the City or to the Master Association.

ARTICLE 4
REPAIR, REPLACEMENT AND MAINTENANCE OF IMPROVEMENTS

4.1 Administrator's Obligations. Upon commencement of the Administrator's responsibility for the Maintenance Obligations with respect to any Improvements, the Administrator will at all times thereafter perform and comply with the terms and conditions of the City Maintenance Agreement with respect to such Improvements. It is anticipated that the City Maintenance Agreement will provide that the City will maintain, repair and replace those Improvements which affect traffic and public safety (such as street lights, traffic signs and signals) and that the Owners will maintain other Improvements (such as landscaping and irrigation facilities) which do not affect traffic and public safety. It is anticipated that the Maintenance Obligations will include: (i) the Owners' obligation to pay certain costs incurred by the City in maintaining, repairing and replacing Improvements which are not City-standard improvements, (ii) the Owners' obligation to provide and supply to the City all items required for City repairs and replacements of such Improvements which are not City-standard items, and (iii) the Owners' obligations to perform actual maintenance, repairs and replacements for other Improvements in accordance with the maintenance standards and requirements set forth in the Master Landscape Plan and the City Maintenance Agreement. The Administrator is hereby instructed and authorized to perform and comply with such maintenance obligations, standards and requirements. In the event the City Maintenance Agreement becomes terminated for any reason, the Administrator will continue to repair, maintain and replace those Improvements (such as landscaping and irrigation facilities) for which the Administrator was previously performing actual maintenance work, at the same level of care as was previously undertaken by the Administrator, or in accordance with such other reasonable standards and requirements as the Administrator then deems appropriate in light of circumstances then existing which a prudent and reasonable businessman would take into consideration in undertaking the repair, maintenance and replacement of such Improvements, to the extent the City continues in effect the Owners' right, acting through the Administrator, to enter onto the Maintenance Areas for this purpose. However, the

Administrator shall not be required to assume actual maintenance of Improvements which affect traffic and public safety for which the City previously performed the actual maintenance.

4.2 Assessment District. The Owners hereby consent to the initiation and formation of one or more assessment district(s) to perform all or a portion of the Maintenance Obligations, and agree to cooperate with Rancho, Builders and the City by executing all consents and other documents reasonably required to establish the same. In the event any assessment district is established with respect to all or any portion of Village I that is subject to this Agreement, the Administrator may transfer all or any appropriate portion of its Maintenance Obligations under this Agreement to such assessment district and, upon the acceptance and assumption by the assessment district of such responsibilities, the Administrator and the Owners will thereafter have no further obligation or liability with respect to the Maintenance Obligations which have been transferred. Provided, however, if any such assessment district is terminated or fails or declines to continue to perform any of the Maintenance Obligations transferred to the district, with respect to all or any portion of the Improvements, then the Administrator shall re-assume and thereafter perform such responsibilities, to the extent the City continues in effect the Owners' right, acting through the Administrator, to enter onto the Maintenance Areas for this purpose.

ARTICLE 5
ASSESSMENTS

5.1 Authorization to Levy Assessments. The Administrator has and shall have the right and power to make, from time to time, reasonable assessments upon those Units subject to assessment as described in Section 5.1.1, subject to the Master Declaration and for which assessments under the Master Declaration have commenced, to meet anticipated authorized expenditures of the Administrator under this Agreement and to change from time to time the amount, installments and/or frequency of payment of assessments. Changes in the amount of the assessments may be made, for example, to reflect (i) the transfer of Maintenance Obligations for additional Improvements or (ii) the Annexation of additional real property under this Agreement, as described in Article 9 of this Agreement. Such expenditures of the Administrator shall include the establishment of an adequate reserve fund for the Maintenance Obligations for which the Administrator is responsible under this Agreement. Assessments pursuant to this Section shall be collected either as part of or separate from the regular assessments levied under the Master Declaration and shall be subject to the limitations on regular assessments set forth therein.

5.1.1 Units Subject to Assessments. Only those Units within Village I (i) which are subject to the Master Declaration, including the property originally subject thereto and all property within Village I annexed thereto from time to time, and (ii) for which assessments under the Master Declaration have commenced shall be subject to assessment under this Agreement. No land which is designated for public or common recreational uses or as an open-space area shall be subject to assessments.

5.1.2 Owner's Share. Each Owner shall be assessed separately for a share of such anticipated authorized expenditures, in the same ratio such Owner is assessed under the Master Declaration; that is, a share shall be levied against each Owner according to the ratio of the number of Unit(s) owned by the Owner to the total number of Units subject to assessment hereunder.

5.1.3 Notice of Assessments. Separate written notices of the making of such assessment (including in such notice the amount thereof and the frequency of payment) shall be directed to each Owner, in the manner required for notice of regular assessments pursuant to the Master Declaration.

5.2 Special Assessments. The Administrator may also levy and collect special assessment(s) for the purposes described in Section 6.2 in the same manner as regular assessments are levied and collected as described in Section 5.1. The amount of any such special assessment, together with any late payment penalty and interest incurred pursuant to this Article, costs and reasonable attorneys' fees in the event enforcement is commenced, shall be and become a lien upon any Unit in the same manner as regular assessments become a lien. Special assessments pursuant to this Section shall be collected under the Master Declaration and shall be subject to the limitations on special assessments set forth therein, except that the provisions of Paragraphs 5.2.1 and 5.2.3 of the Master Declaration will not be applicable.

5.3 Applicability of Master Declaration Provisions. The provisions of Paragraphs 5.3 through 5.11 (inclusive) of Article 5 of the Master Declaration will be applicable to the regular and special assessments described in Article 5 of this Agreement, all to the same effect as if said Paragraphs were set forth fully in this Agreement. The Master Association may include any regular assessment under this Agreement as part of any regular assessment levied under the Master Declaration which is payable by Owners of Units within Village I that are subject to this Agreement.

ARTICLE 6
DESTRUCTION; INSURANCE

6.1 Hazard Insurance. The Administrator shall keep insured against loss by perils under a multi-peril policy(ies) of hazard insurance all or appropriate portions of the Improvements with respect to which the Administrator has Maintenance Obligations, for the benefit of all Owners. The Improvements covered and the type and amount of coverage of such insurance shall be reasonably determined by the Administrator based upon the nature of the Improvements, the cost and availability of coverage, and prudent practices for similar improvements at the time. The name of the insured under each policy of such insurance shall be substantially "[Name of the Administrator], for use and benefit of individual owners," followed, if desired by either the Administrator or the insurance carrier(s), by the designation of the Owners. Authority to adjust losses covered by the Administrator's policy(ies) shall be vested in the Administrator, and the Administrator is hereby irrevocably appointed as the attorney-in-fact for every Owner for this purpose. Insurance proceeds shall be payable directly to the Administrator for the use and benefit of the Owners, as their interests may appear. The premiums for such policy shall be paid as a common expense by the Administrator.

6.1.1 Maintenance of Policies. Copies of all such insurance policies (or certificates thereof showing the premiums thereon to have been paid) shall be retained by the Administrator and open for inspection by Owners at any reasonable time(s). All such insurance policies shall (i) provide that they shall not be reducible or cancellable by the insurer, without first giving ten days' prior notice in writing to the Administrator and (ii) contain a waiver of subrogation by the insurer(s) against the Administrator and Owners.

6.1.2 Issuer Requirements. Said multi-peril policy(ies) of hazard insurance shall be issued by an insurance carrier which (i) has a financial rating by Best's Insurance Reports of Class B/VI or Class V (provided it has a general policy holder's rating of at least A) or better and (ii) is authorized to transact business within the State of California.

6.2 Replacement in the Event of Loss. In the event of any loss, damage or destruction of Improvements which the Administrator has an obligation to repair, maintain and replace, the Administrator shall cause the same to be replaced, repaired or rebuilt. If the cost of such replacement, repair or rebuilding exceeds the hazard insurance proceeds received therefor, the Administrator shall undertake to cause the same to be replaced, repaired or rebuilt. The cost of such replacement, repair or rebuilding shall be assessed to all of the Owners as provided in Section 5.2.

6.3 Liability Insurance. The Administrator shall procure and keep in force during the term hereof insurance (containing a "severability of interest" clause or endorsement) in the name of the Administrator and the Owners against any liability to the public (including the Owners) resulting from any occurrence in or about the Improvements with coverage in the amount of at least $1,000,000 per occurrence, for personal injury and/or property damage. Such insurance shall also provide coverage for any legal liability that results from lawsuits related to employment contracts to which the Administrator is a party. Premiums on such policy shall be paid as a common expense by the Administrator. The policy(ies) of such insurance shall contain a waiver of subrogation by the insurer(s) against (i) the Administrator and (ii) the Owners.

6.4 Feasibility of Maintaining Insurance. The obligation of the Administrator to maintain the insurance specifically described in this Article will be subject to the continued a availability of insurance. If such insurance is no longer available or cannot be obtained at economically feasible rates, the Administrator may instead procure and keep in force other types of insurance providing coverage which is similar to that required by this Article or which, in the opinion of the Administrator, will reasonably protect the same interests of the Owners that this Article is intended to protect.

6.5 Other Insurance. The Administrator may also procure and keep in force such other policy or policies of insurance which it deems necessary and proper for the protection of the interests of the Owners under this Agreement.

ARTICLE 7
SCOPE, ENFORCEMENT

7.1 General Plan Character. As part of the Master Declaration, the covenants and equitable servitudes set forth in this Agreement constitute a general scheme for the benefit of each and every portion of the Property and all of the Owners thereof. Said covenants and equitable servitudes are imposed on each and every Unit subject to this Agreement for the benefit of each and every other Unit subject to this Agreement, as well as the present and future owners thereof. Said conditions and equitable servitudes are and shall be covenants running with the land or equitable servitudes, as the case may be.

7.2 Enforcing Persons. Breach of any of said covenants or equitable servitudes (or the continuation thereof) may be enjoined, abated or remedied by appropriate legal proceedings by (i) the Administrator or (ii) any person designated as an Enforcing Person under the provisions of Article 9 of the Master Declaration.

7.3 No Waiver. The failure of any Enforcing Person to enforce any of said covenants or equitable servitudes shall not constitute a waiver of the right to enforce the same therefor. No liability shall be imposed on or incurred by any Enforcing Person as a result of such failure.

7.4 Attorneys' Fees. The prevailing party in any action at law or in equity instituted by an Enforcing Person(s) to enforce or interpret the covenants or equitable servitudes contained herein shall be entitled to all costs incurred in connection therewith, including, but not limited to, court costs and reasonable attorneys' fees.

ARTICLE 8
ANNUAL BUDGETS AND REPORTS

8.1 Budget. The Administrator shall cause a budget for each fiscal year to be regularly prepared and distributed as part of the budget to be prepared by the Master Association pursuant to the Master Declaration. The budget shall contain the following information: (i) the estimated revenue and expenses of the Administrator on an accrual basis; (ii) the amount of the total cash reserves of the Administrator currently available for replacement or major repair of any Improvements and for contingencies; (iii) an itemized estimate of the remaining life of, and the method of funding to defer repair, replacement or additions to, major components of any Improvements for which the Administrator is responsible; and (iv) a general statement setting forth the procedures used by the Administrator in calculating and establishing reserves to defray the cost of repair, replacement or addition to, major components of any Improvements for which the Administrator is responsible.

8.2 Annual Report The Administrator shall maintain books of account of all of its receipts and expenditures hereunder and shall cause an annual report to be prepared and distributed as part of the accounting and annual report required under the provisions of the Master Declaration, in accordance with the requirements set forth therein.

ARTICLE 9
ANNEXATION

9.1 Developer's Right of Annexation. Developer has, and shall have, the absolute right to impose this Agreement upon all or any portion of the Annexation Property by the annexation thereof pursuant to the Master Declaration in the manner set forth in Article 15 of the Master Declaration which is entitled "Annexation," and, when such annexation is accomplished under the Master Declaration, Annexation under this Agreement will be deemed accomplished and this Agreement shall be of the same force and effect with respect to such annexed property as if it was originally described herein.

9.2 Deannexation. Upon the recording of a Termination and Extinction of Declaration of Annexation pursuant to said Article 15 of the Master Declaration with respect to any portion of Village I which has been previously made subject to the Master Declaration and this Agreement, such portion of Village I shall be free and clear of this Agreement and also the Master Declaration (as provided therein).

9.3 Assessments. Upon Annexation of all or any portion of the Annexation Property, assessments against the Units in such annexed property shall commence as provided in Article 5 of this Agreement. At the time of such commencement of assessments, the anticipated authorized expenses of the Administrator shall be adjusted to reflect any increased costs to the Administrator of its management, operation and maintenance responsibilities under this Agreement arising by reason of such Annexation, and the assessment upon each Unit then subject to assessment shall be accordingly adjusted so as to apportion all of said costs equally among all of the Units them subject to assessment.

9.4 Limitations on Amendment. Notwithstanding the provisions of Article 10 entitled "Amendment," no amendment, revocation or rescission of this Article may be had so long as Developer has the right to annex any portion of the Annexation Property pursuant to this Article without the (i) written consent of Developer and (ii) recording of such consent in the Office of the Recorder of San Diego County, California.

ARTICLE 10
AMENDMENT

10.1 Amendment Requirements. As a part of the Master Declaration, this Agreement may be amended only by amendment of the Master Declaration as provided therein.

10.2 Effective Upon Recording. Each such amendment to this Agreement shall become effective only upon being filed for record as hereinabove provided and shall, from and after its effective date, be as effective as this Agreement as to (i) all portions of Village I which are subject to this Agreement, (ii) the Administrator and (iii) all of the Owners (as of the effective date) and their successors in interest.

ARTICLE 11
GENERAL PROVISIONS

11.1 Notices. Notices required by this Agreement, or desired, to be given shall be conclusively deemed served (i) if personally served, at the time of such service, and (ii) if mailed, 72 hours after deposit thereof in the United States mail, postage prepaid, addressed to the person(s) to whom such notice is to be given at the last known address of such person(s).

11.2 Severability. In the event any covenant or provision contained in this Agreement is held to be invalid, void or unenforceable by any court of competent jurisdiction, the remaining portions of this Agreement shall, nevertheless, be and remain in full force and effect.

11.3 Singular Includes Plural. The use herein of the neuter gender includes the masculine and the feminine genders, and the use herein of the singular number includes the plural, whenever the context so requires.

11.4 Captions. Captions in this Agreement are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or any of the terms hereof.

11.5 Exhibits. All exhibits, if any, referred to herein and attached hereto are a part hereof.

11.6 Construction. This Agreement and every provision hereof shall be construed to facilitate the performance of the Maintenance Obligations for which the Administrator has such responsibility in harmony with the balance of the Master Declaration of which this Agreement is a part.

IN WITNESS WHEREOF, this Agreement has been executed as of the day first above set forth.

RANCHO DEL ORO DEVELOPMENTS, a
California general partnership

By: COLLINS-RANCHO DEL ORO COMPANY, a
California corporation

By: ____________________

Title: Pres

By: ____________________

Title: V.P.

RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, General Partner

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: [signature]

Title: PRES

By: [signature]

Title: VP

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By: [signature]

Title: VP

By: Barbara Rossi

Title: Assist. Secretary

VILLAGE HOME BUILDING PARTNERSHIP NO. I, a California limited partnership

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By: [signature]

Title: VP

By: [signature]

Title: Assist. Secretary

EBS:1789M
072886

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On August 19, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Eugene Smith and Donald G. Siglin, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the President and Vice President, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
Dorothy C. Brockmoller
Notary Public-California
Principal Office In
San Diego County
My Comm. Exp. Oct. 18, 1988

Dorothy C. Brockmoller
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On AUGUST 28, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared THOMAS NOON and BARBARA RUSSELL, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the VICE PRESIDENT and ASSISTANT SECRETARY, respectively, on behalf of J. F. SHEA CO., INC., the corporation that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC–CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Carol J. Clark
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On August 29, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared [illegible] and [illegible], personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the President and Vice President, respectively, on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such partner of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, and that such partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
Dorothy C. Brockmoller
Notary Public-California
Principal Office in
San Diego County
My Comm. Exp Oct. 18, 1988

Dorothy C. Brockmoller
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On AUGUST 27, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared THOMAS WOOD and BARBARA RUSSELL, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the VICE PRESIDENT and ASSISTANT SECRETARY, respectively, on behalf of J.F. SHEA CO., INC., the corporation that executed this instrument on behalf of VILLAGE HOME BUILDING PARTNERSHIP NO. I, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC—CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Notary Public in and for Said
County and State

EXHIBITS

"1"	Legal Description of Property (Initial Increment)
"2"	Legal Description of Village I
"3"	Map Indicating Village I
"4"	Legal Description of Annexation Property
"5"	Map Indicating Village Streets, Tract Streets and Maintenance Areas

EXHIBIT 1
(VILLAGE MAINTENANCE AGREEMENT)

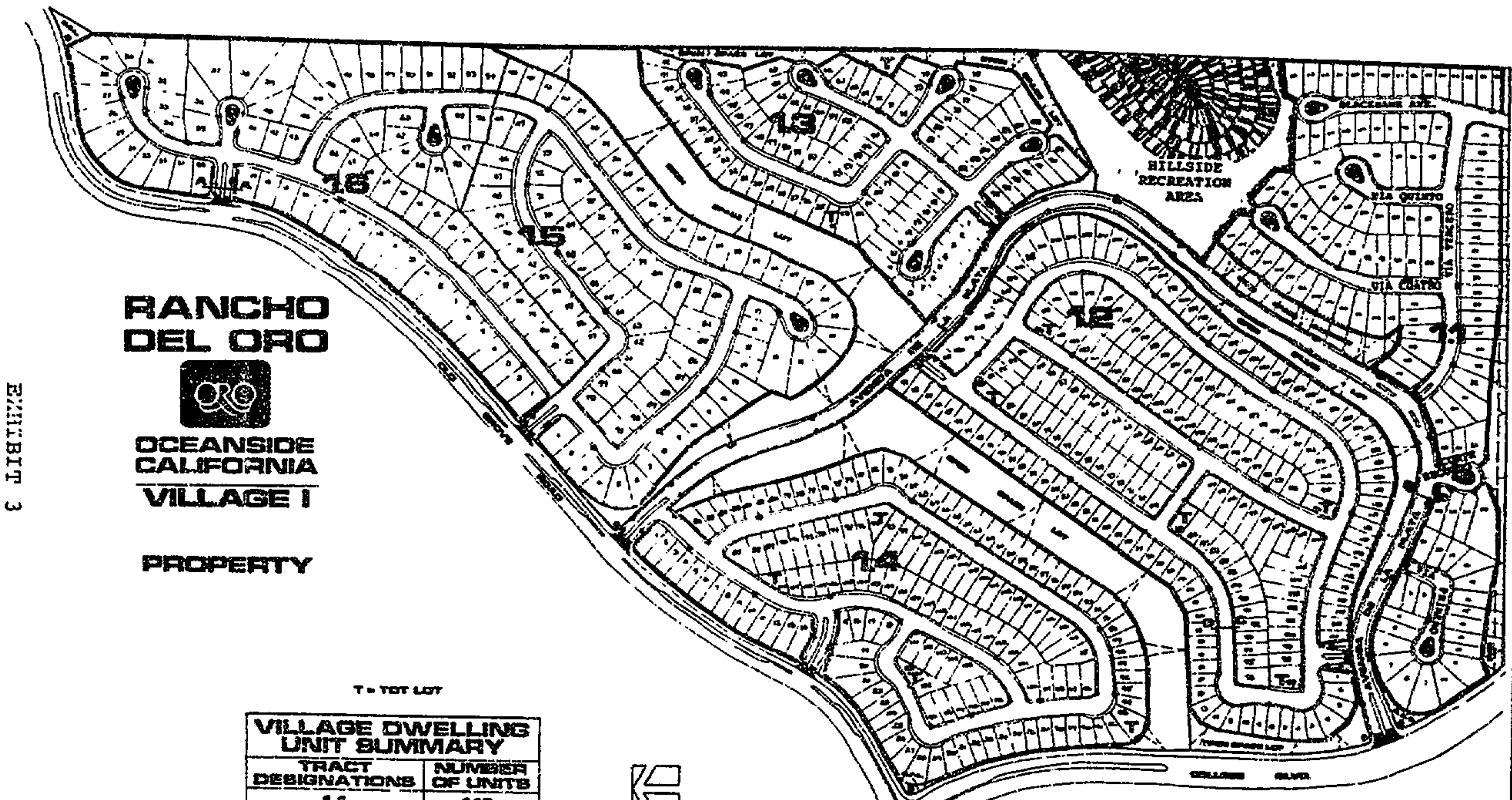
"THE PROPERTY"

All of Lots 39 through 114, inclusive, of Map Number 11501, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on May 1, 1986.

EXHIBIT 2
[VILLAGE MAINTENANCE AGREEMENT]

"VILLAGE I"

All of Lots 1.2, 1.3, 1.4, 1.5, 1.6 and "K" of Map Number 11409, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on December 27, 1985, and all of Map Number 11501, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on May 1, 1986 as File Number 86-173101.



VILLAGE DWELLING UNIT SUMMARY	
TRACT DESIGNATIONS	NUMBER OF UNITS
1.1	119
1.2	216
1.3	94
1.4	149
1.5	173
TOTAL	751

PROPERTY
VILLAGE MAINTENANCE ASSESSMENT
EXHIBIT 3

EXHIBIT 3

EXHIBIT 4
[VILLAGE MAINTENANCE AGREEMENT]

"ANNEXATION PROPERTY"

All of Lots 1.2, 1.3, 1.4, 1.5, 1.6 and "K" of Map Number 11409, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on December 27, 1985, and all of Map Number 11501, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on May 1, 1986.

EXCEPTING THEREFROM, the following:

All of Lots 39 through 114, inclusive, of said Map Number 11051.

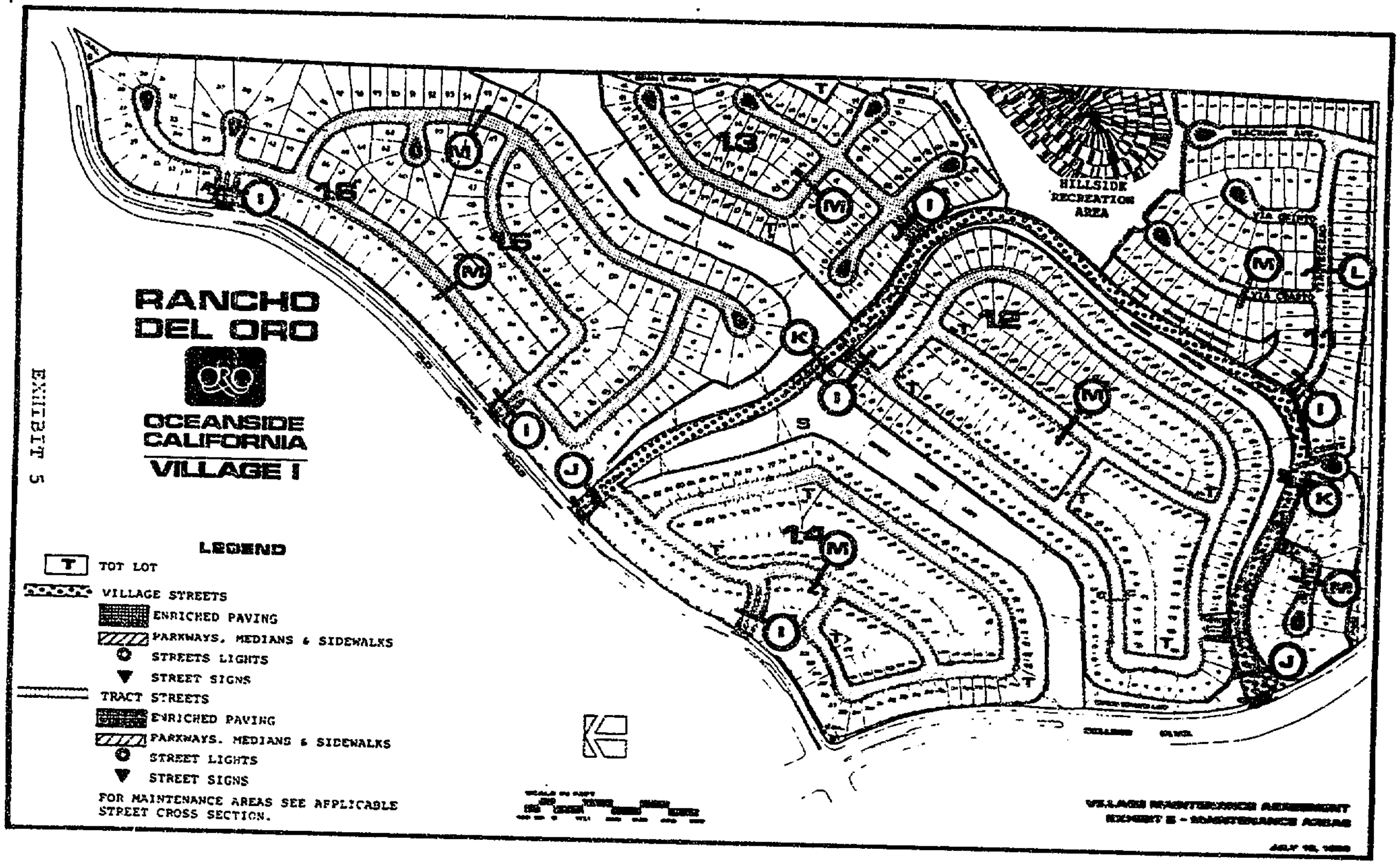
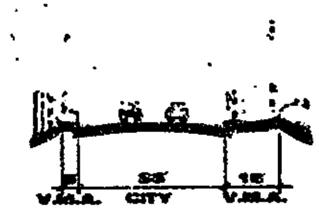

RANCHO
DEL ORO
OCEANSIDE
CALIFORNIA
VILLAGE I
HILLSIDE RECREATION AREA
LEGEND
TOT LOT
VILLAGE STREETS
ENRICHED PAVING
PARKWAYS, MEDIANS & SIDEWALKS
STREETS LIGHTS
STREET SIGNS
TRACT STREETS
ENRICHED PAVING
PARKWAYS, MEDIANS & SIDEWALKS
STREET LIGHTS
STREET SIGNS
FOR MAINTENANCE AREAS SEE APPLICABLE
STREET CROSS SECTION.

EXHIBIT 5

RANCHO DEL ORO

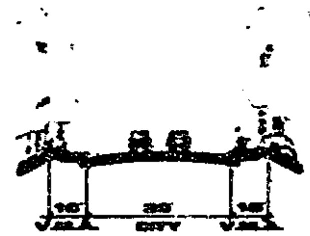
OCEANSIDE CALIFORNIA

STREET CROSS SECTIONS



K

No white fronting on street
Sidewalk one side
No parking

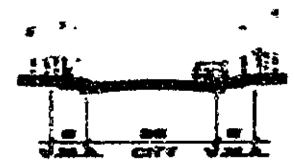


L

Sidewalk both sides when double loaded
Sidewalk one side when single loaded
Parking both sides

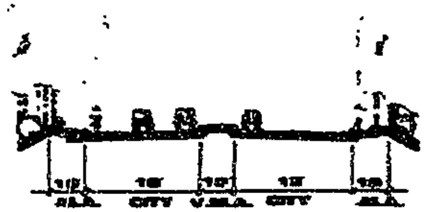
LEGEND

B.M.A. - Maintenance areas for Beach Maintenance Agreement
V.M.A. - Maintenance areas for Village Maintenance Agreement
CITY - Areas to be maintained by city
PROPERTY OWNER - Areas to be maintained by abutting property owner



M

Cul de sac or short loop streets only
4,000-5,000 sq. ft. lots
Parking both sides
Sidewalk both sides



I

TRACT ENTRY

No parking

J

AVENIDA DE LA PLATA

No parking

AT COLLEGE BLVD.

AT OLD CREEK RD.

DEVELOPER
COLLINS RANCHO DEL ORO
11750 SORRENTO VALLEY ROAD
SAN DIEGO, CALIFORNIA

PLANNING CONSULTANT
LIGHTFOOT AND ASSOCIATES
708 FOURTH STREET
OCEANSIDE, CALIFORNIA

COMMERCIAL PLANNING
SORA
440 UPAS STREET
SAN DIEGO, CALIFORNIA

CIVIL ENGINEER
LRP ASSOCIATED
5465 COMPLEX STREET
SAN DIEGO, CALIFORNIA

LAND PLANNER
ANTHONY M. GUZZARDO
AND ASSOCIATES, INC
836 MONTGOMERY STREET
SAN FRANCISCO, CALIFORNIA

JULY 10, 1986

EXHIBIT 5- MAINTENANCE AREAS

686

86 479691

1041

RECORDED IN OFFICIAL RECORDS OF SAN DIEGO COUNTY, CA.
1986 OCT 23 PM 12:47
VERA L. LYLE COUNTY RECORDER

RF 41
AR 39
MG 1

Recording Requested by:
RECORDING REQUESTED BY CONTINENTAL LAND TITLE

When Recorded Mail to:

Rancho Del Oro Development
c/o Jenkins & Perry
A Professional Corporation
1100 Central Savings Tower
225 Broadway
San Diego, California 92101

Attn: Arthur G. Peinado, Esq.

Space Above For Recorder's Use

FIRST AMENDMENT TO
MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE VILLAGES OF RANCHO DEL ORO

THIS FIRST AMENDMENT TO MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("First Amendment") is made and executed as of the 13 day of October, 1986, by RANCHO DEL ORO DEVELOPMENTS, a California general partnership ("Developer"), RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership ("Rancho"), and VILLAGE HOME BUILDING PARTNERSHIP NO. I, a California limited partnership ("Home Building"), with reference to the following recitals:

R E C I T A L S

A. A Master Declaration of Covenants, Conditions and Restrictions ("Master Declaration") dated August 28, 1986 was executed by Developer, Rancho and Home Building and recorded on September 4, 1986 in the Official Records of San Diego County, California, as File No. 86-388367.

B. The City has required certain amendments to the Master Declaration as a condition of approval of a final subdivision map for a portion of the real property to be annexed thereto.

C. Paragraph 16.1 of the Master Declaration provides that prior to the sale and conveyance of a Unit to a purchaser (other than Developer, Rancho, Home Building or a Builder), the Master Declaration may be amended by written instrument signed and acknowledged by Developer and a majority of all Builders then owning land in the Master Project.

D. Rancho and Home Building currently own all of the land included in the Master Project and have signed and acknowledged this First Amendment.

E. All capitalized terms which are not defined herein shall have the meanings set forth in the Master Declaration.

NOW, THEREFORE, the Master Declaration is hereby amended as follows:

1. The definition of "Improvement" in Paragraph 1.14 is amended to add the following items:

"drainage facilities, ornamental lighting and irrigation systems."

2. Paragraph 4.J is amended to add the following:

"The Master Association shall maintain the Master Common Area and all Improvements thereon in accordance with the PRD Master Plan, the Master Landscape Plan approved by The City for the property covered by the PRD Master Plan, and other applicable City standards, requirements and conditions of approval. Maintenance by the Master Association shall include measures to protect slope stability."

3. Paragraph 9.2 is deleted in its entirety and the following is substituted therefor:

"9.2 <u>Relationship of Master Declaration to The City's Approvals; Compliance with Laws</u>.

9.2.1 Notwithstanding any other provision of this Master Declaration to the contrary, the Developer and each Owner shall not, by amendment of this Master Declaration or otherwise, modify any of the following provisions of this Master Declaration, without the prior approval of the City Council of The City: (i) any provisions which establish the responsibility to provide for the management and control and maintenance, including landscape maintenance, of the Master Common Area, by the Master Association, as provided in this Master Declaration; and (ii) the provisions of this Master Declaration concerning necessary compliance with City laws and requirements of other governmental bodies. This Paragraph 9.2.1 and the obligations established hereby shall not be modified, amended or deleted without the prior approval of the City Council of The City. The City shall have the right, but not the obligation, to enforce the provisions of this Paragraph and shall be entitled to recover reasonable attorneys' fees established by a court in the event The City elects to enforce its rights pursuant to this Paragraph in the event of a default hereunder by the Developer and/or Owners.

9.2.2 The Developer and each Owner shall at all times comply with any laws, ordinances or regulations of The City, duly enacted thereby, and any other provision, regulation or requirement of any other governmental body, and nothing in this Master Declaration is intended to be, nor shall be deemed to be, a waiver of, or promulgation contrary to, any such law, ordinance or regulation. No provision of this Master Declaration is intended to nor shall it be deemed to constitute any delegation by The City, or any other governmental body, to the Master Association, of any of The City's rights to enforce or impose any ordinances, regulations or policies upon the Master Association, any property owner/occupant, or any property covered by this Master Declaration.

9.2.3 Rancho has executed a Grant of Easement in favor of the Master Association dated August 18, 1986, and recorded on September 4, 1986 as File No. 86-388369 of the Official Records of San Diego County, California. The Grant of Easement relates to Lot K of Map No. 11409, as more particularly described therein. Rancho and the Master Association hereby agree that the Grant of Easement shall not be extinguished, terminated or modified without the written recorded consent of The City, except for an automatic termination upon conveyance of fee title to Lot K to the Master Association as provided in the Grant of Easement."

4. Paragraph 17.7 is amended to add the following provision:

"As used herein, 'will' or 'shall' indicates a mandatory action and 'may' indicates a permissive action."

5. Exhibit C attached to the Master Declaration, which describes the Annexation Property, is amended to delete Lot "7.5" and to substitute therefor Lot "7.3".

6. Exhibit D attached to the Master Declaration, which describes the initial Master Common Area, is deleted in its entirety and Exhibit D attached hereto is substituted therefor.

7. Exhibit G attached to the Master Declaration, which is the Village Maintenance Agreement, is deleted in its entirety and Exhibit G attached hereto is substituted therefor.

8. In all other respects, the Master Declaration remains unchanged, in full force and effect.

IN WITNESS WHEREOF, this First Amendment has been executed as of the day first above set forth.

RANCHO DEL ORO DEVELOPMENTS, a California general partnership

By COLLINS-RANCHO DEL ORO COMPANY, a California corporation

By: ______________________

Title: V.P.

By: ______________________

Title: VP

RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, General Partner

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ______________________

Title: V.P.

By: ______________________

Title: VP

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By: ______________________

Title: V.P.

By: ______________________

Title: Asst. Secretary

C 1045

VILLAGE HOME BUILDING PARTNERSHIP No. I, a California limited partnership

By: J. F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, ~~General~~ Partner

By: ______________________

Title: V.P.

By: ______________________

Title: Assist. Secretary

APPROVED AS TO FORM
OCEANSIDE CITY ATTORNEY

ASSISTANT CITY ATTORNEY

EBS:2024M

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On Oct 13, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Robert W. Stine, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice Pres., and Ronald D. Sigler, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice Pres. of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its bylaws or a resolution of its Board of Directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
DIANE L. KAY
Notary Public-California
Principal Office In
San Diego County
My Comm. Exp. Dec. 15, 1989

Diane L. Kay
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On October 13, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Thomas Noon, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice President, and Barbara Kossoll, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Assistant Secretary of J. F. SHEA CO., INC., the corporation that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its bylaws or a resolution of its Board of Directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC-CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Carol J. Clark
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On Oct 13, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Ronald G. Sigler, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice Pres, and Robert A Stene, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice Pres of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its bylaws or a resolution of its Board of Directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such partner of RANCHO DELO ORO VILLAGES LAND DEVELOPMENT, and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
DIANE L. KAY
Notary Public-California
Principal Office In
San Diego County
My Comm. Exp. Dec. 15, 1989

Notary Public in and for Said
County and State

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On October 13, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Thomas Nolan, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice President, and Barbara Russell, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Assistant Secretary of J. F. SHEA CO., INC., the corporation that executed this instrument on behalf of VILLAGE HOME BUILDING PARTNERSHIP NO. I, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its bylaws or a resolution of its Board of Directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC—CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Notary Public in and for Said
County and State

EXHIBIT G

RECORDING REQUESTED BY AND)
WHEN RECORDED MAIL TO:)
)
Rancho Del Oro Developments)
c/o Jenkins & Perry)
225 Broadway, Suite 1100)
San Diego, California 92101)SPACE ABOVE FOR RECORDER'S USE

VILLAGE MAINTENANCE AGREEMENT
[Village I]

California Civil Code Section 1468

THIS VILLAGE MAINTENANCE AGREEMENT ("Agreement"), is executed as of October 13, 1986, by RANCHO DEL ORO DEVELOPMENTS, a California general partnership ("Developer"), RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership ("Rancho"), and VILLAGE HOME BUILDING PARTNERSHIP NO. 1, a California limited partnership ("Home Building"), with reference to the following facts:

RECITALS

A. This Agreement is being executed pursuant to Paragraph 2.9 of the Master Declaration of Covenants, Conditions and Restrictions for The Villages of Rancho Del Oro ("Master Declaration"), executed concurrently herewith. This Agreement is attached to and constitutes a part of the Master Declaration.

B. Home Building and Rancho are the owners in fee of the land described on attached Exhibit "1" ("Property"), which is affected by the Master Declaration.

C. The Property is part of a larger parcel of real property ("Village I"), owned in part by Rancho and in part by Home Building, which is legally described on attached Exhibit "2". Village I includes six separate tracts ("Tracts"), as shown on the map attached as Exhibit "3", which are designated for residential development. The Property consists of a portion of Tract 1.1 of Village I.

D. Village I is part of a larger parcel of real property ("Rancho Del Oro Property") covered by a Specific Plan [S-1-84] ("Specific Plan") approved by the City of Oceanside ("City"). The residential portions of the Rancho Del Oro Property, including the Property, are subject to the Rancho Del Oro Planned Residential Development (PRD) Master Plan ("PRD Master Plan") approved by the City on October 15, 1985, as amended from time to time.

E. The Rancho Del Oro Property, including the Property, is subject to a Ranch Maintenance Agreement, executed by the fee owners of the Rancho Del Oro Property and recorded concurrently herewith, which provides for maintenance of certain major streets serving the Rancho Del Oro Property.

F. Pursuant to the Master Declaration, a homeowners' association ("Master Association") has been established to provide for management and maintenance of the Master Common Area, as described therein.

G. The Property comprises the initial increment of real property subject to this Agreement. All or any part of the property described on attached Exhibit "4" ("Annexation Property"), which consists of the remaining property within Village I, may be added to the Property by annexation pursuant to this Agreement and shall thereupon be subject to the provisions of this Agreement.

H. In connection with the development of Village I, certain improvements ("Improvements", as defined in Article 1) will from time to time be constructed or installed within certain areas ("Maintenance Areas", as defined herein). The Maintenance Areas are located within or adjacent to (i) the rights-of-way of certain public streets serving Village I ("Village Streets", as defined in Article 1), (ii) the rights-of-way of certain public streets serving primarily an individual Tract ("Tract Streets", as defined in Article 1), and (iii) certain slope areas adjacent to Village Streets or Tract Streets over which an easement for landscaping purposes has been or will be dedicated to the City. The location of the Maintenance Areas for Village I as of the date of this Agreement is shown on attached Exhibit "5." Such Improvements may be installed and constructed by Developer, Rancho or Home Building, or by builders or other developers ("Builders") who acquire ownership of portions of Village I.

I. The Improvements consist of median and streetscape landscaping and certain specialized improvements, facilities, signs and street furniture which are different from those utilized in other areas of the City. The Improvements may include, but are not limited to, street lights, traffic signs and signals, fire hydrants, sidewalks, street signs, street furniture, benches, bus stops, entry monument signs, community directional signs, drainage facilities, landscaping and irrigation systems, underground utilities and improvements located within parkways, street medians and slopes and specialized paving located within certain public rights-of-way.

J. Pursuant to the Specific Plan and the conditions of City approvals of development of Village I, the fee owners of land subject to this Agreement ("Owners") are required to perform certain obligations related to maintenance of the Improvements (collectively, "Maintenance Obligations", as defined in Article 1). The Maintenance Obligations include, but are not limited to, the obligation (i) to maintain, repair and replace certain of the Improvements, (ii) to pay the cost (or a portion of the cost) of City maintenance of other Improvements, and (iii) to supply to the City replacements for certain Improvements which are not City-standard improvements. The Maintenance Obligations shall be more specifically set forth in a written agreement executed by City and Rancho (on behalf of the Administrator hereunder and the Owners), as the same may be modified from time to time ("Street Maintenance Agreement").

K. The City shall grant a license to the Owners, acting through the Administrator, to enter onto the Maintenance Areas for purposes of performing the Maintenance Obligations.

L All of the Improvements will benefit and enhance the value of each and every portion of the Property.

M. The Owners desire to provide in this Agreement for the (i) performance of the Maintenance Obligations in accordance with the Street Maintenance Agreement, (ii) sharing of the cost of performing the Maintenance Obligations by means of assessments that will be levied against each of the Owners, and (iii) administration, supervision and management related to performance of such Maintenance Obligations, all in accordance with the provisions of this Agreement and the Master Declaration.

NOW, THEREFORE, pursuant to California Civil Code Section 1468 and the Master Declaration, and in consideration of the covenants herein contained, each of the Owners hereby agrees and covenants with each other as follows:

ARTICLE 1
DEFINITIONS

1.1 "Administrator" means the person appointed pursuant to Article 2 of this Agreement to act on behalf of the Owners and perform the duties and exercise the rights described therein.

1.2 "Annexation" shall mean the process by which additional real property may be made subject to this Agreement and included in the Property pursuant to the provisions of Article 9 of this Agreement.

1.3 "Annexation Property" shall mean the real property described on Exhibit "4" attached hereto, all or any portion of which may from time to time be made subject to this Agreement by Annexation.

1.4 "Builder" means an Owner, including Developer, Rancho and Home Building, which has constructed or installed Improvements in any of the Maintenance Areas, or has provided to the City security for the completion of such Improvements, pursuant to the conditions of City approval of any Final Map, Development Plan or other development permit or approval granted by the City, or a successor Owner responsible for satisfying such conditions.

1.5 "City" means the City of Oceanside, California, a municipal corporation.

1.6 "Condominium" means a condominium as defined in California Civil Code Section 783, or any similar California statute hereunder enacted, and shall include a condominium owned in fee simple, a long-term leasehold condominium or a condominium comprising a combination of fee simple and long-term leasehold characteristics. For the purposes of this paragraph, a "long-term" leasehold shall mean a leasehold interest in a Lot or Condominium which has an original term of not less than ten years. For the purposes of this Agreement, the term "Condominium" shall also include a single-family residential dwelling or other area space which is appurtenant to one or more ownership interests in a community apartment or stock cooperative project as defined in California Civil Code Section 1351 or any similar California statute hereafter enacted.

1.7 "Condominium Project" means a condominium project as defined in California Civil Code Section 1351, or any similar California statute hereafter enacted. For purposes of this Agreement, the term "Condominium Project" shall include a community apartment and stock cooperative project as defined in California Civil Code Section 1351, or any similar California statute hereafter enacted.

1.8 "Developer" means (i) Rancho Del Oro Developments, a California general partnership, and (ii) any successor in interest of Rancho Del Oro Developments to which all or any of the rights of Developer hereunder have been transferred pursuant to a written assignment which has been recorded in the Official Records of San Diego County, California.

1.9 "Development CC&Rs" means the Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Planned Community recorded on December 27, 1985, as File No. 85-490781 of the Official Records of San Diego County, California, as thereafter amended from time to time.

1.10 "Development Plan" means a development plan for a specific site within the Property which has been approved by the City pursuant to Article 16 of the City's Zoning Ordinance, or any successor ordinance.

1.11 "Final Map" means a recorded final subdivision or parcel map affecting any portion of the Property, excluding the Master Subdivision Map.

1.12 "Home Building" means Village Home Building Partnership No. 1, a California limited partnership.

1.13 "Improvements" means landscaping and certain improvements, facilities, signs and street furniture which are specialized for the Rancho Del Oro Propety and are not standard City items, provided that such Improvements: (i) are constructed or installed within the Maintenance Areas; (ii) are contructed or installed in accordance with the Specific Plan, the PRD Master Plan, the Master Landscape Plan, drawings approved by the RDO Planning Board (street improvement, landscape and irrigation and/or underground utility drawings, whichever are applicable) and applicable City standards, requirements and conditions of approval; and (iii) with respect to which one or more Owner(s) have Maintenance Obligations pursuant to the conditions of a Final Map, Development Plan or other development permit or approval granted by the City, which Maintenance Obligations may be transferred to all of the Owners in accordance with this Agreement. The Improvements may include, but are not limited to, street lights, traffic signs and signals, fire hydrants, sidewalks, street signs, street furniture, benches, bus stops, entry monument signs, community directional signs, drainage facilities, landscaping and irrigation systems, underground utilities and improvements, and specialized paving located within certain public rights-of-way.

1.14 "Lot" means any lot or parcel of land shown upon a recorded final subdivision map or recorded final parcel map of any portion of the Property, excepting (i) any Master Common Area and common area of any Village Project, as defined in the Master Declaration, and (ii) Condominiums in a Condominium Project.

1.15 "Maintenance Areas" means: (i) certain portions of the rights-of-way of Village Streets; (ii) certain portions of the rights-of-way of Tract Streets; and (iii) slope areas adjacent to Village Streets or Tract Streets over which a landscaping easement has been or will be dedicated to the City. The location of the Maintenance Areas as of the date of this Agreement is shown on Exhibit "5;" provided, however, the rights-of-way and easement areas shown on Exhibit "5" may be modified subsequently, from time to time, as shown on a Final Map or other recorded instrument evidencing the dedication or offer of dedication of the same to the City.

1.16 "Maintenance Obligations" means the obligation of one or more Owner(s) with respect to maintenance of any Improvements pursuant to the conditions of approval of any Final Map, Development Plan or other development permit or approval granted by City, which obligations shall be further described in the Street Maintenance Agreement and may be transferred to all of the Owners in accordance with this Agreement. The Maintenance Obligations may include, without limitation, the obligation (i) to maintain, repair and replace certain of the Improvements, (ii) to pay the cost (or a portion of the cost) of City maintenance of other Improvements, and (iii) to supply to the City replacements for certain Improvements which are not City-standard improvements.

1.17 "Master Association" means The Villages of Rancho Del Oro Association, Inc., a California nonprofit mutual benefit corporation, or any successor entity charged with the duties, obligations and powers of said Master Association, pursuant to the Master Declaration.

1.18 "Master Declaration" means the Master Declaration of Covenants, Conditions and Restrictions for the Villages of Rancho Del Oro recorded for the Property in the Official Records of San Diego County, California, concurrently herewith.

1.19 "Master Landscape Plan" means the Master Landscape Plan for Rancho Del Oro approved by the City pursuant to the Specific Plan, as modified from time to time.

1.20 "Mortgage" means any real property mortgage or deed of trust encumbering a Unit.

1.21 "Owner" means the person(s) who hold(s) record fee simple title to any portion of the Property, including Builders, for so long as such person holds such title, but excluding persons who hold title as security for the performance of an obligation. As of the date of recordation of this Agreement, Home Building is the only Owner.

1.22 "Planned Development Project" shall mean a project of one or more Lots developed within Village I and subject to this Agreement, with each such Lot to be improved with a single-family dwelling(s) that may be detached, a "townhouse," or part of an "attached cluster," as defined in the PRD Master Plan), which increment may be developed in phases and may or may not be defined as a planned development in California Civil Code Section 1351, or any similar California statute hereafter enacted.

1.23 "PRD Master Plan" means the Rancho Del Oro Planned Residential Development (PRD) Master Plan approved by the City on October 15, 1985, as amended from time to time, which covers the portions of the Rancho Del Oro Property designated for residential development.

1.24 "Property" means the real property described on attached Exhibit "1," consisting of a portion of Tract 1.1 of Village I.

1.25 "Rancho" means Rancho Del Oro Villages Land Development, a California general partnership, and one of the Owners.

1.26 "Rancho Del Oro Property" means the real property covered by the Specific Plan.

1.27 "RDO Planning Board" means the Rancho Del Oro Planning and Development Board established pursuant to the Development CC&Rs.

1.28 "Specific Plan" means the Rancho Del Oro Specific Plan [S-1-84] approved on October 15, 1985 by Resolution No. 85-238 adopted by the Oceanside City Council, as modified from time to time.

1.29 "Street Maintenance Agreement" means the agreement to be executed by the City and Rancho (on behalf of the Administrator and the Owners) describing the Maintenance Obligations for the Improvements, as the same may be modified from time to time.

1.30 "Tract Streets" means those public streets primarily serving one of the Tracts within Village I and designated as "Residential Tract Collector (L)," "Residential Tract Street (M1)" and "Residential Tract Street (M2)" streets pursuant to the Street Standards and Circulation System for Rancho Del Oro included in the Specific Plan. The Tract Streets as of the date of this Agreement are identified on Exhibit "4;" provided, however, the Tract Streets may be modified subsequently, from time to time, as shown on any Final Map or other recorded instrument evidencing the dedication or offer of dedication of the same to City.

1.31 "Unit" shall mean (i) any Condominium which is part of a Condominium Project in Village I and subject to this Agreement, (ii) any Lot within Village I and subject to this Agreement on which only one single-family residential dwelling has been or will be constructed, (iii) each multi-family residential dwelling unit located within an Apartment Area (as defined in the Master Declaration) in Village I and subject to this Agreement, (iv) each single-family dwelling located on a Lot in a Planned Development Project, (v) with respect to any Lot within Village I and subject to this Agreement on which structures for a use permitted under the PRD Master Plan (excluding the uses described above in clauses (i), (ii), (iii) and (iv)] have been or will be constructed, each 7,260 square feet of gross land area or fractional portion thereof contained within such Lot, unless expressly provided otherwise in any Declaration of Annexation and Restrictions recorded pursuant to the Master Declaration and encompassing such Lot, or (vi) with respect to any portion of Village I that is subject to this Agreement and which has not been divided into Units [as described above in clauses (i), (ii), (iii), (iv) or (v)], each residential dwelling unit approved for, and allocated to, such portion on the Residential Density Management Table maintained by the City pursuant to the Specific Plan, as the same may from time to time be amended. Units determined initially under clause (vi) of the preceding sentence may subsequently become Units determined under clause (i), (ii), (iii), (iv) or (v) of said sentence. As examples of the application of the aforesaid clause (v): (i) any such Lot containing only 6,000 square feet of gross land area shall be deemed to constitute one "Unit" and (ii) any such Lot containing 8,000 square feet of gross land area shall be deemed to constitute two "Units." "Gross land area" as used in this Section will mean the gross land area of a Lot, excluding any (i) open-space areas affecting such Lot which are owned by the Master Association, a Village Association or a Sub-Association or by the Owners of such Lot in undivided interests, or which are subject to an easement for the benefit of the Owners of such Lot, and (ii) other areas affecting a Lot which have been dedicated to the City or any other governmental agencies.

1.32 "Village I" means the real property legally described on attached Exhibit "2" and graphically shown on attached Exhibit "3".

1.33 "Village Streets" means those public streets within Village I designated as "Residential Village Collector (K)" streets pursuant to the Street Standards and Circulation System for Rancho Del Oro included in the Specific Plan. The Village Streets as of the date of this Agreement are identified on Exhibit "4;" provided, however, the Village Streets may be modified subsequently, from time to time, as shown on any Final Map or other recorded instrument evidencing the dedication or offer of dedication of the same to City.

ARTICLE 2
THE ADMINISTRATOR

2.1 Appointment. To give effect to the provisions contained in this Agreement, a person or legal entity ("person") to be known as "the Administrator" shall be appointed as herein provided to perform all of the duties and exercise all of the rights that have been imposed upon or granted to the Administrator under this Agreement. The Master Association is hereby appointed as the Administrator.

2.2. Compensation. The Administrator shall not be entitled to receive any compensation for services performed under this Agreement.

2.3 Books, Accounts, Records. The Administrator will maintain adequate accounts, books and records of any business activities performed by the Administrator under this Agreement, as part of its record-keeping responsibilities under the Master Declaration.

2.4 Powers. The Administrator is hereby irrevocably appointed as the attorney-in-fact for every Owner to:

2.4.1 Maintain bank account(s) for funds coming under the control of the Administrator.

2.4.2 Levy assessments as permitted under this Agreement.

2.4.3 Contract for and maintain fire, casualty, liability, worker's compensation, medical, hospital and other insurance insuring the Owners and itself, all as a reasonable and prudent businessman may deem appropriate or as may be required by this Agreement.

2.4.4 Contract, provide and pay for maintenance, repair, replacement, gardening and other services for which the Administrator has a duty or a right pursuant to this Agreement to undertake, including, without limitation, employment of legal and accounting services, and consultants, managers, experts, and others to assist it in performing its duties.

2.4.5 Contract for and purchase or lease tools, equipment, materials, supplies and other personal property and services consistent with its duties and rights under this Agreement.

2.4.6 Contract for and pay for reconstruction of any of the Improvements that may be damaged or destroyed from any cause whatsoever, where the Administrator has a duty or right pursuant to this Agreement to do so.

2.4.7 Post any bonds or other security required by the City to secure performance of the Maintenance Obligations.

2.4.8 Enter at all reasonable times any portion of the Property when reasonably necessary in connection with the performance or exercise of its duties and rights under this Agreement.

2.4.9 Prosecute or defend, in the name of the Owners, any action affecting or relating to the Maintenance Obligations or the duties and rights of the Administrator hereunder, including, without limitation, enforcement and collection of any assessments that have been levied against an Owner pursuant to this Agreement.

2.4.10 Take actions reasonably required to form an assessment district and delegate any appropriate Maintenance Obligations to such district as described in Section 4.2.

2.4.11 Undertake to perform such other acts as are consistent with this Agreement or will further the objectives of this Agreement.

2.5 Authority. Any contract entered into or instrument executed by the Administrator pursuant to this Agreement will be (i) valid and subsisting according to the tenor of such contract or instrument and (ii) a charge upon all cash, bank accounts and other personal property authorized under this Agreement and under the control of the Administrator. So long as the Administrator acts within the scope of its authority as the Administrator, it will not have any personal liability under any such contract or instrument.

ARTICLE 3
THE IMPROVEMENTS

3.1 Responsibility Prior to Transfer and Assessment. As provided in Section 5.1, the Owner of a Unit shall not be subject to assessments under this Agreement until assessments have commenced for such Unit under the Master Declaration. No such Owner of a Unit subject to assessment nor the Administrator shall have any responsibility under this Agreement for the Maintenance Obligations with respect to any Improvements until the responsibility therefor has been transferred to the Owners in accordance with the provisions of this Article.

3.1.1 Village Streets. In accordance with the Development CC&Rs, each Owner of a Unit prior to sale to a residential homeowner, and each fee owner of a portion of Village I which has not been made subject to this Agreement, shall pay a prorata share of the costs incurred by Rancho in performing the Maintenance Obligations for those Improvements within Maintenance Areas within or adjacent to the rights-of-way of Village Streets, commencing with the filing of a Notice of Completion for such Improvements, until such Maintenance Obligations have been transferred to the Owners hereunder. The prorata share of each Owner and fee owner described in this Section shall be determined by the ratio of the Unit(s), including future Unit(s) that would exist following Annexation, owned by such Owner or fee owner compared to the total number of Units, including future Units, subject to such obligation.

3.1.2 Tract Streets and Other Improvements. With respect to all Improvements other than those within or adjacent to Village Streets which are to be maintained by Rancho as described in Section 3.1.1 above, the Builder which has constructed or installed such Improvements shall remain fully responsible for all Maintenance Obligations with respect thereto, for maintaining such insurance as may be reasonably appropriate, and for compliance with all applicable City requirements in connection therewith.

3.2 Transfer of Maintenance Obligations. Any Builder which has constructed or installed Improvements in any of the

Maintenance Areas pursuant to the conditions of City approval of any Final Map, Development Plan or other development permit or approval granted by the City, in accordance with improvement plans and specifications approved by the City and in conformance with the Specific Plan, the PRD Master Plan, the Master Landscape Plan, and other applicable City standards, requirements and conditions of approval, shall transfer fully to all of the Owners under this Agreement the Maintenance Obligations with respect to such Improvements, subject to such conditions of approval, the Street Maintenance Agreement, and the provisions of this Article. Prior to construction or installation of any Improvements, improvement drawings (consisting of street improvement, landscape and irrigation and/or underground utility drawings, whichever are applicable) substantially in accordance with the Master Landscape Plan and other criteria described above shall have been prepared by the Builder and approved by the RDO Planning Board pursuant to the Development CC&Rs.

3.3 Improvements Eligible for Transfer. Maintenance Obligations may be transferred only for Improvements within the rights-of-way of, or within slope areas adjacent to, those Tract Streets or Village Streets which provide access to portions of Village I which are subject to this Agreement.

3.4 Procedure for Transfer. Any transfer by a Builder after the date of recordation of this Agreement, as described in Section 3.2 above, will be effected as follows:

3.4.1 Notice of Proposed Transfer. The Builder will first deliver to the Administrator a written notice of the proposed transfer signed by the Builder, which will be in a form prescribed by the Administrator ("the Notice of Proposed Transfer"). The Notice of Proposed Transfer will (i) specifically describe in reasonable detail all of the Improvements within Maintenance Areas for which such Builder proposes to transfer the Maintenance Obligations, (ii) have attached thereto a complete copy of "as built" plans and specifications for the Improvements, (iii) contain a certification that all of the Improvements described therein have been completed in a good, workmanlike and lien-free manner in accordance with the Specific Plan, the PRD Master Plan, the Master Landscape Plan, and all other applicable City requirements, and (iv) have attached thereto written evidence of the City's acceptance of Improvements within the public rights-of-way and the City's release of all performance and labor and material bonds or other security provided to secure completion of the Improvements described therein. The Administrator may require that each transfer consist of a reasonable increment of Improvements.

3.4.2 Correction of Deficiencies. Within 30 days following the Administrator's receipt of the Notice of Proposed

Transfer, the Administrator and the Builder will schedule a walk-through to inspect all of the Improvements. In the course of such walk-through, the Administrator and the Builder will prepare a written list of all defects and deficiencies in the Improvements that have been noticed by either the Administrator or the Builder. A copy of this list will be kept by the Administrator and by the Builder. Within 90 days following the walk-through, the Builder will cause all defects and deficiencies to be fully remedied and will schedule a second walk-through with the Administrator. Within 30 days following this second walk-through, and provided that all defects and deficiencies have been fully remedied, the Administrator will notify the Builder that it has approved all of the Improvements. If necessary, additional walk-throughs will be conducted by the Builder and the Administrator until the Administrator has satisfied itself that all defects and deficiencies have been remedied and has given written notice of its approval of the Improvements to the Builder. The Administrator will not unreasonably withhold its approval of the Improvements.

3.4.3 Notice of Transfer. Upon receipt from the Administrator of written notice of approval of the Improvements, the Builder may at any time thereafter deliver a written notice of transfer of the Maintenance Obligations with respect thereto, in a form prescribed by the Administrator ("the Notice of Transfer"). The Notice of Transfer will set forth the same information and have the same attachments as were set forth in, and attached to, the Notice of Proposed Transfer, except to the extent that all such information has changed or become modified since the Notice of Proposed Transfer was given.

3.4.4 Effective Date of Transfer. The transfer will be deemed to have been effected on the 31st day following receipt by the Administrator of the Notice of Transfer ("the Effective Date"). Provided, however, in no event shall the transfer be effective until each of the following have occurred: (i) completion of the Improvements; (ii) acceptance by the City of all Improvements within public rights-of-way (to the extent the type of Improvement is normally accepted by the City); (iii) release by the City of all performance and labor and material bonds or other security provided by the Builder or any other party to secure completion of the Improvements; and (iv) expiration of 90 days after either City acceptance or expiration of the applicable period for filing mechanics' liens, whichever occurs first. Commencing on the Effective Date, the Administrator will become responsible for the Maintenance Obligations with respect to the Improvements described in the Notice of Transfer to which such Effective Date pertains.

3.5 Builder's Warranty. Notwithstanding anything contained in this Agreement to the contrary, a Builder, which transfers the Maintenance Obligations with respect to any

Improvements pursuant to this Article, warrants that such Improvements will be free from defects in material or workmanship for a period of time expiring on the date of expiration of any express warranties with respect to such Improvements that have been given by such Builder to the City. Any defects in Improvements that are covered by a Builder's warranty in favor of the Owners or the City will be promptly remedied by such Builder at its sole cost and expense. In addition, such Builder will indemnify and hold harmless the Administrator and all other Owners from any liability (including, without limitation, attorneys' fees and court costs) arising from any defects in Improvements which are covered by the foregoing warranty.

3.6 Ownership of Improvements. Neither the Owners nor the Administrator will have any duty or obligation to accept ownership of any Improvements for which a Builder has transferred the Maintenance Obligations under this Agreement. It is intended that (i) ownership of Improvements within the public rights-of-way will be transferred to the City, and that (ii) ownership of Improvements within slope easement areas will be transferred to the Master Association. Ownership of Improvements shall remain in the Builder constructing or installing the same until ownership is transferred to the City or to the Master Association.

ARTICLE 4
REPAIR, REPLACEMENT AND MAINTENANCE OF IMPROVEMENTS

4.1 Administrator's Obligations. Upon commencement of the Administrator's responsibility for the Maintenance Obligations with respect to any Improvements, the Administrator will at all times thereafter perform and comply with the terms and conditions of the Street Maintenance Agreement with respect to such Improvements. It is anticipated that the Street Maintenance Agreement will provide that the City will maintain, repair and replace those Improvements which affect traffic and public safety (such as street lights, street pavement, traffic signs, traffic signals and fire hydrants) and that the Administrator (on behalf of the Owners) will maintain, repair and replace other Improvements which do not affect traffic and public safety (such as sidewalks, landscaping, irrigation facilities, bus stops and benches). It is anticipated that the Maintenance Obligations will include: (i) the Owners' obligation to pay certain costs incurred by the City in maintaining, repairing and replacing Improvements which are not City-standard improvements, (ii) the Owners' obligation to provide and supply to the City all items required for City repairs and replacements of such Improvements which are not City-standard items, and (iii) the Owners' obligations to perform actual maintenance, repairs and replacements for other Improvements in accordance with the maintenance standards and requirements set forth in the Master Landscape Plan, the Street Maintenance Agreement and other applicable City standards and requirements. The Administrator is hereby instructed and authorized to perform and comply with such maintenance obligations, standards and requirements.

4.2 Termination of Street Maintenance Agreement. In the event the Street Maintenance Agreement becomes terminated for any reason, the Administrator will continue to repair, maintain and replace those Improvements (such as landscaping and irrigation facilities) for which the Administrator was previously performing actual maintenance work, at the same level of care as was previously undertaken by the Administrator, or in accordance with such other reasonable standards and requirements as the Administrator then deems appropriate in light of circumstances then existing which a prudent and reasonable businessman would take into consideration in undertaking the repair, maintenance and replacement of such Improvements, to the extent the City continues in effect the Owners' right, acting through the Administrator, to enter onto the Maintenance Areas for this purpose. Provided, however, such maintenance shall meet the minimum standards generally applicable to public rights-of-way within the City. Provided further, the Administrator shall not be required to assume actual maintenance of Improvements which affect traffic and public safety for which the City previously performed the actual maintenance.

4.3 Assessment District. The Owners hereby consent to the initiation and formation of one or more assessment district(s) to perform all or a portion of the Maintenance Obligations, and agree to cooperate with Rancho, Builders and the City by executing all consents and other documents reasonably required to establish the same. In the event any assessment district is established with respect to all or any portion of Village I that is subject to this Agreement, the Administrator shall transfer all or any appropriate portion of its Maintenance Obligations under this Agreement to such assessment district and, upon the acceptance and assumption by the assessment district of such responsibilities, the Administrator and the Owners will thereafter have no further obligation or liability with respect to the Maintenance Obligations which have been transferred. Provided, however, if any such assessment district is terminated or fails or declines to continue to perform any of the Maintenance Obligations transferred to the district, with respect to all or any portion of the Improvements, then the Administrator shall re-assume and thereafter perform such responsibilities, to the extent the City continues in effect the Owners' right, acting through the Administrator, to enter onto the Maintenance Areas for this purpose.

ARTICLE 5
ASSESSMENTS

5.1 Authorization to Levy Assessments. The Administrator has and shall have the right and power to make, from time to time, reasonable assessments upon those Units subject to assessment as described in Section 5.1.1, subject to the Master Declaration and for which assessments under the Master Declaration have commenced, to meet anticipated authorized expenditures of the Administrator under this Agreement and to change from time to time the amount, installments and/or frequency of payment of assessments. Changes in the amount of the assessments may be made, for example, to reflect (i) the transfer of Maintenance Obligations for additional Improvements or (ii) the Annexation of additional real property under this Agreement, as described in Article 9 of this Agreement. Such expenditures of the Administrator shall include the establishment of an adequate reserve fund for the Maintenance Obligations for which the Administrator is responsible under this Agreement. Assessments pursuant to this Section shall be collected either as part of or separate from the regular assessments levied under the Master Declaration and shall be subject to the limitations on regular assessments set forth therein.

5.1.1 Units Subject to Assessments. Only those Units within Village I (i) which are subject to the Master Declaration, including the property originally subject thereto and all property within Village I annexed thereto from time to time, and (ii) for which assessments under the Master Declaration have commenced shall be subject to assessment under this Agreement. No land which is designated for public or common recreational uses or as an open-space area shall be subject to assessments.

5.1.2 Owner's Share. Each Owner shall be assessed separately for a share of such anticipated authorized expenditures, in the same ratio such Owner is assessed under the Master Declaration; that is, a share shall be levied against each Owner according to the ratio of the number of Unit(s) owned by the Owner to the total number of Units subject to assessment hereunder.

5.1.3 Notice of Assessments. Separate written notices of the making of such assessment (including in such notice the amount thereof and the frequency of payment) shall be directed to each Owner, in the manner required for notice of regular assessments pursuant to the Master Declaration.

5.2 Special Assessments. The Administrator may also levy and collect special assessment(s) for the purposes described in Section 6.2 in the same manner as regular assessments are levied and collected as described in Section 5.1. The amount of any such special assessment, together with any late payment penalty and interest incurred pursuant to this Article, costs and reasonable attorneys' fees in the event enforcement is commenced, shall be and become a lien upon any Unit in the same manner as regular assessments become a lien. Special assessments pursuant to this Section shall be collected under the Master Declaration and shall be subject to the limitations on special assessments set forth therein, except that the provisions of Paragraphs 5.2.1 and 5.2.3 of the Master Declaration will not be applicable.

5.3 Applicability of Master Declaration Provisions. The provisions of Paragraphs 5.3 through 5.11 (inclusive) of Article 5 of the Master Declaration will be applicable to the regular and special assessments described in Article 5 of this Agreement, all to the same effect as if said Paragraphs were set forth fully in this Agreement. The Master Association may include any regular assessment under this Agreement as part of any regular assessment levied under the Master Declaration which is payable by Owners of Units within Village I that are subject to this Agreement.

ARTICLE 6
DESTRUCTION; INSURANCE

6.1 Hazard Insurance. The Administrator shall keep insured against loss by perils under a multi-peril policy(ies) of hazard insurance all or appropriate portions of the Improvements with respect to which the Administrator has Maintenance Obligations, for the benefit of all Owners. The Improvements covered and the type and amount of coverage of such insurance shall be reasonably determined by the Administrator based upon the nature of the Improvements, the cost and availability of coverage, and prudent practices for similar improvements at the time. The name of the insured under each policy of such insurance shall be substantially "[Name of the Administrator], for use and benefit of individual owners," followed, if desired by either the Administrator or the insurance carrier(s), by the designation of the Owners. Authority to adjust losses covered by the Administrator's policy(ies) shall be vested in the Administrator, and the Administrator is hereby irrevocably appointed as the attorney-in-fact for every Owner for this purpose. Insurance proceeds shall be payable directly to the Administrator for the use and benefit of the Owners, as their interests may appear. The premiums for such policy shall be paid as a common expense by the Administrator.

6.1.1 Maintenance of Policies. Copies of all such insurance policies (or certificates thereof showing the premiums thereon to have been paid) shall be retained by the Administrator and open for inspection by Owners at any reasonable time(s). All such insurance policies shall (i) provide that they shall not be reducible or cancellable by the insurer, without first giving ten days' prior notice in writing to the Administrator and (ii) contain a waiver of subrogation by the insurer(s) against the Administrator and Owners.

6.1.2 Issuer Requirements. Said multi-peril policy(ies) of hazard insurance shall be issued by an insurance carrier which (i) has a financial rating by Best's Insurance Reports of Class B/VI or Class V (provided it has a general policy holder's rating of at least A) or better and (ii) is authorized to transact business within the State of California.

6.2 Replacement in the Event of Loss. In the event of any loss, damage or destruction of Improvements which the Administrator has an obligation to repair, maintain and replace, the Administrator shall cause the same to be replaced, repaired or rebuilt. If the cost of such replacement, repair or rebuilding exceeds the hazard insurance proceeds received therefor, the Administrator shall undertake to cause the same to be replaced, repaired or rebuilt. The cost of such replacement, repair or rebuilding shall be assessed to all of the Owners as provided in Section 5.2.

6.3 Liability Insurance. The Administrator shall procure and keep in force during the term hereof insurance (containing a "severability of interest" clause or endorsement) in the name of the Administrator and the Owners against any liability to the public (including the Owners) resulting from any occurrence in or about the Improvements with coverage in the amount of at least $1,000,000 per occurrence, for personal injury and/or property damage. Such insurance shall also provide coverage for any legal liability that results from lawsuits related to employment contracts to which the Administrator is a party. Premiums on such policy shall be paid as a common expense by the Administrator. The policy(ies) of such insurance shall contain a waiver of subrogation by the insurer(s) against (i) the Administrator and (ii) the Owners.

6.4 Feasibility of Maintaining Insurance. The obligation of the Administrator to maintain the insurance specifically described in this Article will be subject to the continued a availability of insurance. If such insurance is no longer available or cannot be obtained at economically feasible rates, the Administrator may instead procure and keep in force other types of insurance providing coverage which is similar to that required by this Article or which, in the opinion of the Administrator, will reasonably protect the same interests of the Owners that this Article is intended to protect.

6.5 Other Insurance. The Administrator may also procure and keep in force such other policy or policies of insurance which it deems necessary and proper for the protection of the interests of the Owners under this Agreement.

ARTICLE 7
SCOPE, ENFORCEMENT

7.1 General Plan Character. As part of the Master Declaration, the covenants and equitable servitudes set forth in this Agreement constitute a general scheme for the benefit of each and every portion of the Property and all of the Owners thereof. Said covenants and equitable servitudes are imposed on each and every Unit subject to this Agreement for the benefit of each and every other Unit subject to this Agreement, as well as the present and future owners thereof. Said conditions and equitable servitudes are and shall be covenants running with the land or equitable servitudes, as the case may be.

7.2 Enforcing Persons. Breach of any of said covenants or equitable servitudes (or the continuation thereof) may be enjoined, abated or remedied by appropriate legal proceedings by (i) the Administrator or (ii) any person designated as an Enforcing Person under the provisions of Article 9 of the Master Declaration. Notwithstanding the foregoing, nothing in this Agreement shall be construed to waive, limit or impair any rights or remedies which the City may have pursuant to applicable City rules, ordinances or requirements.

7.3 No Waiver. The failure of any Enforcing Person to enforce any of said covenants or equitable servitudes shall not constitute a waiver of the right to enforce the same therefor. No liability shall be imposed on or incurred by any Enforcing Person as a result of such failure.

7.4 Attorneys' Fees. The prevailing party in any action at law or in equity instituted by an Enforcing Person(s) to enforce or interpret the covenants or equitable servitudes contained herein shall be entitled to all costs incurred in connection therewith, including, but not limited to, court costs and reasonable attorneys' fees.

7.5 Compliance with Laws. The Administrator and each Owner shall at all times comply with any laws, ordinances or regulations of the City, duly enacted thereby, and any other provision, regulation or requirement of any other governmental body, and nothing in this Agreement is intended to be, nor shall be deemed to be, a waiver of, or promulgation contrary to, any such law, ordinance or regulation. No provision of this Agreement is intended to nor shall it be deemed to constitute any delegation by the City, or any other governmental body, to the Administrator, of any of the City's rights to enforce or impose any ordinances, regulations or policies upon the Administrator, any property owner/occupant, or any property covered by this Agreement.

ARTICLE 8
ANNUAL BUDGETS AND REPORTS

8.1 Budget. The Administrator shall cause a budget for each fiscal year to be regularly prepared and distributed as part of the budget to be prepared by the Master Association pursuant to the Master Declaration. The budget shall contain the following information: (i) the estimated revenue and expenses of the Administrator on an accrual basis; (ii) the amount of the total cash reserves of the Administrator currently available for replacement or major repair of any Improvements and for contingencies; (iii) an itemized estimate of the remaining life of, and the method of funding to defer repair, replacement or additions to, major components of any Improvements for which the Administrator is responsible; and (iv) a general statement setting forth the procedures used by the Administrator in calculating and establishing reserves to defray the cost of repair, replacement or addition to, major components of any Improvements for which the Administrator is responsible.

8.2 Annual Report The Administrator shall maintain books of account of all of its receipts and expenditures hereunder and shall cause an annual report to be prepared and distributed as part of the accounting and annual report required under the provisions of the Master Declaration, in accordance with the requirements set forth therein.

ARTICLE 9
ANNEXATION

9.1 Developer's Right of Annexation. Developer has, and shall have, the absolute right to impose this Agreement upon all or any portion of the Annexation Property by the annexation thereof pursuant to the Master Declaration in the manner set forth in Article 15 of the Master Declaration which is entitled "Annexation," and, when such annexation is accomplished under the Master Declaration, Annexation under this Agreement will be deemed accomplished and this Agreement shall be of the same force and effect with respect to such annexed property as if it was originally described herein.

9.2 Deannexation. Upon the recording of a Termination and Extinction of Declaration of Annexation pursuant to said Article 15 of the Master Declaration with respect to any portion of Village I which has been previously made subject to the Master Declaration and this Agreement, such portion of Village I shall be free and clear of this Agreement and also the Master Declaration (as provided therein).

9.3 Assessments. Upon Annexation of all or any portion of the Annexation Property, assessments against the Units in such annexed property shall commence as provided in Article 5 of this Agreement. At the time of such commencement of assessments, the anticipated authorized expenses of the Administrator shall be adjusted to reflect any increased costs to the Administrator of its management, operation and maintenance responsibilities under this Agreement arising by reason of such Annexation, and the assessment upon each Unit then subject to assessment shall be accordingly adjusted so as to apportion all of said costs equally among all of the Units them subject to assessment.

9.4 Limitations on Amendment. Notwithstanding the provisions of Article 10 entitled "Amendment," no amendment, revocation or rescission of this Article may be had so long as Developer has the right to annex any portion of the Annexation Property pursuant to this Article without the (i) written consent of Developer and (ii) recording of such consent in the Office of the Recorder of San Diego County, California.

ARTICLE 10
AMENDMENT

10.1 Amendment Requirements. As a part of the Master Declaration, this Agreement may be amended only by amendment of the Master Declaration as provided therein.

10.2 Effective Upon Recording. Each such amendment to this Agreement shall become effective only upon being filed for record as hereinabove provided and shall, from and after its effective date, be as effective as this Agreement as to (i) all portions of Village I which are subject to this Agreement, (ii) the Administrator and (iii) all of the Owners (as of the effective date) and their successors in interest.

ARTICLE 11
GENERAL PROVISIONS

11.1 Notices. Notices required by this Agreement, or desired, to be given shall be conclusively deemed served (i) if personally served, at the time of such service, and (ii) if mailed, 72 hours after deposit thereof in the United States mail, postage prepaid, addressed to the person(s) to whom such notice is to be given at the last known address of such person(s).

11.2 Severability. In the event any covenant or provision contained in this Agreement is held to be invalid, void or unenforceable by any court of competent jurisdiction, the remaining portions of this Agreement shall, nevertheless, be and remain in full force and effect.

11.3 Singular Includes Plural. The use herein of the neuter gender includes the masculine and the feminine genders, and the use herein of the singular number includes the plural, whenever the context so requires.

11.4 Captions. Captions in this Agreement are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or any of the terms hereof.

11.5 Exhibits. All exhibits, if any, referred to herein and attached hereto are a part hereof.

11.6 Construction. This Agreement and every provision hereof shall be construed to facilitate the performance of the Maintenance Obligations for which the Administrator has such responsibility in harmony with the balance of the Master Declaration of which this Agreement is a part.

IN WITNESS WHEREOF, this Agreement has been executed as of the day first above set forth.

RANCHO DEL ORO DEVELOPMENTS, a California general partnership

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation

By: ______________________

Title: V.P.

By: ______________________

Title: VP

RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, General Partner

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ______________________

Title: V.P.

By: ______________________

Title: VP

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By: ______________________

Title: V.P.

By: ______________________

Title: Assist. Secretary

VILLAGE HOME BUILDING PARTNERSHIP NO. I, a California limited partnership

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By: ______________________

Title: V.P.

By: ______________________

Title: Assist. Secretary

EBS:1789M
101086

APPROVED AS TO FORM
OCEANSIDE CITY ATTORNEY

ASSISTANT CITY ATTORNEY

C 1071

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On Oct 13, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Ronald G. Seger and Robert R. Stone, personally known to me or proved to me on the basis of satisfactory evidence to the persons who executed this instrument as the Vice Pres and Vice Pres, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
DIANE L. KAY
Notary Public California
Principal Office In
San Diego County
My Comm. Exp. Dec. 15, 1989

Diane L Kay
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On OCTOBER 13, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared THOMAS NOON and BARBARA ROSSOLL, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the VICE PRESIDENT and ASSISTANT SECRETARY respectively, on behalf of J.F. SHEA CO., INC., the corporation that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC—CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Carol J Clark
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On Oct 13, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Ronald G. Sigler and Robert A. Stone, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the Vice Pres and Vice Pres, respectively, on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such partner of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, and that such partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
DIANE L. KAY
Notary Public-California
Principal Office in
San Diego County
My Comm. Exp. Dec. 15, 1989

Diane L. Kay
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On October 13, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Thomas Ward and Barbara Rossell, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the Vice President and Assistant Secretary, respectively, on behalf of J.F. SHEA CO., INC., the corporation that executed this instrument on behalf of VILLAGE HOME BUILDING PARTNERSHIP NO. I, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC—CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Carol J. Clark
Notary Public in and for Said County and State

EXHIBITS

"1"	Legal Description of Property (Initial Increment)
"2"	Legal Description of Village I
"3"	Map Indicating Village I
"4"	Legal Description of Annexation Property
"5"	Map Indicating Village Streets, Tract Streets and Maintenance Areas

EXHIBIT 1
[VILLAGE MAINTENANCE AGREEMENT]

"THE PROPERTY"

All of Lots 39 through 114, inclusive, of Map Number 11501, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on May 1, 1986.

EXHIBIT 2
[VILLAGE MAINTENANCE AGREEMENT]

"VILLAGE I"

All of Lots 1.2, 1.3, 1.4, 1.5, 1.6 and "K" of Map Number 11409, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on December 27, 1985, and all of Map Number 11501, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on May 1, 1986 as File Number 86-173101.

EXHIBIT 3

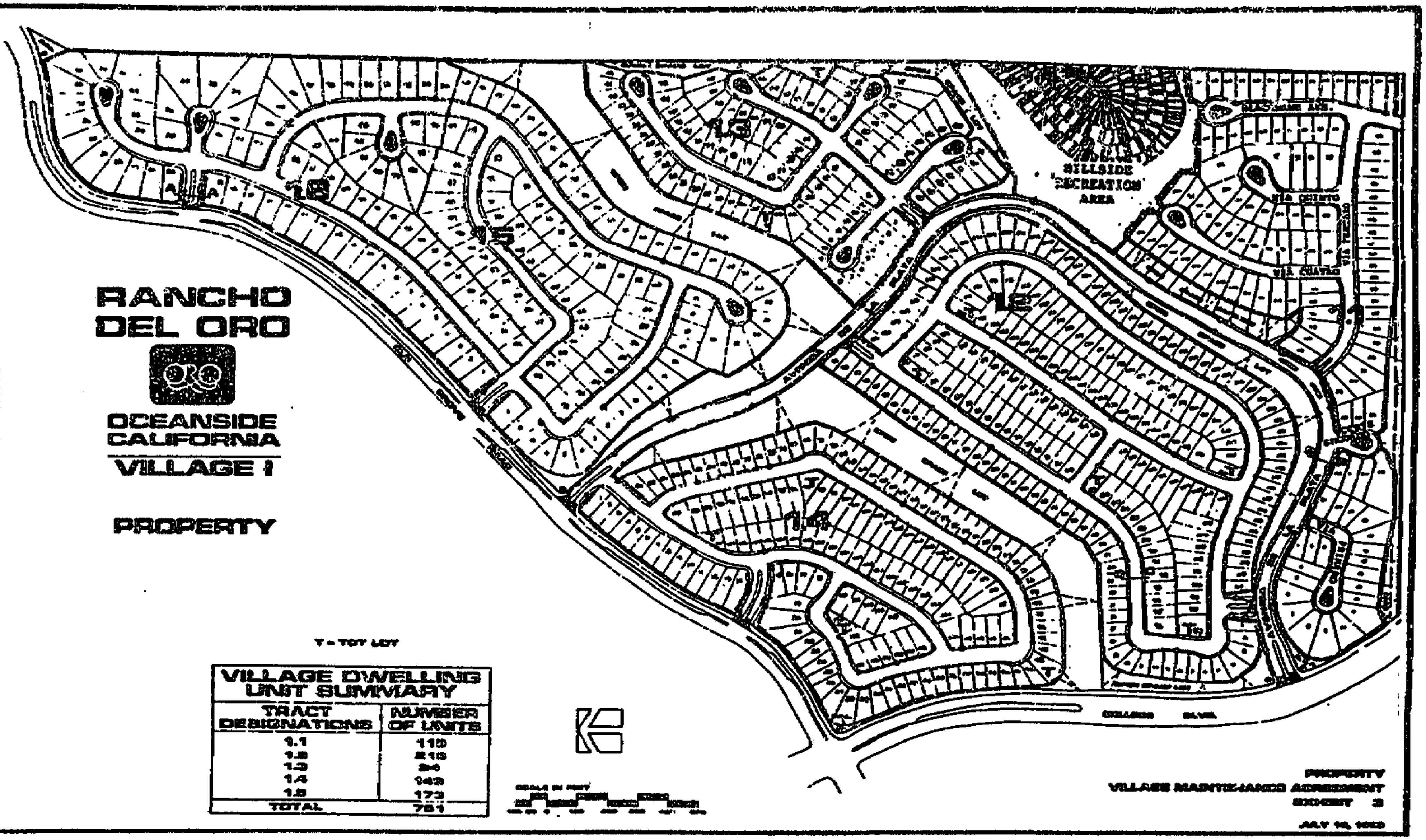

RANCHO DEL ORO
OCEANSIDE CALIFORNIA
VILLAGE I
PROPERTY
HILLSIDE RECREATION AREA
VIA QUINTO
VIA CUATRO
T = TOT LOT
VILLAGE DWELLING UNIT SUMMARY
TRACT DESIGNATIONS
NUMBER OF UNITS
1.1
110
1.4
TOTAL
PROPERTY
EXHIBIT 3

EXHIBIT 4
[VILLAGE MAINTENANCE AGREEMENT]

"ANNEXATION PROPERTY"

All of Lots 1.2, 1.3, 1.4, 1.5, 1.6 and "K" of Map Number 11409, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on December 27, 1985, and all of Map Number 11501, in the City of Oceanside, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on May 1, 1986.

EXCEPTING THEREFROM, the following:

All of Lots 39 through 114, inclusive, of said Map Number 11051.

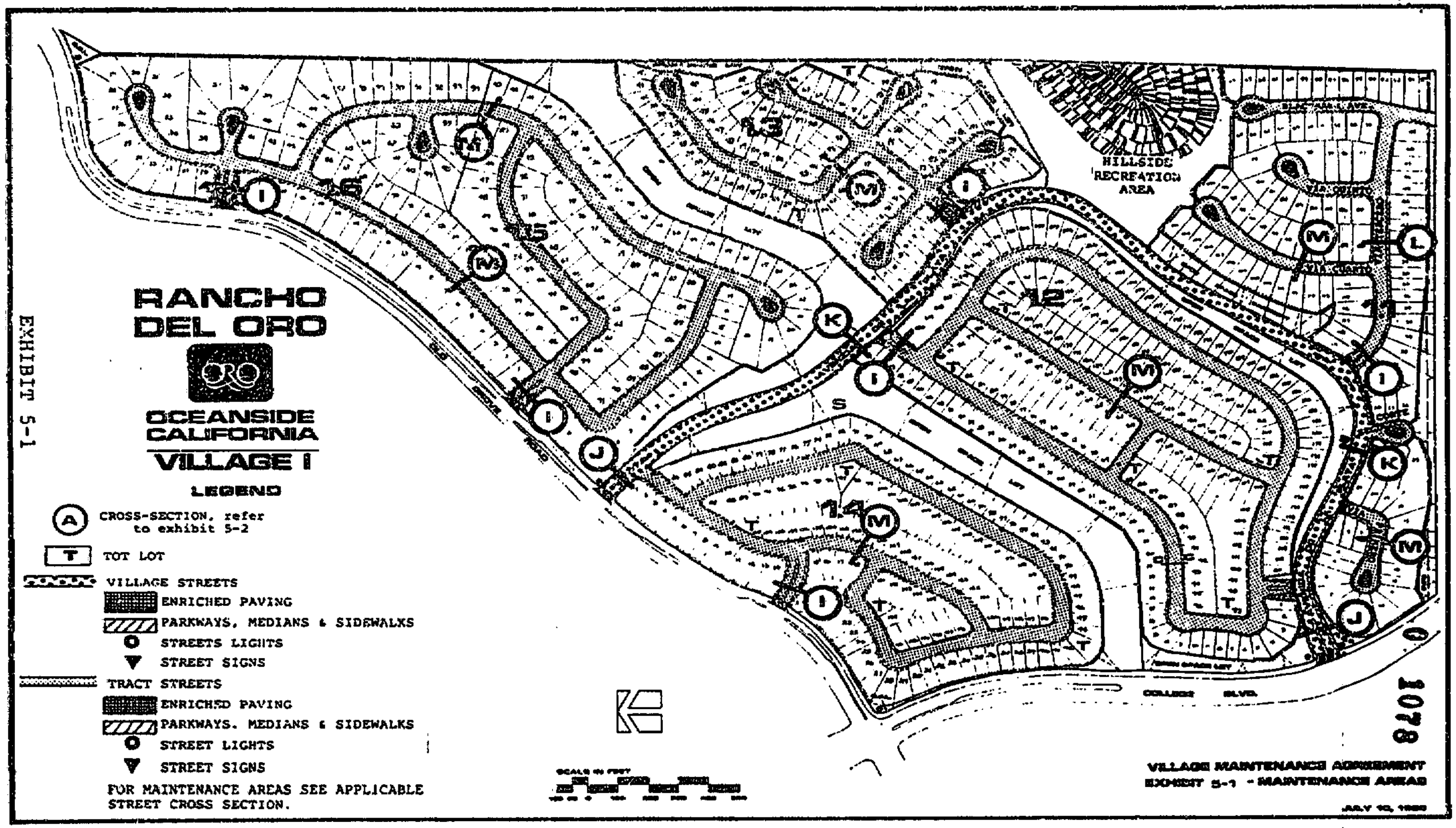


EXHIBIT 5-1
RANCHO DEL ORO
OCEANSIDE CALIFORNIA
VILLAGE I
LEGEND
CROSS-SECTION, refer to exhibit 5-2
TOT LOT
VILLAGE STREETS
ENRICHED PAVING
PARKWAYS, MEDIANS & SIDEWALKS
STREETS LIGHTS
STREET SIGNS
TRACT STREETS
ENRICHED PAVING
PARKWAYS. MEDIANS & SIDEWALKS
STREET LIGHTS
STREET SIGNS
FOR MAINTENANCE AREAS SEE APPLICABLE STREET CROSS SECTION.
HILLSIDE RECREATION AREA
COLLEGE BLVD.
VILLAGE MAINTENANCE AGREEMENT
EXHIBIT 5-1 - MAINTENANCE AREAS
1078

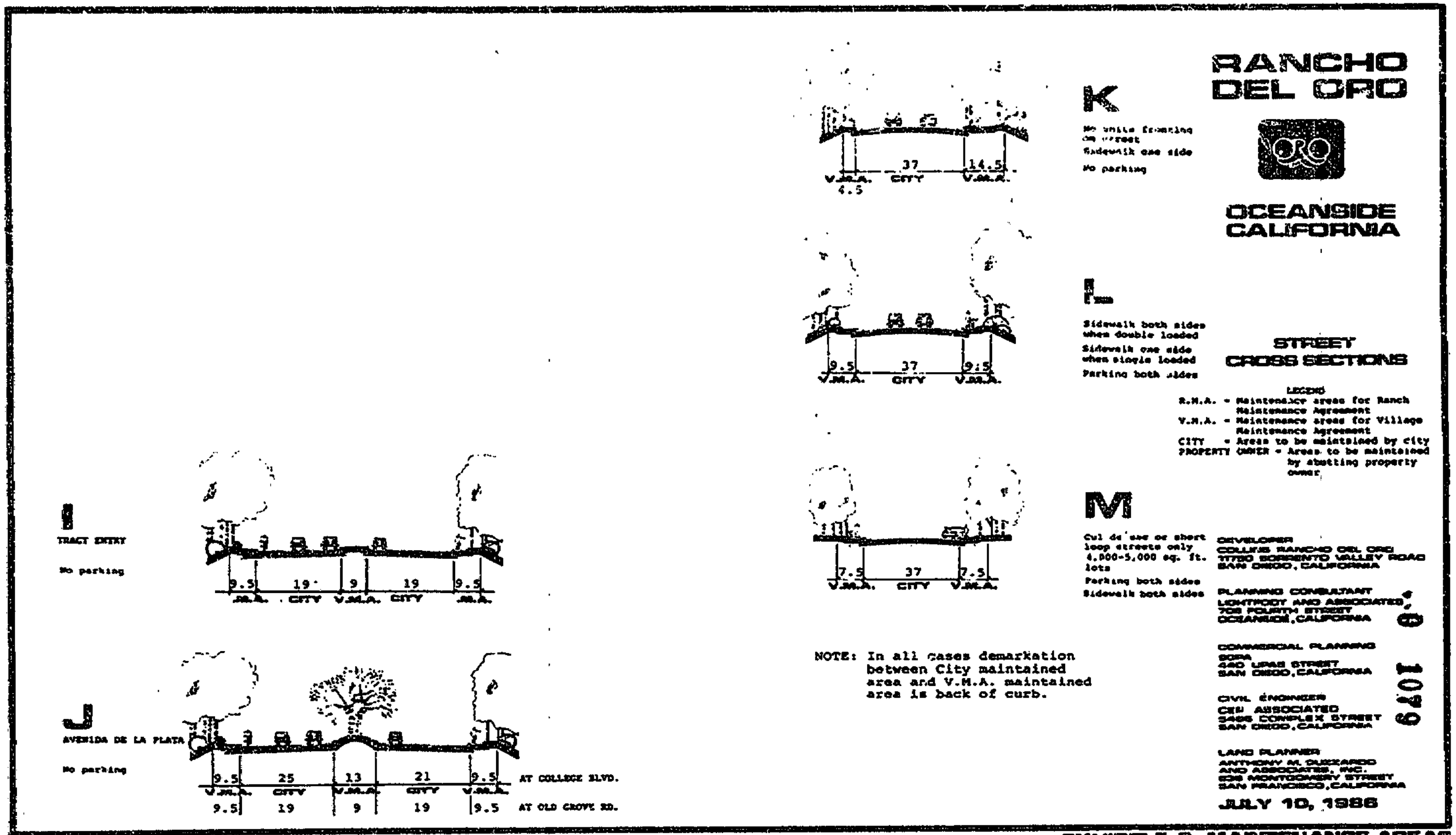


EXHIBIT 5-2 MAINTENANCE AREAS

947

87 353939

RECORDED IN OFFICIAL RECORDS

1987 JUN 24 PM 3:16

VERA L. LYLE
COUNTY RECORDER

Recording Requested By:

Developer RECORDING REQUESTED BY CONTINENTAL LAND TITLE

When Recorded Mail To:

Rancho Del Oro Developments
c/o Jenkins & Perry
A Professional Corporation
1100 Central Savings Tower
225 Broadway
San Diego, California 92101
Attn: Arthur G. Peinado, Esq.

RF 7
AR 5
MG 1

Space Above For Recorder's Use

DECLARATION OF ANNEXATION AND RESTRICTIONS

RANCHO DEL ORO DEVELOPMENTS, a California general partnership ("Developer"), makes this Declaration of Annexation and Restrictions ("this Declaration of Annexation") on the terms and conditions herein stated:

RECITALS

Developer makes this Declaration of Annexation based on the following facts and intentions:

A. Pursuant to the provisions of the "Master Declaration of Covenants, Conditions and Restrictions for The Villages of Rancho Del Oro" filed in the Office of the County Recorder of San Diego County on September 4, 1986, File/Page No. 86-388367, as amended ("the Master Declaration"), Developer has the right to annex the real property described in Exhibit 1 attached hereto ("the Annexable Property") to the Master Project as defined in the Master Declaration.

B. Developer desires to annex the Annexable Property into the Master Project. By such annexation, Developer intends that the covenants, conditions and restrictions of the Master

Declaration shall apply to the Annexable Property in the same manner as if it were originally covered by the Master Declaration as a part of the Master Project. No amendment, addition, change or deletion in this Declaration of Annexation shall be deemed to affect the provisions of the Master Declaration as covenants running with the land or as equitable servitudes to be uniformly applicable to all portions of the Master Project, including those portions added thereto by annexation.

1. ANNEXATION OF ANNEXABLE PROPERTY: Therefore, Developer declares the following:

1.1 This Declaration of Annexation is issued in compliance with the Master Declaration.

1.2 Upon the recordation of this Declaration of Annexation in the Office of the Recorder of the County of San Diego, the annexation of the Annexable Property shall be and become accomplished and all of the incidents of the annexation of said property, as set forth in the Master Declaration, shall be in full force and effect.

2. APPLICATION OF MASTER DECLARATION: The terms and provisions of the covenants, conditions and restrictions of the Master Declaration shall apply to the Annexable Property as if it were originally covered by the Master Declaration as a part of the Master Project.

2.1 After this annexation and upon commencement of the assessments established in the Article of the Master Declaration entitled "Assessments" with respect to the Annexable Property, said assessments for the Master Project shall be reassessed with the Annexable Property being assessed for a proportionate share of the total expenses of the Master Association on the same basis as other property in the Master Project.

2.2 Assessments shall commence as to all of the Annexable Property as set forth in the Article of the Master Declaration entitled "Assessments."

3. INTERPRETATION: Words, terms and phrases used herein and in the Master Declaration shall have the meaning ascribed thereto in the Master Declaration.

Developer has executed this Declaration of Annexation at San Diego, California, on June 18, 1987.

RANCHO DEL ORO DEVELOPMENTS, a California general partnership

By COLLINS-RANCHO DEL ORO COMPANY, a California corporation

By ______________________

Title PWS

By ______________________

Title V.P.

MISSION VIEJO COMPANY, a California corporation

By ______________________

Title VICE PRESIDENT/SECRETARY

9782.01/AGP100/106

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On June 18, 1987, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Eugene Geritz, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice President, and Ronald G Sigler, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice President of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument pursuant to its bylaws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

OFFICIAL SEAL
PATRICIA L. BEVIL
Notary Public-California
Principal Office in
San Diego County
My Comm. Exp. Mar. 4, 1988

Patricia L Bevil
Notary Public in and for said County and State

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On June 11, 1987, before me, the undersigned, a Notary Public in and for said County and State, personally appeared William F. Smith, personally known to me (or proved to me on the basis of satisfactory evidence) to be the senior vice president of MISSION VIEJO COMPANY, a California corporation, and acknowledged to me that such person executed the within instrument as Vice President/Secretary on behalf of the corporation therein named and further acknowledged to me that the corporation executed the within instrument pursuant to its bylaws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

Sally Jo Clark
Notary Public in and for said County and State

OFFICIAL SEAL
SALLY JO CLARK
Notary Public California
ORANGE COUNTY
My Commission Expires Nov 23, 1988

Lots 67 through 80, inclusive, and 90 through 100, inclusive, of Rancho Del Oro Tract No. 1.4, in the City of Oceanside, County of San Diego, State of California, according to Map No. 11689, filed in the Office of the County Recorder of San Diego County on December 17, 1986.

RECORDING REQUESTED BY:
RECORDING REQUESTED BY CONTINENTAL LAND TITLE

WHEN RECORDED MAIL TO:
RANCHO DEL ORO DEVELOPMENTS
c/o COLLINS-RANCHO DEL ORO CO.
Attn: Eugene Geritz
11750 Sorrento Valley Road
San Diego, CA 92121

0 629 86 520924

RECORDED IN OFFICIAL RECORDS OF SAN DIEGO COUNTY, CA
1986 NOV 13 AM 11:57
VERA L. LYLE COUNTY RECORDER

SPACE ABOVE FOR RECORDER'S USE

RF 59
AR 57
MG 1

OFFICIAL RECORDS, SAN DIEGO COUNTY, VERA L. LYLE, RECORDER 2

RANCH MAINTENANCE AGREEMENT

California Civil Code Section 1468

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A-2 Map Indicating Rancho Del Oro Property
B Map Indicating Major Ranch Streets and Maintenance Areas [Includes B, B-1 and B-2]
C Map Indicating Annexation Property
D Map Indicating Developed and Undeveloped Parcels

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:
AYLWARD, KINTZ, STISKA,
WASSENAAR & SHANNAHAN
Attn: Ellen B. Spellman, Esq.
225 Broadway, Suite 2100
San Diego, CA 92101

SPACE ABOVE FOR RECORDER'S USE

RANCH MAINTENANCE AGREEMENT

California Civil Code Section 1468

THIS RANCH MAINTENANCE AGREEMENT ("Agreement"), is executed as of October 13, 1986, by and among the undersigned owners of land (collectively "the Owners"), with reference to the following facts:

RECITALS

A. The Owners are the owners of the land described in attached Exhibit "A-1" ("Rancho Del Oro Property"). A map of the Rancho Del Oro Property is attached as Exhibit "A-2".

B. The Rancho Del Oro Property is covered by a Specific Plan [S-1-84] ("Specific Plan") approved by the City of Oceanside ("City").

C. Rancho Del Oro Developments, a California general partnership ("Developer"), has developed portions of the Rancho Del Oro Property, and Developer intends to develop the remainder of the Rancho Del Oro Property pursuant to the Specific Plan, as a planned community with residential, commercial and industrial projects which will generally be known as Rancho Del Oro. Developer is also one of the Owners.

D. In connection with the development of the Rancho Del Oro Property, Developer has caused, and intends to cause, certain improvements ("Improvements") from time to time to be constructed or installed within (i) certain portions of the rights-of-way of certain major public streets serving Rancho Del Oro ("Major Ranch Streets"), (ii) certain slope areas adjacent to Major Ranch Streets over which an easement for landscaping purposes has been or will be dedicated to the City, and (iii) certain slope areas adjacent to College Boulevard owned by parties other than the Owners over which an easement for landscaping purposes has been or will be granted to Developer, its successors and assigns (collectively, "Maintenance Areas"). The location of the Major Ranch Streets and the Maintenance Areas as of the date of this Agreement is shown on attached Exhibit "B". Such Improvements may be installed and constructed by Developer or by builders or other developers ("Builders") who acquire ownership of portions of the Rancho Del Oro Property.

easements will be conveyed to the City by the Builder who has installed or constructed the same.

F. Pursuant to the Specific Plan and the conditions of City approvals of development of portions of the Rancho Del Oro Property, the Owners are required to perform certain obligations related to maintenance of the Improvements (collectively, "Maintenance Obligations"). The Maintenance Obligations include, but are not limited to, the obligation (i) to maintain, repair and replace certain of the Improvements, (ii) to pay the cost (or a portion of the cost) of City maintenance of other Improvements, and (iii) to supply to the City replacements for certain Improvements which are not City-standard improvements. The Maintenance Obligations shall be more specifically set forth in a written agreement executed by City and Developer (as the Administrator hereunder), as the same may be modified from time to time ("Street Maintenance Agreement").

G. The City shall grant a license to the Owners, acting through the Administrator, to enter onto the Maintenance Areas owned by City for purposes of performing the Maintenance Obligations.

H The private landscaping easements granted to Developer adjacent to College Boulevard shall provide that the Improvements located on such easements shall be maintained in accordance with the Maintenance Obligations described in the Street Maintenance Agreement, and that, upon completion of such Improvements, Developer shall transfer the easements to the Owners, acting through the Administrator, who shall have the right to enter onto such Maintenance Areas for purposes of performing the Maintenance Obligations.

I. All of the Improvements will benefit and enhance the value of each and every portion of the Rancho Del Oro Property.

J. The Owners desire to provide in this Agreement for the (i) performance of the Maintenance Obligations in accordance with the Street Maintenance Agreement, (ii) sharing of the cost of performing the Maintenance Obligations by means of assessments that will be levied against each of the Owners, and (iii) administration, supervision and management related to performance of such Maintenance Obligations, all in accordance with the provisions of this Agreement.

NOW, THEREFORE, pursuant to California Civil Code Section 1468 and in consideration of the covenants herein contained, each of the Owners hereby agrees and covenants with each other as follows:

ARTICLE 1
DEFINITIONS

1.1 "Administrator" means the person appointed pursuant to Article 2 of this Agreement to act on behalf of the Owners and perform the duties and exercise the rights described therein.

1.2 "Annexation Property" means certain real property identified on Exhibit "C" which is adjacent to one or more Major Ranch Streets and which may from time to time be annexed to the Rancho Del Oro Property and made subject to this Agreement pursuant to Section 1?.3.

1.3 "Builder" means an Owner, including Developer, which has constructed or installed Improvements in any of the Maintenance Areas, or has provided to the City security for the completion of such Improvements, pursuant to the conditions of City approval of any Final Map, Development Plan or other development permit or approval granted by the City, or a successor Owner responsible for satisfying such conditions of approval.

1.4 "City" means the City of Oceanside, California, a municipal corporation.

1.5 "Development CC&Rs" means the Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Planned Community recorded on December 27, 1985, as File No. 85-490781 of the Official Records of San Diego County, California, as modified from time to time.

1.6 "Development Plan" means a development plan for a specific site within the Rancho Del Oro Property which has been approved by the City pursuant to Article 16 of the City's Zoning Ordinance, or any successor ordinance.

1.7 "Developed Parcel" shall have the meaning specified in Section 5.1. The Developed Parcels are shown on Exhibit "D".

1.8 "Developer" means Rancho Del Oro Developments, a California general partnership.

1.9 "EDU" means an equivalent dwelling unit, which is a unit of measurement used to allocate voting rights and assessments among portions of the Rancho Del Oro Property, as further described in Article 5.

1.10 "Final Map" means a recorded final subdivision or parcel map affecting any portion of the Rancho Del Oro Property, excluding the Master Subdivision Map but including an Implementing Final Map for any property covered by the Master Subdivision Map.

1.11 "Implementing Final Map" or "Implementing Development Plan" means a Final Map or Development Plan for a portion of the Rancho Del Oro Property covered by the Master Subdivision Map which permits development of such portion.

1.12 "Improvements" means landscaping and certain improvements, facilities, signs and street furniture which are specialized for the Rancho Del Oro Property and are not standard City items, provided that such Improvements: (i) are constructed or installed within the Maintenance Areas; (ii) are constructed or installed in accordance with the Specific Plan, the PRD Master Plan (if applicable), the Master Landscape Plan, drawings approved by the RDO Planning Board (street improvement, landscape and irrigation and/or underground utility drawings, whichever are applicable), and applicable City standards, requirements and conditions of approval; and (iii) with respect to which, one or more Owner(s) have Maintenance Obligations, which Maintenance Obligations may be transferred to all of the Owners in accordance with this Agreement. The Improvements may include, but are not limited to, street lights, traffic signs and signals, fire hydrants, sidewalks, street signs, street furniture, benches, bus stops, entry monument signs, community directional signs, drainage facilities, landscaping and irrigation systems, underground utilities and improvements, and specialized paving located within certain public rights-of-way.

1.13 "Maintenance Areas" means: (i) certain portions of the rights-of-way of Major Ranch Streets; (ii) slope areas adjacent to Major Ranch Streets over which a landscaping easement has been or will be dedicated to the City; and (iii) certain slope areas adjacent to College Boulevard, over which a landscaping easement has been or will be granted to Developer, its successors and assigns. The location of the Maintenance Areas as of the date of this Agreement is shown on Exhibit "B;" provided, however, the rights-of-way and easement areas shown on Exhibit "B" may be modified subsequently, from time to time, as shown on a Final Map or other recorded instrument evidencing the dedication or offer of dedication of the same to the City, or the granting of an easement to Developer, its successors and assigns in the case of those slope areas adjacent to College Boulevard owned by parties other than the Owners.

1.14 "Maintenance Obligations" means the obligation of one or more Owner(s) with respect to maintenance of any Improvements pursuant to the terms of a landscaping easement or the conditions of approval of any Final Map, Development Plan or other development permit or approval granted by City, which obligations shall be further described in the Street Maintenance Agreement and may be transferred to all of the Owners in accordance with this Agreement. The Maintenance Obligations may include, without limitation, the obligation: (i) to maintain, repair and replace certain of the Improvements; (ii) to pay the cost (or a portion of the cost) of City maintenance of other Improvements; and (iii) to supply to the City replacements for certain Improvements which are not City-standard improvements.

1.15 "Major Ranch Streets" means those public streets identified on the Circulation System for Rancho Del Oro included in the Specific Plan as Ranch Prime Arterial, Ranch Major Arterial, Ranch Secondary Arterial or Ranch Collector. The Major Ranch Streets are identified on Exhibit "B."

1.16 "Master Landscape Plan" means the Master Landscape Plan for Rancho Del Oro approved by the City pursuant to the Specific Plan, as modified from time to time.

1.17 "Master Subdivision Map" means, collectively, Rancho Del Oro Master Subdivision Map East/Map No. 11409 and Rancho Del Oro Master Subdivision Map West/Map No. 11410 filed in the Office of the County Recorder of San Diego County, California, on December 27, 1985. The Master Subdivision Map covers a portion of the Rancho Del Oro Property, including all property designated for residential use.

1.18 "Owner" means the person(s) who hold(s) record fee simple title to any portion of the Rancho Del Oro Property (or the holder of a ground leasehold interest in any such portion who assumes the obligations of the Owner hereunder), including Developer and Builders, for so long as such person holds such title, but excluding persons who hold title as security for the performance of an obligation.

1.19 "PRD Master Plan" means the Rancho Del Oro Planned Residential Development (PRD) Master Plan approved by the City on October 15, 1985, as amended from time to time, which covers those portions of the Rancho Del Oro Property which are designated for residential development.

1.20 "Rancho Del Oro Property" means the real property described on attached Exhibit "A" and any of the Annexation Property which has been annexed thereto pursuant to Section 12.3.

1.21 "RDO Planning Board" means the Rancho Del Oro Planning and Development Board established pursuant to the Development CC&Rs or the Technology Park CC&Rs, whichever is applicable.

1.22 "Specific Plan" means the Rancho Del Oro Specific Plan (S-1-84) approved on October 15, 1985 by Resolution No. 85-238 adopted by the Oceanside City Council, as modified from time to time

1.23 "Street Maintenance Agreement" means the agreement to be executed by the City and Developer (as the Administrator hereunder) describing the Maintenance Obligations for the Improvements, as the same may be modified from time to time.

1.24 "Technology Park CC&Rs" means the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Technology Park recorded on September 21, 1984 as File No. 84-358564 of the Official Records of San Diego County, California, as modified from time to time.

1.25 "Undeveloped Parcel" shall have the meaning specified in Section 5.1. The Undeveloped Parcels are shown on Exhibit "D".

ARTICLE 2
THE ADMINISTRATOR

2.1 Establishment. To give effect to the provisions contained in this Agreement, a person or legal entity ("person") to be known as "the Administrator" shall be appointed as herein provided to perform all of the duties and exercise all of the rights that have been imposed upon or granted to the Administrator under this Agreement

2.2 Appointment of Developer. The first Administrator will be Developer. During its term as the Administrator, Developer will have the power to assign all of its rights and obligations as the Administrator to another person pursuant to a written instrument which (i) specifically sets forth the assignment of all such rights and obligations to the assignee and the acceptance and assumption of such rights and obligations by the assignee, (ii) is signed by Developer and such assignee, with the signatures being appropriately acknowledged, and (iii) is filed for record in the Office of the County Recorder of San Diego County, California. Developer and any such successor Administrator designated by Developer will serve as the Administrator until the earlier to occur of: (i) the death or dissolution of such Administrator, (ii) that date which is ten years following the date of recordation of this Agreement, (iii) that date which is 90 days after the date notice of resignation has been given by such Administrator to the Owners, (iv) that date which is 90 days after the date such Administrator ceases to own any portion of the Rancho Del Oro Property, or (v) that date which is 90 days after the date on which the Owners, by vote of Owners holding at least 75% of the total voting power of the Owners (as described in the Article hereof entitled "Voting Rights of Owners"), vote to remove such party as the Administrator unless a shorter period of time has been set by such vote.

2.3 Appointment by Owners. Upon termination of the term of Developer or any successor Administrator designated by Developer, the Owners shall, by the vote of Owners holding at least a majority of the total voting power of the Owners, appoint a new Administrator to perform the duties and exercise the rights of the Administrator set forth in this Agreement.

Each such person appointed as the Administrator shall serve until the earlier to occur of (i) the death or dissolution of such party, (ii) that date which is 90 days after the date notice of resignation has been given by such person to the Owners, or (iii) that date which is 90 days after the date on which such person has been removed as the Administrator by the vote of Owners holding at least a majority of the total voting power of the Owners, unless a shorter period of time has been set by such vote. At any time, the Owners holding at least 5 percent of the total voting power of the Owners may make a good-faith objection to the continued service of an Administrator and notify the other Owners of such objection and the basis therefor. Such Owners who have expressed an objection may also mail a written ballot to all of the Owners which clearly presents to the Owners (i) the choice of voting either to retain any then current Administrator or to remove such then current Administrator, and (ii) one or more candidates to be voted on as a replacement for the then current Administrator. If an Administrator is removed by the vote of the Owners as provided in this Article, the candidate named on the written ballots receiving the highest number of votes will be appointed as the new Administrator, but if such person refuses to be the Administrator, then the candidate receiving the next highest number of votes will be the new Administrator and so continuing until a candidate has agreed to be the new Administrator.

2.4 Non-Profit Corporation. Declarant, or the Owners by the vote of Owners holding at least a majority of the total voting power of the Owners, may form a non-profit corporation to act on behalf of the Owners hereunder. Each Owner shall be a member of such non-profit corporation upon its formation, with voting rights in proportion to the EDUs attributable to the portion of the Rancho Del Oro Property owned by such Owner, as described in Section 8.2 and Article 5 of this Agreement. If such a non-profit corporation is formed, the Administrator shall be appointed in accordance with the Bylaws of such non-profit corporation.

2.5 Compensation. The Administrator shall be entitled to receive a management fee for services performed under this Agreement equal to 4 percent of the annual assessments hereunder, which fee may be increased from time to time to reflect prevailing rates for comparable services. The Administrator shall also be entitled to receive interest at the rate of 10 percent per annum for any funds advanced by it. The Administrator may employ consultants, managers, experts and others to assist it in performing its duties and exercising its rights under this Agreement and appropriately compensate the persons providing such assistance.

2.6 Books, Accounts, Records. The Administrator will maintain adequate accounts, books and records of any business activities performed by the Administrator under this Agreement, including, but not limited to, maintaining (i) records of costs incurred for the repair, maintenance and replacement of Improvements, (ii) records of all assessments levied against and collected from the Owners under this Agreement, (iii) copies of all written ballots received from the Owners and (iv) a register of the names and addresses of the Owners. Each Owner will keep the Administrator at all times currently informed of its address and of any change in ownership of a portion of the Rancho Del Oro Property involving such Owner. The Administrator shall furnish copies of any or all of its accounts, books and records to any Owner upon such Owner's request and at such Owner's expense.

2.7 Powers. The Administrator is hereby irrevocably appointed as the attorney-in-fact for every Owner to:

2.7.1 Maintain bank account(s) for funds coming under the control of the Administrator.

2.7.2 Levy assessments as permitted under this Agreement.

2.7.3 Contract for and maintain fire, casualty, liability, worker's compensation, medical, hospital and other insurance insuring the Owners and itself, all as a reasonable and prudent businessman may deem appropriate or as may be required by this Agreement.

2.7.4 Contract, provide and pay for maintenance, repair, replacement, gardening and other services for which the Administrator has a duty or a right pursuant to this Agreement to undertake, including, without limitation, employment of legal and accounting services.

2.7.5 Contract for and purchase or lease tools, equipment, materials, supplies and other personal property and services consistent with its duties and rights under this Agreement.

2.7.6 Contract for and pay for reconstruction of any of the Improvements that may be damaged or destroyed from any cause whatsoever, where the Administrator has a duty or right pursuant to this Agreement to do so.

2.7.7 Take any other actions required to perform the Maintenance Obligations in accordance with the Street Maintenance Agreement.

2.7.8 Enter at all reasonable times any portion of the Rancho Del Oro Property when reasonably necessary in connection with the performance or exercise of its duties and rights under this Agreement.

2.7.9 Prosecute or defend, in the name of the Owners, any action affecting or relating to the Maintenance Obligations or the duties and rights of the Administrator hereunder, including, without limitation, enforcement and collection of any assessments that have been levied against an Owner pursuant to this Agreement.

2.7.10 Take actions reasonably required to form an assessment district and delegate any appropriate Maintenance Obligations to such district as described in Section 4.2.

2.7.11 Undertake to perform such other acts as are consistent with this Agreement or will further the objectives of this Agreement.

2.8 Authority. Any contract entered into or instrument executed by the Administrator pursuant to this Agreement will be (i) valid and subsisting according to the tenor of such contract or instrument and (ii) a charge upon all cash, bank accounts and other personal property authorized under this Agreement and under the control of the Administrator. So long as the Administrator acts within the scope of its authority as the Administrator, it will not have any personal liability under any such contract or instrument; however, the foregoing shall not be construed to relieve any Administrator who is also one of the Owners from liability as one of the Owners.

ARTICLE 3
THE IMPROVEMENTS

3.1 Transfer of Maintenance Obligations. Any Builder which has constructed or installed Improvements in any of the Maintenance Areas, in accordance with improvement plans and specifications approved by the City and in conformance with the Specific Plan, the PRD Master Plan (if applicable), the Master Landscape Plan, and other applicable City standards, requirements, and conditions of approval, shall transfer fully to all of the Owners under this Agreement the Maintenance Obligations with respect to such Improvements, subject to the conditions of any applicable City approval, the Street Maintenance Agreement, and the provisions of this Article. Prior to construction or installation of any Improvements, improvement drawings (consisting of street improvements, landscape and irrigation and/or underground utility drawings, whichever are applicable) substantially in accordance with the Master Landscape Plan and other criteria described above shall have been prepared by the Builder and approved by the RDO Planning Board pursuant to the Development CC&Rs or the Technology Park CC&Rs, whichever is applicable.

3.2 Procedure for Transfer. Any transfer by a Builder after the date of recordation of this Agreement, as described in Section 3.1 above, will be effected as follows:

3.2.1 Notice of Proposed Transfer. The Builder will first deliver to the Administrator a written notice of the proposed transfer signed by the Builder, in a form prescribed by the Administrator ("the Notice of Proposed Transfer"). The Notice of Proposed Transfer will (i) specifically describe in reasonable detail all of the Improvements within Maintenance Areas for which such Builder proposes to transfer the Maintenance Obligations, (ii) have attached thereto a complete copy of "as built" plans and specifications for the Improvements, (iii) contain a certification that all of the Improvements described therein have been completed in a good, workmanlike and lien-free manner in accordance with all applicable City requirements and the Master Landscape Plan, and (iv) have attached thereto written evidence of the City's acceptance of Improvements within the public rights-of-way and the City's release of all performance and labor and material bonds or other security provided to secure completion of the Improvements described therein. The Administrator may require that each transfer consist of a reasonable increment of Improvements.

3.2.2 Correction of Deficiencies. Within 30 days following the Administrator's receipt of the Notice of Proposed Transfer, the Administrator and the Builder will schedule a walk-through to inspect all of the Improvements. In the course of such walk-through, the Administrator and the Builder will prepare a written list of all defects and deficiencies in the Improvements that have been noticed by either the Administrator or the Builder. A copy of this list will be kept by the Administrator and by the Builder. Within 90 days following the walk-through, the Builder will cause all defects and deficiencies to be fully remedied and will schedule a second walk-through with the Administrator. Within 30 days following this second walk-through, and provided that all defects and deficiencies have been fully remedied, the Administrator will notify the Builder that it has approved all of the Improvements. If necessary, additional walk-throughs will be conducted by the Builder and the Administrator until the Administrator has satisfied itself that all defects and deficiencies have been remedied and has given written notice of its approval of the Improvements to the Builder. The Administrator will not unreasonably withhold its approval of the Improvements.

3.2.3 Notice of Transfer. Upon receipt from the Administrator of written notice of approval of the Improvements, the Builder may at any time thereafter deliver a written notice of transfer of the Maintenance Obligations with respect thereto, in a form prescribed by the Administrator ("the Notice of Transfer"). The Notice of Transfer will set forth the same information and have the same attachments as were set forth in, and attached to, the Notice of Proposed Transfer, except to the extent that all such information has changed or become modified since the Notice of Proposed Transfer was given.

3.2.4 Effective Date of Transfer. The transfer will be deemed to have been effected on the 31st day following receipt by the Administrator of the Notice of Transfer ("the Effective Date"). Provided, however, in no event shall the transfer be effective until each of the following have occurred: (i) completion of the Improvements; (ii) acceptance by the City of all Improvements within public rights-of-way (to the extent the type of Improvement is normally accepted by the City); (iii) release by the City of all performance and labor and material bonds or other security provided by the Builder or any other party to secure completion of the Improvements; and (iv) expiration of 90 days after City acceptance or expiration of the applicable period for filing mechanics' liens, whichever occurs first. Commencing on the Effective Date, the Administrator will become responsible for the Maintenance Obligations with respect to the Improvements described in the Notice of Transfer to which such Effective Date pertains.

3.3 Responsibility Prior to Transfer. Neither the Owners nor the Administrator will have any responsibility for the Maintenance Obligations with respect to any Improvements until the responsibility therefor has been transferred to the Owners in accordance with the provisions of this Article. Prior to the Effective Date of such transfer, the Builder which has constructed or installed the Improvements shall remain fully responsible for all Maintenance Obligations with respect to such Improvements, for maintaining such insurance as may be reasonably appropriate, and for compliance with all applicable City requirements in connection therewith.

3.4 Builder's Warranty. Notwithstanding anything contained in this Agreement to the contrary, a Builder, which transfers the Maintenance Obligations with respect to any Improvements pursuant to this Article, warrants that such Improvements will be free from defects in material or workmanship for a period of time expiring on the date of expiration of any express warranties with respect to such Improvements that have been given by such Builder to the City. Any defects in Improvements that are covered by a Builder's warranty in favor of the Owners or the City will be promptly remedied by such Builder at its sole cost and expense. In addition, such Builder will indemnify and hold harmless the Administrator and all other Owners from any liability (including, without limitation, attorneys' fees and court costs) arising from any defects in Improvements which are covered by the foregoing warranty.

3.5 Ownership of Improvements. Neither the Owners nor the Administrator will have any duty or obligation to accept ownership of any Improvements for which a Builder has transferred the Maintenance Obligations under this Agreement. It is intended that (i) ownership of Improvements within the public rights-of-way will be transferred to the City, (ii) ownership of Improvements within slope landscaping easements dedicated to the City will be transferred to the City or to an association of Owners of an appropriate portion of the Rancho Del Oro Property or to the Owners of such portion in undivided interests, and (iii) ownership of Improvements within slope landscaping easements granted by owners other than the Owners will be owned by such owners. Ownership of Improvements shall remain in the builder constructing or installing the same until ownership is transferred to the City or to an Owners' association or to such Owners or owners.

ARTICLE 4
REPAIR, REPLACEMENT AND MAINTENANCE OF IMPROVEMENTS

4.1 Administrator's Obligations Upon commencement of the Administrator's responsibility for the Maintenance Obligations with respect to any Improvements, the Administrator will at all times thereafter perform and comply with the terms and conditions of the Street Maintenance Agreement with respect to such Improvements. It is anticipated that the Street Maintenance Agreement will provide that the City will maintain, repair and replace those Improvements which affect traffic and public safety (such as street lights, street pavement, traffic signs, traffic signals and fire hydrants) and that the Administrator (on behalf of the Owners) will maintain, repair, and replace other Improvements which do not affect traffic and public safety (such as sidewalks, landscaping, irrigation facilities, bus stops and benches). It is anticipated that the Maintenance Obligations will include: (i) the Owners' obligation to pay certain costs incurred by the City in maintaining, repairing and replacing Improvements which are not City-standard improvements; (ii) the Owners' obligation to provide and supply to the City all items required for City repairs and replacements of such Improvements which are not City-standard items; and (iii) the Owners' obligation to perform actual maintenance, repairs and replacements for other improvements in accordance with the maintenance standards and requirements set forth in the Master Landscape Plan, the Street Maintenance Agreement and other applicable City standards and requirements. The Administrator is hereby instructed and authorized to perform and comply with such maintenance obligations, standards and requirements.

4.2 Termination of Street Maintenance Agreement. In the event the Street Maintenance Agreement between the Developer and the City becomes terminated for any reason, the Administrator will continue to repair, maintain and replace those Improvements (such as landscaping and irrigation facilities) for which the Administrator was previously performing actual maintenance work, at the same level of care as was previously undertaken by the Administrator or in accordance with such other reasonable standards and requirements as the Administrator then deems appropriate in light of circumstances then existing which a prudent and reasonable businessman would take into consideration in undertaking the repair, maintenance and replacement of such Improvements, to the extent the City continues in effect the Owners' right, acting through the Administrator, to enter onto the Maintenance Areas for this purpose. Provided, however, such maintenance shall meet the minimum standards generally applicable to public rights-of-way within the City. Provided further, the Administrator shall not be required to assume actual maintenance of Improvements which affect traffic and public safety for which the City previously performed the actual maintenance.

4.3 Assessment District. The Owners acknowledge that the Specific Plan anticipates that the City will form one or more assessment districts to perform all or a portion of the Maintenance Obligations. The Owners hereby consent to the initiation and formation of such assessment district(s) and agree to cooperate with Developer and the City by executing all consents and other documents reasonably required to establish the same. In the event any assessment district is established with respect to all or a portion of the Rancho Del Oro Property, the Administrator shall transfer all or any appropriate portion of its Maintenance Obligations under this Agreement to such assessment district and, upon the acceptance and assumption by the assessment district of such responsibilities, the Administrator and the Owners will thereafter have no further obligation or liability with respect to the Maintenance Obligations which have been transferred. Provided, however, if any such assessment district is terminated or fails or declines to continue to perform any of the Maintenance Obligations transferred to the district, with respect to all or any portion of the Improvements, then the Administrator shall re-assume and thereafter perform such responsibilities, to the extent the City continues in effect the Owners' right, acting through the Administrator, to enter onto the Maintenance Areas for this purpose.

ARTICLE 5
EQUIVALENT DWELLING UNITS

5.1 General Purpose. Each Owner shall be subject to assessments for costs incurred by the Administrator in performing its obligations under this Agreement, as provided in Article 6. For purposes of allocating assessments among Owners, each portion of the Rancho Del Oro Property will be classified as a "Developed Parcel" or an "Undeveloped Parcel," and each Parcel will be assigned a number of EDUs, as described in this Article 5. Each Owner shall pay assessments in proportion to the EDUs assigned to the Parcels owned by such Owner.

5.2 Developed Parcels and Undeveloped Parcels Defined. The Rancho Del Oro Property is comprised of "Developed Parcels" and "Undeveloped Parcels." The Developed Parcels consist of each portion of the Rancho Del Oro Property (i) which is covered by the Master Subdivision Map and for which an Implementing Final Map has been recorded or an Implementing Development Plan has been approved by the City, or (ii) which is not covered by the Master Subdivision Map but is covered by a Final Map or Development Plan. The Undeveloped Parcels consist of each portion of the Rancho Del Oro Property which is covered by the Master Subdivision Map but is not covered by a recorded Implementing Final Map or an approved Implementing Development Plan. The Developed Parcels and the Undeveloped Parcels, as of the date of recordation of this Agreement, are identified on attached Exhibit "D;" however, (i) an Undeveloped Parcel may subsequently become a Developed Parcel concurrently with the recording of an Implementing Final Map or approval by the City of an Implementing Development Plan encompassing such Undeveloped Parcel; or (ii) a Developed Parcel may subsequently become an Undeveloped Parcel concurrently with the cancellation of the Final Map or Implementing Final Map and reversion of such Developed Parcel to acreage pursuant to the California Subdivision Map Act.

5.3 EDUs Defined. For the purposes of allocating among all of the Owners, the total cost incurred by the Administrator under this Agreement with respect to (i) the performance of the Maintenance Obligations, (ii) the performance of administrative and other duties, and (iii) the exercise of all rights herein granted to the Administrator, all Developed Parcels and Undeveloped Parcels will be deemed to consist of equivalent dwelling units ("EDUs") in the proportion and in the manner set forth in this Article. No EDUs shall be allocated to land which is designated for public or common recreational uses or as an open-space area.

5.4 EDU Computation for Developed Parcels. With respect to each Developed Parcel:

5.4.1 Residential Property. If such Developed Parcel is designated for residential development under the Specific Plan, the Developed Parcel will be deemed to have a total number of EDUs equal to (i) the total number of single-family dwelling lots (excluding "tot lots," if any) approved by the Implementing Final Map, as modified by an Implementing Development Plan, for such Developed Parcel or (ii) if more than one dwelling unit may be constructed on any lot created by such Implementing Final Map, the maximum number of dwelling units that the Implementing Final Map, as modified by an Implementing Development Plan, permits to be constructed on such Developed Parcel. For example: (i) if an Implementing Final Map and Development Plan for a Developed Parcel creates 100 single-family dwelling residential lots, then such Developed Parcel shall be assigned

100 EDUs; and (iii) if an Implementing Final Map and Development Plan for a Developed Parcel creates two lots for a condominium project with approval to construct 50 condominium units on each lot, then such Developed Parcel shall be assigned 100 EDUs. If any Developed Parcel covered by the PRD Master Plan is developed for any use permitted thereunder which does not include Dwelling Units (such as a greenhouse, day care facility, residential care facility or a church), the EDUs allocated to such Developed Parcel shall be determined under the provisions of Section 5.4.2 as if it were non-residential property.

5.4.2 Non-Residential Property. If such Developed Parcel is designated for nonresidential development under the Specific Plan, such as commercial, office or industrial development, the Developed Parcel will be deemed to have a total number of EDUs equal to the product (rounded off to the nearest whole number) determined by multiplying the gross area of such Developed Parcel (rounded off to the nearest whole acre) times six. For example, a Final Map for a Developed Parcel which encompasses nonresidential land having a gross area of 120 acres will be deemed to have a total number of EDUs equal to 720 EDUs. Thus, such Developed Parcel is deemed to have six EDUs for each gross acre of land. "Gross area" as used in this Section will mean the gross area of a Developed Parcel (as shown on the most recently recorded Final Map) rounded off to the nearest whole acre, but excluding any (i) Maintenance Areas, (ii) open-space areas which are owned by an association of Owners of a portion of the Rancho Del Oro Property or by the Owners of such a portion in undivided interests, or which is subject to an easement for the benefit of such Owners, and (iii) other areas which have been dedicated to the City or other governmental agencies.

5.5 EDU Computation for Undeveloped Parcels. With respect to each Undeveloped Parcel:

5.5.1 Non-Residential Property. If such Undeveloped Parcel is designated for non-residential development under the Specific Plan, the Undeveloped Parcel will be deemed to have a total number of EDUs equal to the product (rounded off to the nearest whole number) determined by multiplying the gross area of such Undeveloped Parcel (rounded off to the nearest whole acre) times six-tenths. For example, if the gross area of a non-residential Undeveloped Parcel is 70 acres, such Undeveloped Parcel will be deemed to have 42 EDUs. Thus, each such Undeveloped Parcel will be deemed to have six-tenths of an EDU for each one gross acre of land. "Gross area" as used in this Section 5.5.1 shall have the meaning described in Section 5.4.2.

5.5.2 Residential Property. If such Undeveloped Parcel is designated for residential development under the Specific Plan, the Undeveloped Parcel will be deemed to have a total number of EDUs equal to six-tenths times the current Allocation of dwelling units for such parcel set forth in the Residential Density Management Table maintained by the City pursuant to the Specific Plan, as amended from time to time.

5.6 Determination of Gross Area. The Administrator may rely on the acreage shown on the most recently recorded Final Map and other information provided to it by Developer with respect to the gross area of any Developed Parcel or Undeveloped Parcel. Any Owner may (i) employ a surveyor or civil engineer, licensed by the State of California, to measure the gross area of any Developed Parcel, Undeveloped Parcel or any portion of either owned by such Owner and (ii) submit the gross area as determined in writing by such surveyor or civil engineer to the Administrator for the purpose of computing the EDUs attributable to such land. The Administrator will not unreasonably withhold its approval of any such measurement of gross area that has been submitted to it by an Owner; however, by making such a submission, an Owner will be deemed to authorize the Administrator to contact the surveyor or civil engineer preparing such measurement for the purposes of discussing the manner in which such measurement was made and the basis of all information relied upon by the surveyor or engineer in the preparation of such measurement.

5.7 Division of Ownership. If the ownership of any Developed Parcel or Undeveloped Parcel becomes fractionalized into two or more ownership interests (excluding any fractionalizing into undivided interests), the Administrator will, upon being notified of such fractionalization by the concerned Owner(s), recompute the total number of EDUs with respect to each legally subdivided portion held in separate ownership. For example, if an Owner of a Developed Parcel containing 120 gross acres which is to be developed with commercial improvements sells 20 acres to another Owner, then the remaining 100 gross acres will be deemed to consist of 600 EDUs and the 20 gross acres that were sold will be deemed to consist of 120 EDUs.

ARTICLE 6
ASSESSMENTS

6.1 Authorization to Levy Assessments. The Administrator has and shall have the right and power to make, from time to time, reasonable assessments upon the Rancho Del Oro Property to meet anticipated authorized expenditures of the Administrator under this Agreement and to change from time to time the amount, installments and/or frequency of payment of assessments. Changes in the amount of the assessments may be made, for example, to reflect (i) the transfer of Maintenance Obligations for additional Improvements, (ii) the conversion of an Undeveloped Parcel into a Developed Parcel, or (iii) the annexation of property pursuant to Section 12.3. Such expenditures of the Administrator shall include the establishment of an adequate reserve fund for the Maintenance Obligations for which the Administrator is responsible under this Agreement.

6.1.1 Approval of Owners. No increase or decrease in the amount of such reasonable assessments for anticipated authorized expenditures of the Administrator in any one fiscal year which exceeds 20 percent of the regular assessment for the immediately preceding fiscal year may be made without the vote or written ballot of a majority of the total voting power of the Owners. The foregoing limitation does not apply to assessment increases (i) for the maintenance, repair or replacement of the Improvements, including, but not limited to, the payment of insurance premiums, the payment of utility bills, and funding of reserves or (ii) to address emergency situations.

6.1.2 Owner's Share Each Owner shall be assessed separately for a share of such anticipated authorized expenditures, which share shall be levied against each Owner according to the ratio of the number of EDUs attributable to the portion of the Rancho Del Oro Property owned by the Owner assessed to the total number of EDUs attributable to the Rancho Del Oro Property. For example, each lot approved for use as a single family residential dwelling will be assigned one (1) EDU.

6.1.3 Notice of Assessments. Separate written notices of the making of such assessment (including in such notice the amount thereof and the frequency of payment) shall be deposited into the United States mail, postage prepaid, directed to the attention of each Owner, bearing the address to which such Owner shall have directed the Administrator to deliver such notice, at least 60 days prior to the beginning of a fiscal year.

6.1.4 Fiscal Year. The Administrator may establish any 12-month period as a fiscal year for the purposes of this Agreement.

6.2 Special Assessments. The Administrator may also levy and collect special assessment(s) for the purposes described in Section 7.2 in the same manner as regular assessments are levied and collected as described in Section 6.1. The amount of any such special assessment, together with any late payment penalty incurred pursuant to this Article, costs and reasonable attorneys' fees in the event enforcement is commenced, shall be and become a lien upon portions of the Rancho Del Oro Property in the same manner as regular assessments become a lien.

6.3 Late Charges and Other Costs. If the Administrator does not receive an Owner's payment of the entire amount of a regular or special assessment imposed upon the Owner's portion of the Rancho Del Oro Property pursuant to this Article within 15 days after the due date thereof, a late payment penalty by way of liquidated damages shall be immediately due from such Owner. Each of the Owners recognizes and acknowledges that the late payment of an assessment will cause the Administrator to incur additional costs and expenses in connection with its management, control, maintenance and preservation of the Improvements and that it is extremely difficult and impractical to ascertain the extent of such damages. Accordingly, each Owner shall pay to the Administrator a late payment penalty in an amount equal to the greater of (i) 10 percent of the delinquent assessment or (ii) $10 per EDU but not to exceed $100.

6.3.1 No Waiver. No late payment penalty may be imposed more than once for delinquency of the same payment; however, the imposition of a late payment penalty on any delinquent payment shall not eliminate nor supersede late payment penalties imposed on prior delinquent payments. Acceptance of any late payment penalty by the Administrator shall neither constitute a waiver of such Owner's default with respect to the late payment, nor prevent the Administrator from exercising any of its other rights and remedies hereunder or at law.

6.3.2 Attorney Fees, Interest, Etc. In addition to the late payment penalty described above, each Owner shall pay to the Administrator (i) the amount of reasonable attorneys' fees, court costs and other costs incurred by the Administrator in connection with the creation and/or foreclosure of a lien for delinquent regular or special assessments and (ii) interest on any delinquent regular or special assessments and reasonable costs incurred in collecting a delinquent assessment (and/or foreclosing an assessment lien), including reasonable attorneys' fees, at an annual percentage rate of 10 percent computed from 30 days after the delinquent assessment became due.

6.4 Commencement and Payment of Assessments. Regular assessments shall commence as to all of the Rancho Del Oro Property upon the first day of the first calendar month following the calendar month in which the Administrator first becomes responsible for the Maintenance Obligations with respect to any Improvements. Until such time as the Administrator shall change the same pursuant to Section 6.1, such assessments shall be due and payable monthly on the first day of each calendar month of each fiscal year.

6.5 Foreclosure of Assessment Lien. Any assessment made in accordance with this Agreement shall be a debt of each Owner assessed from the time the assessment is due. At any time after any assessments levied by the Administrator affecting any portion of the Rancho Del Oro Property owned by an Owner have become delinquent, the Administrator may file for record in the

Office of the County Recorder of San Diego County a notice of delinquency as to such portion, which notice shall state (i) all amounts which have become delinquent with respect to such portion and the costs (including attorneys' fees), late payment penalties and interest which have accrued thereon, (ii) the amount of any assessments relating to such portion which is due and payable although not delinquent, (iii) a description of the portion with respect to which the delinquent assessments are owed, (iv) the name of the record or reputed record Owner of such portion, (v) the name and address of the Administrator and (vi) such other information as may then be required by law. Such notice shall be signed by the Administrator.

6.5.1 Creation of Lien. Immediately upon recording of any notice of delinquency pursuant to Section 6.5 above, the amounts delinquent, as set forth in such notice, together with the costs (including attorneys' fees), interest and late payment penalties accruing thereon, shall be and become a lien upon the portion of the Rancho Del Oro Property described therein, which lien shall also become due and payable with respect to said portion following such recording, and all costs (including attorneys' fees), interest and late payment penalties accruing thereon. Said lien shall continue until the same has been released by the Administrator as herein provided. When a notice of delinquency has been recorded, such assessment shall constitute a lien upon the portion of the Rancho Del Oro Property described therein prior and superior to all other liens, except all taxes, bonds, assessments and other levies which, by law, would be superior thereto and the lien of any mortgage or deed of trust executed in good faith and for value and recorded prior to recordation of such notice of delinquency. Regardless of the date of recording, a lien pursuant to this Agreement shall be prior and superior to all other liens recorded pursuant to the Master Declaration or the Technology Park CC&Rs, or any homeowners' association or other association of Owners affecting any portion of the Rancho Del Oro Property.

6.5.2 Release of Lien. In the event the delinquent assessments and all other assessments which have become due and payable with respect to a portion of the Rancho Del Oro Property, together with all costs (including attorneys' fees), interest and late payment penalties which have accrued on such amounts, are fully paid or otherwise satisfied prior to the completion of any sale held to foreclose the lien provided for in this Article, the Administrator shall record a further notice, similarly signed, stating the satisfaction and releasing of such lien.

6.5.3 Foreclosure of Lien. Each assessment lien may be foreclosed as, and in the same manner as, the foreclosure of a mortgage or deed of trust upon real property under the laws of the State of California, or may be enforced by sale pursuant to Sections 2924, 2924(b), 2924(c) and 1367 of the California Civil Code, and to that end a power of sale is hereby conferred upon the Administrator. The Administrator, acting on behalf of the Owners, shall have the power to bid for the portion of the Rancho Del Oro Property that has been encumbered by an assessment lien at a foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid assessments, rent, attorneys' fees and late payment penalties shall be maintainable without foreclosing or waiving the lien securing the same.

6.6 Certificate Regarding Status of Payment. The Administrator shall furnish, upon demand by any person, a certificate setting forth whatever the assessments on a specified portion of the Rancho Del Oro Property have been paid. A properly executed certificate of the Administrator as to the status of assessments on a portion of the Rancho Del Oro Property is binding upon the Administrator and the Owners as of the date of its issuance.

6.7 No Exemption from Assessment. No Owner may exempt itself from personal liability for assessment levied by the Administrator, nor release the portion of the Rancho Del Oro Property owned by it from the liens and charges hereof by waiver of the use or enjoyment of any of its rights hereunder or by abandonment of said portion.

6.8 No Offsets. No offsets against any assessments will be permitted for any reasons, including, without limitation, a claim that the Administrator is not properly exercising its duties.

ARTICLE 7
DESTRUCTION; INSURANCE

7.1 Hazard Insurance. The Administrator shall keep insured against loss by perils under a multi-peril policy(ies) of hazard insurance all or appropriate portions of the Improvements with respect to which the Administrator has Maintenance Obligations, for the benefit of all Owners. The Improvements covered and the type and amount of coverage of such insurance shall be reasonably determined by the Administrator based upon the nature of the Improvements, the cost and availability of coverage, and prudent practices for similar improvements at the time. The name of the insured under each policy of such insurance shall be substantially "[Name of the Administrator], for use and benefit of individual owners," followed, if desired by either the Administrator or the insurance carrier(s), by the designation of the Owners. Authority to adjust losses covered by the Administrator's policy(ies) shall be vested in the Administrator, and the Administrator is hereby irrevocably appointed as the attorney-in-fact for every Owner for this purpose. Insurance proceeds shall be payable directly to the Administrator for the use and benefit of the Owners, as their interests may appear. The premiums for such policy shall be paid as a common expense by the Administrator.

7.1.1 Maintenance of Policies. Copies of all such insurance policies (or certificates thereof showing the premiums thereon to have been paid) shall be retained by the Administrator and open for inspection by Owners at any reasonable time(s). All such insurance policies shall (i) provide that they shall not be reducible or cancellable by the insurer, without first giving ten days' prior notice in writing to the Administrator and (ii) contain a waiver of subrogation by the insurer(s) against the Administrator and Owners.

7.1.2 Issuer Requirements. Said multi-peril policy(ies) of hazard insurance shall be issued by an insurance carrier which (i) has a financial rating by Best's Insurance Reports of Class B/VI or Class V (provided it has a general policy holder's rating of at least A) or better and (ii) is authorized to transact business within the State of California.

7.2 Replacement in the Event of Loss. In the event of any loss, damage or destruction of Improvements which the Administrator has an obligation to repair, maintain and replace. the Administrator shall cause the same to be replaced, repaired or rebuilt. If the cost of such replacement, repair or rebuilding exceeds the hazard insurance proceeds received therefor, the Administrator shall undertake to cause the same to be replaced, repaired or rebuilt. The cost of such replacement, repair or rebuilding shall be assessed to all of the Owners as provided in Section 6.2.

7.3 Liability Insurance. The Administrator shall procure and keep in force during the term hereof insurance (containing a "severability of interest" clause or endorsement) in the name of the Administrator and the Owners against any liability to the public (including the Owners) resulting from any occurrence in or about the Improvements with coverage in the amount of at least $1,000,000 per occurrence, for personal injury and/or property damage. Such insurance shall also provide coverage for any legal liability that results from lawsuits related to employment contracts to which the Administrator is a party. Premiums on such policy shall be paid as a common expense by the Administrator. The policy(ies) of such insurance shall contain a waiver of subrogation by the insurer's) against (i) the Administrator and (ii) the Owners.

7.4 Feasibility of Maintaining Insurance. The obligation of the Administrator to maintain the insurance specifically described in this Article will be subject to the continued a availability of insurance. If such insurance is no longer available or cannot be obtained at economically feasible rates, the Administrator may instead procure and keep in force other types of insurance providing coverage which is similar to that required by this Article or which, in the opinion of the Administrator, will reasonably protect the same interests of the Owners that this Article is intended to protect.

7.5 Other Insurance. The Administrator may also procure and keep in force such other policy or policies of insurance which it deems necessary and proper for the protection of the interests of the Owners under this Agreement.

ARTICLE 8
VOTING RIGHTS OF THE OWNERS

8.1 Applicability. On all matters which this Agreement requires or permits the vote of the Owners, the procedures set forth in this Article will apply.

8.2 Votes Attributable to Each Owner. Each Owner shall have, with respect to the portion of the Rancho Del Oro Property owned by such Owner, one vote for each EDU attributable to such portion. If ownership of a portion stands of record in the names of two or more persons (whether fiduciaries, husband and wife as community property, tenants by the entirety, or otherwise), their acts with respect to voting will have the following effect: (i) if only one such person votes, such act binds all or (ii) if more than one person votes, the act of the majority will bind them all, and if there is no majority vote the votes of all such owners shall be disregarded.

8.3 Action by Written Ballot. Unless a meeting of all of the Owners has been called by the Administrator or Owners holding at least 5 percent of the total voting power of all of the Owners by delivery of written notice to all Owners at least 60 days in advance of the date of the meeting being scheduled, any action to be taken by the Owners may be taken pursuant to a written ballot if the written ballot has been given to every Owner entitled to vote on the matter by the Administrator or Owners holding at least 5 percent of the total voting power of all of the Owners. Such written ballot shall (i) set forth the proposed action, (ii) state the percentage of approvals necessary to pass the proposed action, (iii) provide an opportunity to specify approval or disapproval of any proposed action and (iv) provide a reasonable time period within which to return the ballot to the Administrator or the group of Owners which distributed such ballot. Approval by written ballot pursuant to this paragraph will be valid only when the number of votes cast by ballot within the time specified herein equals to exceeds the percentage required to approve the proposed action. A written ballot may not be revoked.

ARTICLE 9
RIGHT OF OWNERS TO HAVE AGENTS

9.1 Appointment of Master Association. The Villages of Rancho Del Oro Association, Inc., a California nonprofit mutual benefit corporation (the "Master Association"), or any successor entity, which is more particularly described in the Master Declaration of Covenants, Conditions and Restrictions for The Villages of Rancho Del Oro (the "Master Declaration") recorded concurrently with this Agreement, is hereby irrevocably appointed as the attorney-in-fact to act for and on behalf of the Owners which own portions of the Rancho Del Oro Property subject to the jurisdiction of the Master Association for the purposes of (i) receiving notices or other information directed to such Owners from the Administrator, (ii) exercising the right to vote of such Owners, and (iii) approving any matter or action to be undertaken under this Agreement for which approval of Owners is required or may be desired by the Administrator. The Master Association shall assist the Administrator in collecting assessments from Owners subject to the Master Association's jurisdiction and, in this regard, the Master Association shall, at the request of the Administrator, collect any assessment levied under this Agreement against such Owners concurrently with the assessments levied by it under the Master Declaration, provided that such part of the assessment levied against such Owner will not exceed the amount that can be levied directly against such Owner under this Agreement, plus a reasonable administration charge which may be included by the Master Association. At the request of the Administrator, the Master Association shall file the notice of delinquency described in Section 6.5 with respect to any delinquent assessments owing under this Agreement which are to be collected by the Master Association.

9.2 Appointment of Planning Board. The Rancho Del Oro Planning and Development Board, a management entity (the "Planning Board"), or any successor entity, which is more particularly described in the Technology Park CC&Rs, is hereby irrevocably appointed as the attorney-in-fact to act for and on behalf of the Owners which own portions of the Rancho Del Oro Property subject to the jurisdiction of the Planning Board for the purposes of (i) receiving notices or other information directed to such Owners from the Administrator, (ii) exercising the right to vote of such Owners, and (iii) approving any matter or action to be undertaken under this Agreement for which approval of the Owners is required or may be desired by the Administrator. The Planning Board shall assist the Administrator in collecting assessments from Owners subject to the Planning Board's jurisdiction and, in this regard, the Planning Board shall, at the request of the Administrator, collect any assessment levied under this Agreement against such Owners concurrently with the assessments levied by the Planning Board under the Technology Park CC&Rs, provided such assessment collected by the Planning Board will not exceed the amount of the assessment that can be levied directly against such Owner under this Agreement, plus a reasonable administration charge which may be included by the Planning Board. At the request of the Administrator, the Planning Board shall file the notice of delinquency described in Section 6.5 with respect to delinquent assessments owing under this Agreement which are to be collected by the Planning Board.

9.3 Appointment of Developer. Developer, or any successor(s) of Developer to which the rights and duties under this Section have been assigned and which has accepted and assumed such rights and duties, is hereby irrevocably appointed as the attorney-in-fact to act for and on behalf of the Owners of all portions of the Rancho Del Oro Property which are not subject to the jurisdiction of either the Master Association or the Planning Board for the purposes of (i) receiving notices or other information directed to such Owners from the Administrator, (ii) exercising the right to vote of such Owners, and (iii) approving any matter or action to be undertaken under this Agreement for which approval of the Owners is required or may be desired by the Administrator. Developer shall assist Administrator in collecting assessments from Owners not subject to the jurisdiction of either the Master Association or the Planning Board and, in this regard, Developer may collect any assessment levied under this Agreement, against such Owners concurrently with any assessment that can be levied by Developer or any management entity against such Owners, provided that such assessment collected by Developer or such management entity will not exceed the amount of the assessment that can be levied against such Owner under this Agreement, plus a reasonable administration charge which may be included by Developer. At the request of the Administrator, Developer or such management entity shall file the notice of delinquency described in Section 6.5 with respect to any delinquent assessments owing under this Agreement which are to be collected by Developer or such management entity. Developer reserves the right, with respect to any portion of the Rancho Del Oro Property not subject to the jurisdiction of either the Master Association or the Planning Board, to assign in writing its rights and duties under this Section to any management body or entity that may be formed by the Owners of such portion to govern, manage or exercise any rights or duties for such portion. Upon such assignment, Developer shall be released from the rights and duties assigned.

ARTICLE 10
SCOPE, ENFORCEMENT

10.1 General Plan Character. The covenants and equitable servitudes set forth in this Agreement constitute a general scheme for the benefit of each and every portion of the Rancho Del Oro Property and all of the Owners thereof. Said covenant and equitable servitudes are imposed on each and every portion of the Rancho Del Oro Property for the benefit of each and every other portion of the Rancho Del Oro Property, as well as the present and future owners thereof. Said conditions and equitable servitudes are and shall be covenants running with the land or equitable servitudes, as the case may be.

10.2 Enforcing Persons. Breach of any of said covenants or equitable servitudes (or the continuation thereof) may be enjoined, abated or remedied by appropriate legal proceedings by (i) the Administrator, (ii) any Owner or its successors, any of whom is herein referred to as an "Enforcing Person," or (iii) the City, but only with respect to Article 4 and Section 12.1. Notwithstanding the foregoing, nothing in this Agreement shall be construed to waive, limit or impair any rights or remedies which the City may have pursuant to applicable City rules, ordinances or requirements.

10.3 No Waiver. The failure of any Enforcing Person to enforce any of said covenants or equitable servitudes shall not constitute a waiver of the right to enforce the same therefor. No liability shall be imposed on or incurred by any Enforcing Person as a result of such failure.

10.4 Attorneys' Fees. The prevailing party in any action at law or in equity instituted by an Enforcing Person(s) to enforce or interpret the covenants or equitable servitudes contained herein shall be entitled to all costs incurred in connection therewith, including, but not limited to, court costs and reasonable attorneys' fees.

10.5 Compliance with Laws. The Administrator and each Owner shall at all times comply with any laws, ordinances or regulations of the City, duly enacted thereby, and any other provision, regulation or requirement of any other governmental body, and nothing in this Agreement is intended to be, nor shall be deemed to be, a waiver of, or promulgation contrary to, any such law, ordinance or regulation. No provision of this Agreement is intended to nor shall it be deemed to constitute any delegation by the City, or any other governmental body, to the Administrator, of any of the City's rights to enforce or impose any ordinances, regulations or policies upon the Administrator, any property owner/occupant, or any property covered by this Agreement.

ARTICLE 11
ANNUAL BUDGETS AND REPORTS

11.1 Budget. The Administrator shall cause a budget for each fiscal year to be regularly prepared and distributed to all Owners, not less than 45 days nor more than 60 days prior to the beginning of each fiscal year after assessments under this Agreement have commenced. The budget shall contain the following information: (i) the estimated revenue and expenses of the Administrator on an accrual basis; (ii) the amount of the total cash reserves of the Administrator currently available for replacement or major repair of any Improvements and for contingencies; (iii) an itemized estimate of the remaining life of, and the method of funding to defer repair, replacement or additions to, major components of any Improvements for which the Administrator is responsible; and (iv) a general statement setting forth the procedures used by the Administrator in calculating and establishing reserves to defray the cost of repair, replacement or addition to, major components of any Improvements for which the Administrator is responsible.

11.2 Annual Report The Administrator shall cause to be prepared and distributed to all Owners, within 120 days after the close of each fiscal year, an annual report, which shall include: (i) a balance sheet as of the end of the fiscal year; (ii) an operating (income) statement for the fiscal year; (iii) a statement of changes in financial position for the fiscal year; (iv) a statement of the place where the names and addresses of the current Owners are located; and (v) for any fiscal year in which the gross receipts (including all regular and special assessments levied upon all Owners during the fiscal year) exceeds $75,000, a copy of a review of the annual report prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy. If the annual report is not prepared by an independent accountant, it shall be accompanied by the certificate of the Administrator that the statements were prepared from the books and records of the Administrator without independent audit or review. For any fiscal year in which the annual report is not prepared by an independent accountant, the statements prepared in connection with the annual report shall be prepared in conformity with generally accepted accounting principles, or some other basis of accounting which reasonably sets forth the assets and liabilities and the receipts and expenses of the Administrator and discloses the accounting basis used in the preparation. Upon written request of an Owner, the Administrator shall promptly cause the most recent annual report to be sent to the requesting Owner.

ARTICLE 12
AMENDMENT, ANNEXATION

12.1 Amendment Requirements This Agreement may be amended only by a written instrument which is: (i) signed and acknowledged by the Administrator and which certifies that the amendment therein set forth has been approved (a) by Owners entitled to exercise 75 percent of the total voting power of all of the Owners as described in the Article of this Agreement entitled "Voting Rights of the Owners" and (b) by Developer as long as Developer is still the Administrator; and (ii) filed for record in the Office of the County Recorder of San Diego County, California. The Administrator is hereby granted an irrevocable power of attorney to act for and on behalf of each and every Owner in certifying, executing and recording said instrument. Notwithstanding the foregoing, the provisions of Article 4 and Section 12.1 may not be amended without (i) the prior written consent of the City and (ii) the recording of said written consent together with the written instrument amending this Agreement.

12.2 Effective Upon Recording. Each such amendment to this Agreement shall become effective only upon being filed for record as hereinabove provided and shall, from and after its effective date, be as effective as this Agreement as to (i) all portions of the Rancho Del Oro Property, (ii) the Administrator and (iii) all of the Owners (as of the effective date) and their successors in interest.

12.3 Annexation. All or any portion of the Annexation Property may be annexed, in one or more increments from time to time, to the Rancho Del Oro Property and made subject to this Agreement. Annexation shall be effected by recordation of a supplement to this Agreement executed by Developer and the fee owner of the property to be annexed, and such property shall thereafter be treated as if it were initially subject hereto. The consent or approval of the Owners shall not be required for any such annexation. Assessments under this Agreement shall commence upon annexation with respect to the property annexed.

ARTICLE 13
GENERAL PROVISIONS

13.1 Notices. Notices required by this Agreement, or desired, to be given shall be conclusively deemed served (i) if personally served, at the time of such service, and (ii) if mailed, 72 hours after deposit thereof in the United States mail, postage prepaid, addressed to the person(s) to whom such notice is to be given at the last known address of such person(s).

13.2 Severability. In the event any covenant or provision contained in this Agreement is held to be invalid, void or unenforceable by any court of competent jurisdiction, the remaining portions of this Agreement shall, nevertheless, be and remain in full force and effect.

13.3 Singular Includes Plural. The use herein of the neuter gender includes the masculine and the feminine genders, and the use herein of the singular number includes the plural, whenever the context so requires.

13 4 Captions. Captions in this Agreement are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or any of the terms hereof.

13.5 Exhibits. All exhibits, if any, referred to herein and attached hereto are a part hereof.

13.6 Construction. This Agreement and every provision hereof shall be construed to facilitate the performance of the Maintenance Obligations for which the Administrator has such responsibility.

IN WITNESS WHEREOF, this Agreement has been executed as of the day first above set forth.

OWNER AND DEVELOPER:

RANCHO DEL ORO DEVELOPMENTS, a California general partnership

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By:
Title: V.P.

By:
Title: VP

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On Dec 13 1987, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Ronald P. ____ and Robert A. ____, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the Vice Pres and Vice Pres respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
DIANE L. KAY
Notary Public-California
Principal Office in
San Diego County
My Comm. Exp. Dec. 15, 1989

Diane L. Kay
Notary Public in and for Said County and State

EBS:1732M
071786

APPROVED AS TO FORM
OCEANSIDE CITY ATTORNEY
Assistant City Attorney

OWNER.

RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, General Partner

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: [signature]
Title: V.P.

By: [signature]
Title: V.P.

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada Corporation, General Partner

By: [signature]
Title: V.P.

By: Barbara Roszal
Title: Assist Secretary

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On Oct 13, 88, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Ronald A Syler and Robert A Stone, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the Vice P. and Vice P., respectively, on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such partner of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, and that such partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
DIANE L. KAY
Notary Public-California
Principal Office in
San Diego County
My Comm. Exp. Dec. 15, 1989

Diane L. Kay
Notary Public in and for Said County and State

EBS:1732N

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On OCTOBER 13 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Thomas Moon and Barbara Kessell, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the Vice President and Assistant Secretary respectively, on behalf of J.F. SHEA CO., INC., the corporation that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC—CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Notary Public in and for Said County and State

EBS:1732M

OWNER:

RANCHO DEL ORO INVESTMENTS, a California general partnership

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ______________________

Title: V.P.

By: ______________________

Title: VP

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On Oct 13 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______________________ and ______________________, personally known to me or proved to me on the basis of satisfactory evidence to the persons who executed this instrument as the Vice Pres and Vice Pres, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO INVESTMENTS, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
DIANE L. KAY
Notary Public-California
Principal Office in
San Diego County
My Comm. Exp. Dec. 15, 198?

Notary Public in and for Said County and State

EBS:1732M

OWNER:

VILLAGE HOME BUILDING PARTNERSHIP NO. I, a California limited partnership

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By:

Title: V.P.

By: Barbara Rossoll

Title: Assist Secretary

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On October 13, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Thomas Noon and Barbara Rossoll, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the Vice President and Assistant Secretary, respectively, on behalf of J.F. SHEA CO., INC., the corporation that executed this instrument on behalf of VILLAGE HOME BUILDING PARTNERSHIP NO. I, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC- CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Notary Public in and for Said County and State

EBS.1732M

OWNER:

RDO LAND COMPANY, a California limited partnership

By: RDO PARTNERS, a California general partnership, General Partner

By: WOODBILL CORPORATION, a California corporation, General Partner

By: ______________________

Title: ______________________

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, 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 who executed this instrument as the ______________, or on behalf of WOODBILL CORPORATION, the corporation that executed this instrument on behalf of RDO PARTNERS, the partnership that executed this instrument on behalf of RDO LAND COMPANY, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RDO PARTNERS, that such partnership executed this instrument as such partner of RDO LAND COMPANY, and that such partnership executed it.

WITNESS my hand and official seal.

____
Notary Public in and for Said County and State

EBS:1732M

OWNER:

PLAZA RANCHO DEL ORO LAND DEVELOPMENT, a California general partnership

By: COLLINS CAPITAL PROPERTIES I, a California general partnership

By: COLLINS DEVELOPMENT COMPANY, a California corporation, General Partner

By: [signature]
Title: V.P.

By: [signature]
Title: VP

By: FINANCIAL SCENE INCORPORATED, a California corporation, dba GREAT AMERICAN DEVELOPMENT CORPORATION

By: ______
Title: ______

By: ______
Title: ______

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss

On Oct 13, 199_, before me, the undersigned, a Notary Public in and for said County and State, personally appeared [signature] and Robert A. Stine, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the Vice Pres and Vice Pres respectively, or on behalf of COLLINS DEVELOPMENT CORPORATION, the corporation that executed this instrument on behalf of COLLINS CAPITAL PROPERTIES I, the partnership that executed this instrument on behalf of PLAZA RANCHO DEL ORO LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of COLLINS CAPITAL PROPERTIES I, that such partnership executed this instrument as such partner of PLAZA RANCHO DEL ORO LAND DEVELOPMENT, and that such partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
DIANE L. KAY
Notary Public-California
Principal Office in
San Diego County
My Comm. Exp. Dec. 18, 1999

Diane L. Kay
Notary Public in and for Said County and State

EBS:1732M

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______________________________ and ______________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ______________________ and ______________________, respectively, on behalf of FINANCIAL SCENE INCORPORATED, dba GREAT AMERICAN DEVELOPMENT CORPORATION, the corporation that executed this instrument on behalf of PLAZA RANCHO DEL ORO LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

____
Notary Public in and for Said
County and State

EBS.1732M

OWNER:

MONTEREY DEVELOPMENT, a California joint venture

By: CRC/VILLAGES OF MONTEREY, a California limited partnership, Joint Venturer

By: COMMUNITY RESOURCES CORPORATION, a Nevada corporation, General Partner

By: ______________________
Title: ______________________

By: ______________________
Title: ______________________

By: PACIFICA DEL ORO ASSOCIATES, INC., a California corporation, General Partner

By: ______________________
Title: ______________________

By: ______________________
Title: ______________________

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ________________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ________________ and ________________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ________________ and the ________________, respectively, or on behalf of COMMUNITY RESOURCES CORPORATION, the corporation that executed this instrument on behalf of CRC/VILLAGES OF MONTEREY, the partnership that executed this instrument as one of the joint venturers of MONTEREY DEVELOPMENT, the joint venture that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to this by-laws or a resolution of its board of directors as partner of CRC/VILLAGES OF MONTEREY, that such partnership executed this instrument both for itself and as a joint venturer of MONTEREY DEVELOPMENT and that such joint venture also executed it.

WITNESS my hand and official seal.

____
Notary Public in and for Said County and State

EBS:1732M

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On _______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ____________________ and ____________________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ______________ and ______________, respectively, or on behalf of PACIFICA DEL ORO ASSOCIATES, INC., the corporation that executed this instrument as a joint venturer of MONTEREY DEVELOPMENT, the joint venture that executed this instrument, and acknowledged to me that such corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors both as joint venturer of such joint venture and that such joint venture also executed it.

WITNESS my hand and official seal.

____
Notary Public in and for Said
County and State

EBS:1732M

Developer is executing this Agreement on behalf of the following Owners pursuant to a Power of Attorney granted under the provisions of the Technology Park CC&Rs:

OWNER:

J.C. SCHUMACHER COMPANY, a California corporation

____

____

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, as attorney-in-fact

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ______________________

Title: ______________________

By: ______________________

Title: ______________________

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______________ and ______________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ______________ and ______________, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument as the Attorney in fact of J.C. SCHUMACHER COMPANY, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such Attorney in fact of J.C. SCHUMACHER COMPANY.

WITNESS my hand and official seal.

____
Notary Public in and for Said County and State

EBS:1732M

OWNER:

IDP, INC., a California corporation

____

____

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, as attorney-in-fact

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ______________________

Title: ______________________

By: ______________________

Title: ______________________

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______________ and ______________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ______________ and ______________, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument as the Attorney in fact of IDP, INC., and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such Attorney in fact of IDP, INC.

WITNESS my hand and official seal.

____
Notary Public in and for Said County and State

EDS:1732M

OWNER:

C.H. LAWRENCE and JACQUELINE LAWRENCE, NICHOLAS C. BANCHE and JEAN ANN BANCHE, Trustees under Trust Dated January 20, 1984, W.C. LUSARDI, JOHN E. PATTERSON, ROBERT L. ASTLEFORD and BETTY L. ASTLEFORD

____
____
____
____
____
____
____
____

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, as attorney-in-fact

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ______________________
Title: ______________________

By: ______________________
Title: ______________________

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______________________, and ______________________, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument as the Attorney in fact of W.C. LUSARDI, C.H. LAWRENCE, JACQUELINE LAWRENCE, NICHOLAS C. BANCHE, JEAN ANN BANCHE, JOHN E. PATTERSON, ROBERT L. ASTLEFORD, and BETTY L. ASTLEFORD and acknowledged to me that they subscribed the name of RANCHO DEL ORO DEVELOPMENTS thereto as principal and their own name as Attorney in fact.

WITNESS my hand and official seal.

____
Notary Public in and for Said County and State

EBS:1732M

OWNER:

HUGH A. MITCHELL

____

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, as attorney-in-fact

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ______________________

Title: ______________________

By: ______________________

Title: ______________________

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared __________________ and ____________________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ______________ and ________________, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument as the Attorney in fact of HUGH A. MITCHELL, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such Attorney in fact of HUGH A. MITCHELL.

WITNESS my hand and official seal.

____
Notary Public in and for Said
County and State

EBS:1732M

OWNER:

NATIVE SUN PROPERTIES, a California limited partnership

____

____

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, as attorney-in-fact

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ______________________

Title: ______________________

By: ______________________

Title: ______________________

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______ ______________ and ____________________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ______________ and ____________________, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument as the Attorney in fact of NATIVE SUN PROPERTIES and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such Attorney in fact of NATIVE SUN PROPERTIES.

WITNESS my hand and official seal.

____
Notary Public in and for Said County and State

EBS:1732M

OWNER:

SCRIPPS DEL ORO, a California limited partnership

____

____

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, as attorney-in-fact

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ______________________________

Title: ______________________________

By: ______________________________

Title. ______________________________

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______________ and ______________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ______________ and ______________, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument as the Attorney in fact of SCRIPPS DEL ORO, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such Attorney in fact of SCRIPPS DEL ORO.

WITNESS my hand and official seal.

____
Notary Public in and for Said
County and State

EBS:1732M

OWNER:

VESTPORT ASSOCIATES, a California general partnership

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, as attorney-in-fact

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ______________________

Title: ______________________

By: ______________________

Title: ______________________

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______________ and ______________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ______________ and ______________, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument as the Attorney in fact of VESTPORT ASSOCIATES, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such Attorney in fact of VESTPORT ASSOCIATES.

WITNESS my hand and official seal.

____
Notary Public in and for Said County and State

EBS:1732M

OWNER:

QUIRK COMPANY, a California corporation

____

____

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, as attorney-in-fact

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ________________________

Title: ______________________

By: ________________________

Title: ______________________

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ________________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ____________________ and ________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ________________ and ____________________, respectively, or on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument as the Attorney in fact of QUIRK COMPANY, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such Attorney in fact of QUIRK COMPANY.

WITNESS my hand and official seal.

____
Notary Public in and for Said County and State

EBS:1732M

OWNER:

BARRATT AMERICAN INCORPORATED, a Delawar. corporation

By: ______________________

Title: ______________________

By: ______________________

Title: ______________________

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On ______________, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______________________ and ______________________, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the ______________, and ______________, respectively, or on behalf of the corporation therein named, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

____
Notary Public in and for Said County and State

EBS:1732M

EXHIBITS

"A-1"	Legal Description of Rancho Del Oro Property
"A-2"	Map Indicating Rancho Del Oro Property
"B"	Map Indicating Major Ranch Streets and Maintenance Areas [Includes B, B-1 and B-2]
"C"	Map Indicating Annexation Property
"D"	Map Indicating Developed and Undeveloped Parcels

EXHIBIT "A-1"

LEGAL DESCRIPTION OF RANCHO DEL ORO PROPERTY

All of Map Numbers 11409 and 11410 in the City of Oceanside, County of San Diego, State of California, as filed in the Office of the County Recorder of San Diego County on December 27, 1985, except for Lot C of Map Number 11409.

All of Lots 1 through 6, 11 through 21, 28, 29, 30, 34, 35 and 36 of Map Number 10248 in the City of Oceanside, County of San Diego, State of California, as filed in the Office of the County Recorder of San Diego County on October 28, 1981.

All of Parcels "A", "B", "C", "N", "O", "P" and "Q" of Parcel Map Number 12314 in the City of Oceanside, County of San Diego, State of California, as filed in the Office of the County Recorder of San Diego County on September 15, 1982.

All of Parcels 1 through 4 of Parcel Map Number 14017 in the City of Oceanside, County of San Diego, State of California, as filed in the Office of the County Recorder of San Diego County on November 12, 1985.

All of Parcels "E", "G", "I", "J" and "L" of Parcel Map Number 13489 in the City of Oceanside, County of San Diego, State of California, as filed in the Office of the County Recorder of San Diego County on September 19, 1984.

All of Parcel "A" of Parcel Map Number 11774 in the City of Oceanside, County of San Diego, State of California, as filed in the Office of the County Recorder of San Diego County on October 30, 1981.

All of Parcel 1 of Parcel Map Number 9881 in the City of Oceanside, County of San Diego, State of California, as filed in the Office of the County Recorder of San Diego County on April 8, 1980.

A leasehold estate in Parcel 2 of Parcel Map Number 9881 in the City of Oceanside, County of San Diego, State of California as filed in the Office of the County Recorder of San Diego County on April 8, 1980, as created by that Ground Lease dated April 1, 1978 by and between Joseph S. Mottino and Mary B. Mottino, as Lessor, and Plaza Rancho Del Oro Land Development, a California general partnership (as assignee of La Jolla Development Company, a California corporation), as Lessee, recorded April 17, 1979 as File No. 79-157276, as amended as of the date hereof.

All of Parcel "B" of Parcel Map Number 12543 in the City of Oceanside, County of San Diego, State of California, as filed in the Office of the County Recorder of San Diego Couny on January 28, 1983.

All of Parcel 4 of Parcel Map Number 6270 in the City of Oceanside, County of San Diego, State of California, as filed in the Office of the County Recorder of San Diego County on December 15, 1977.

A portion of the Northwest Quarter of Section 22, Township 11 South, Range 4 West, San Bernardino Meridian bounded by Parcel "B" of Parcel Map Number 12543, Parcel 4 of Parcel Map Number 6270, Parcel 2 of Parcel Map Number 9d81 and Subdivision Map Number 10248 all in the City of Oceanside, County of San Diego, State of California, as filed in the Office of the County Recorder of San Diego County.

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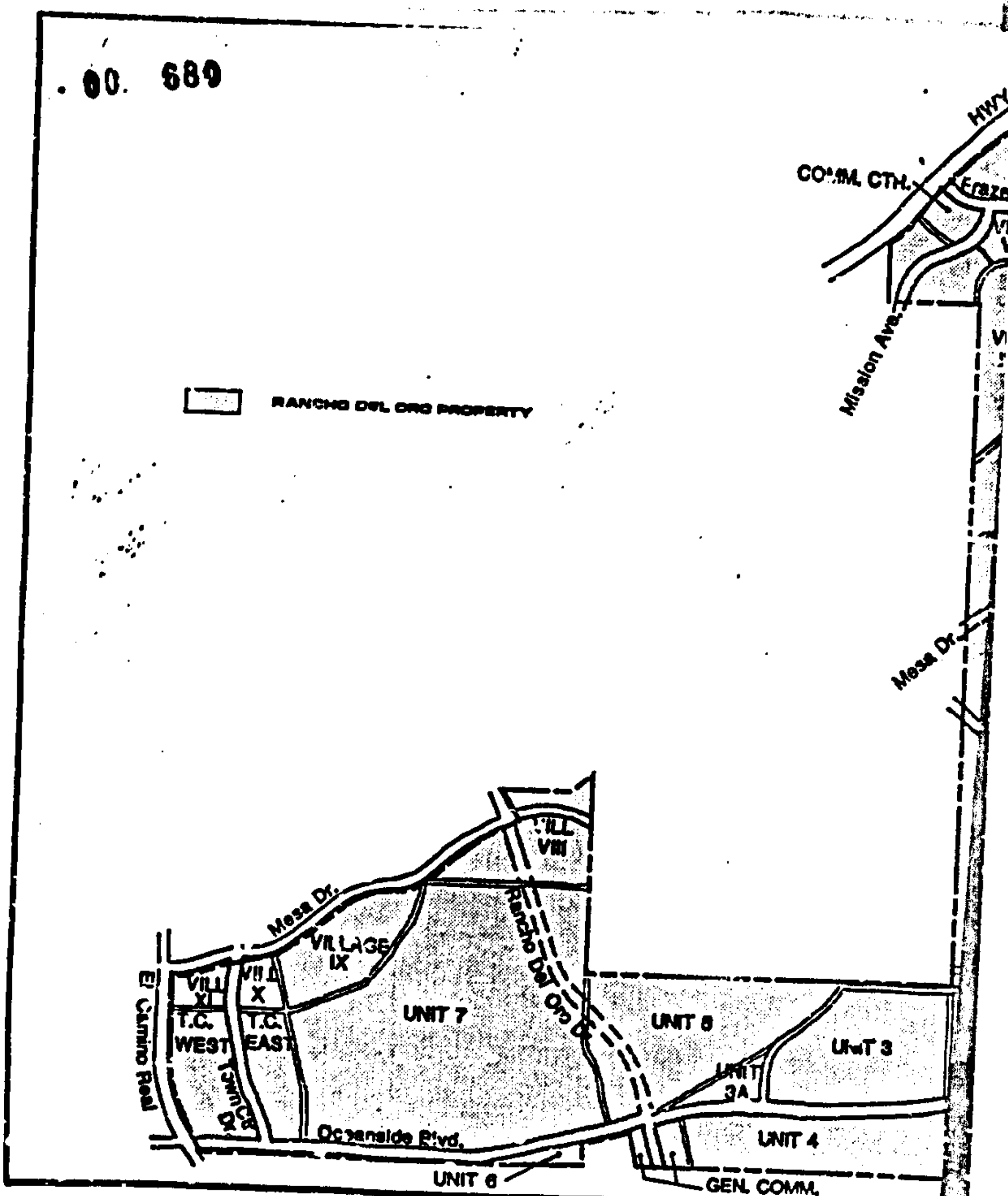
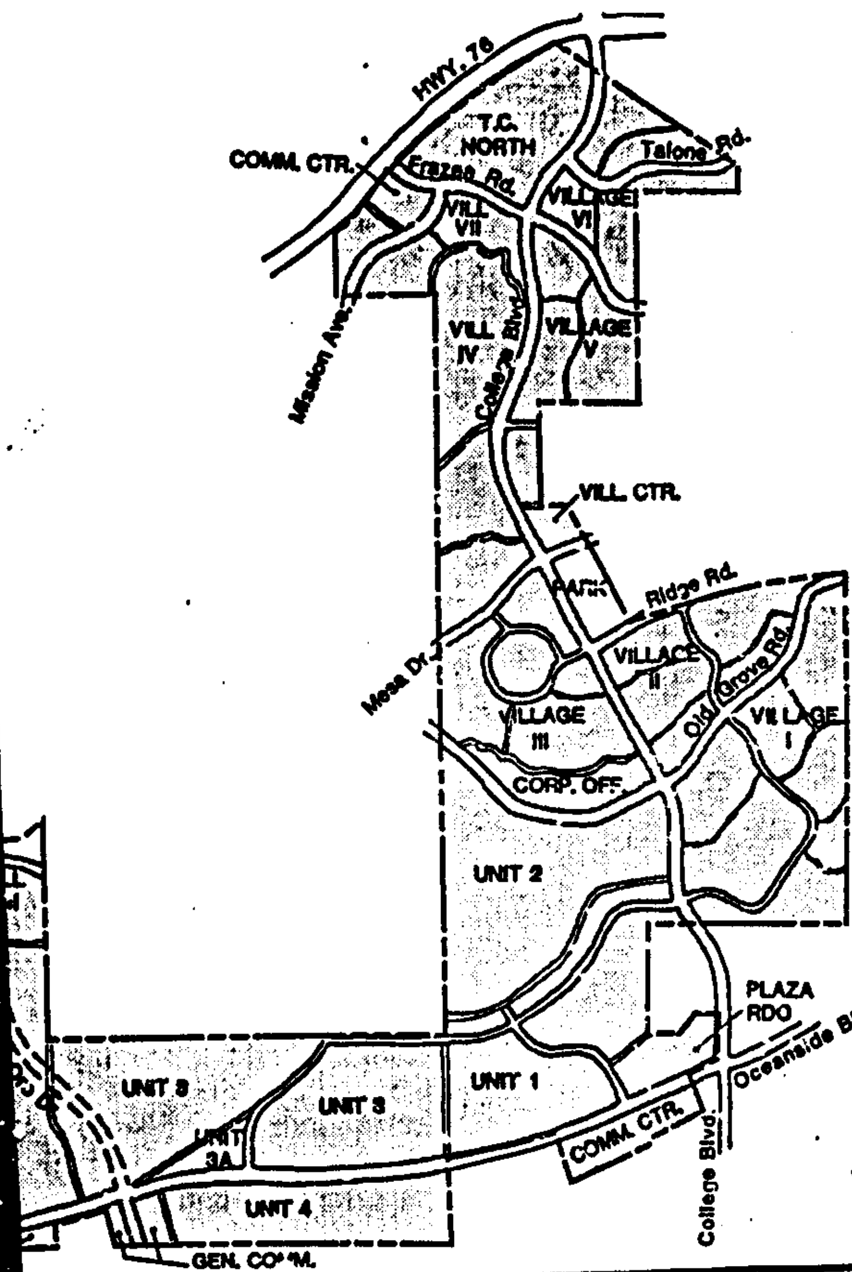

RANCHO DEL ORO PROPERTY
HWY.
COMM. CTR.
Mission Ave.
Mesa Dr.
VILL VIII
Mesa Dr.
VILLAGE IX
VILL XI
VILL X
T.C. WEST
T.C. EAST
El Camino Real
Town Ctr. Dr.
UNIT 7
Rancho Del Oro Dr.
UNIT 5
UNIT 3
UNIT 3A
UNIT 4
Oceanside Blvd.
UNIT 6
GEN. COMM.

0 681

RANCHO DEL ORO

OCEANSIDE CALIFORNIA

RANCH MAINTENANCE AGREEMENT

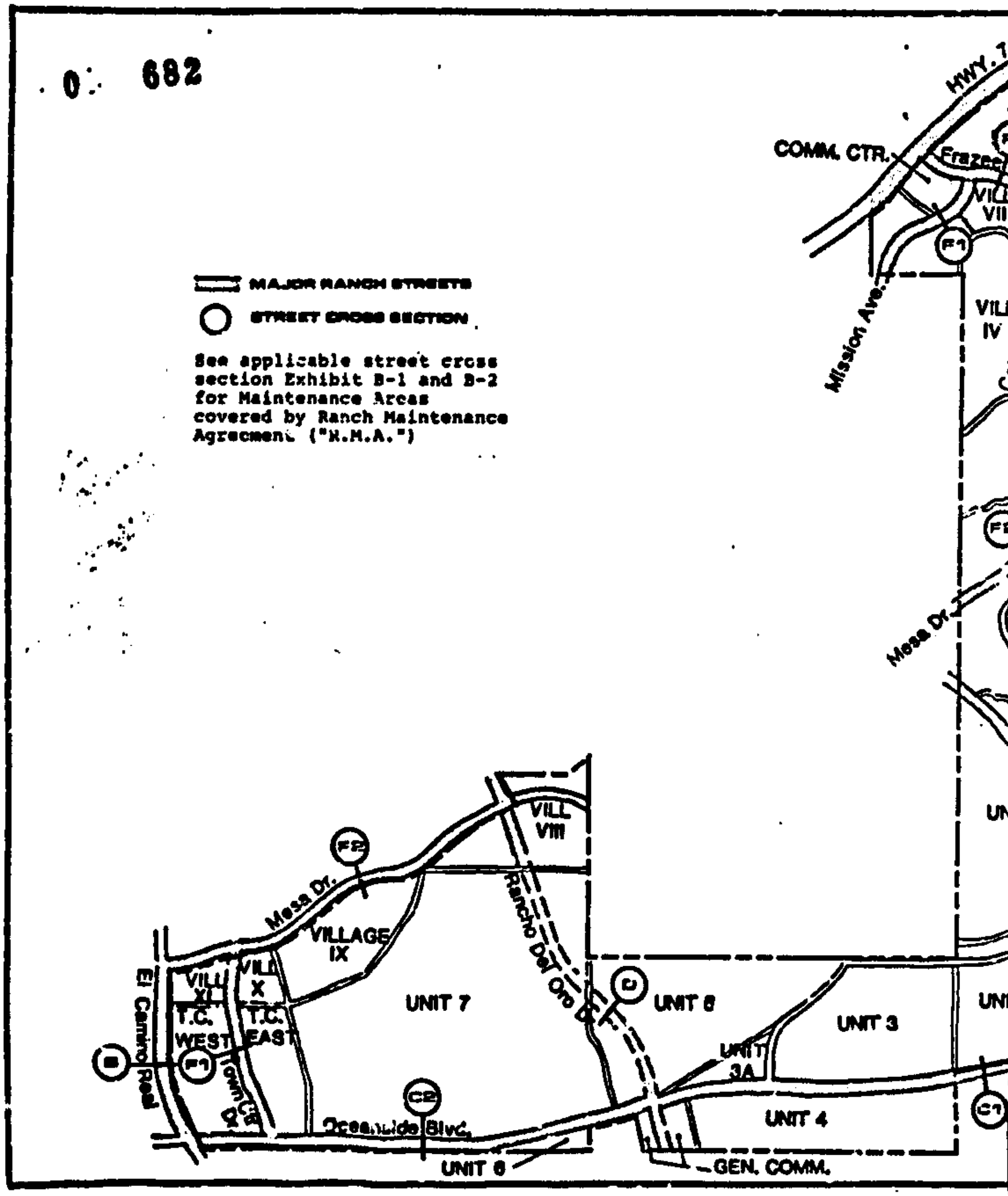


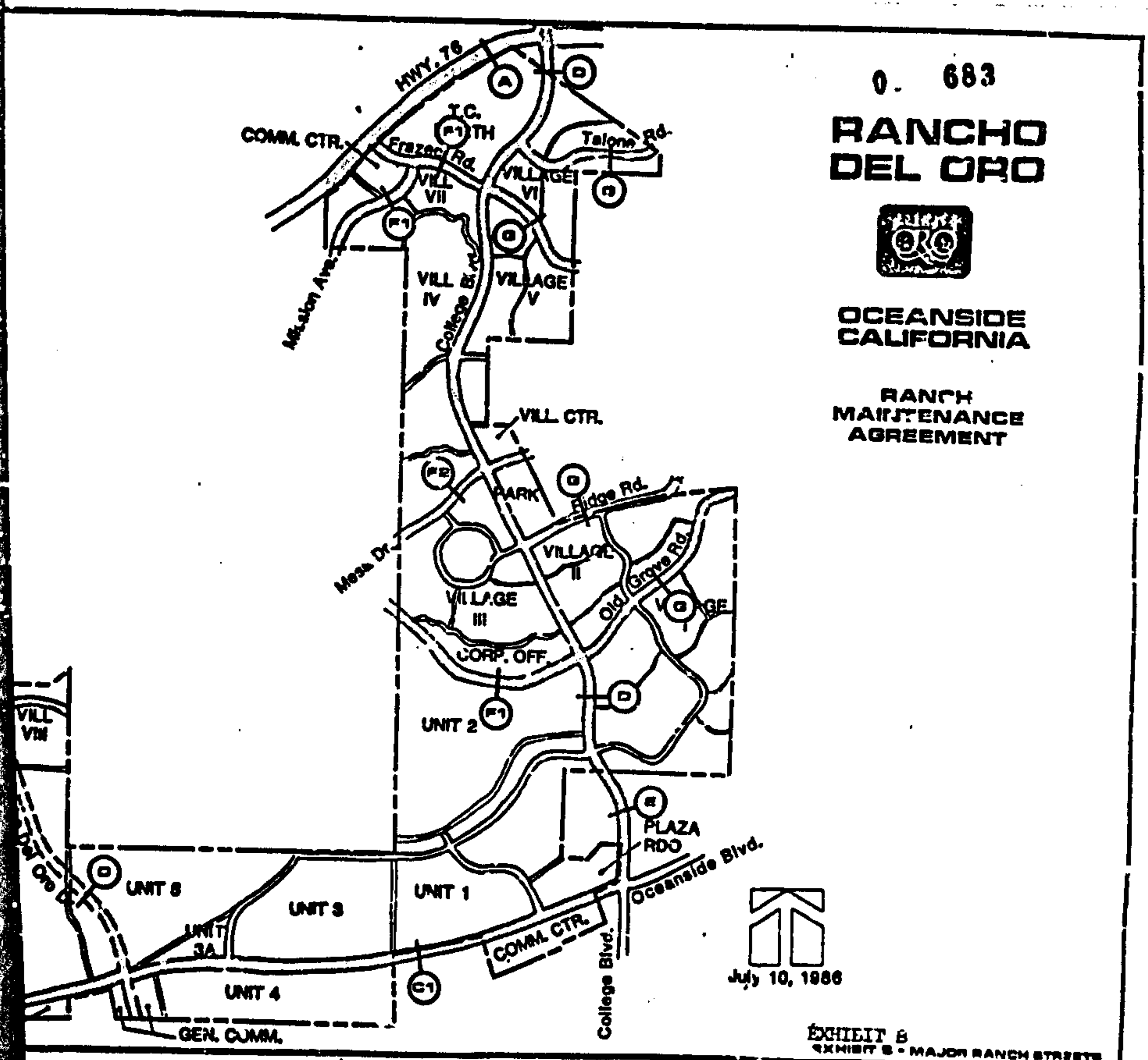
July 10, 1986

EXHIBIT A-2

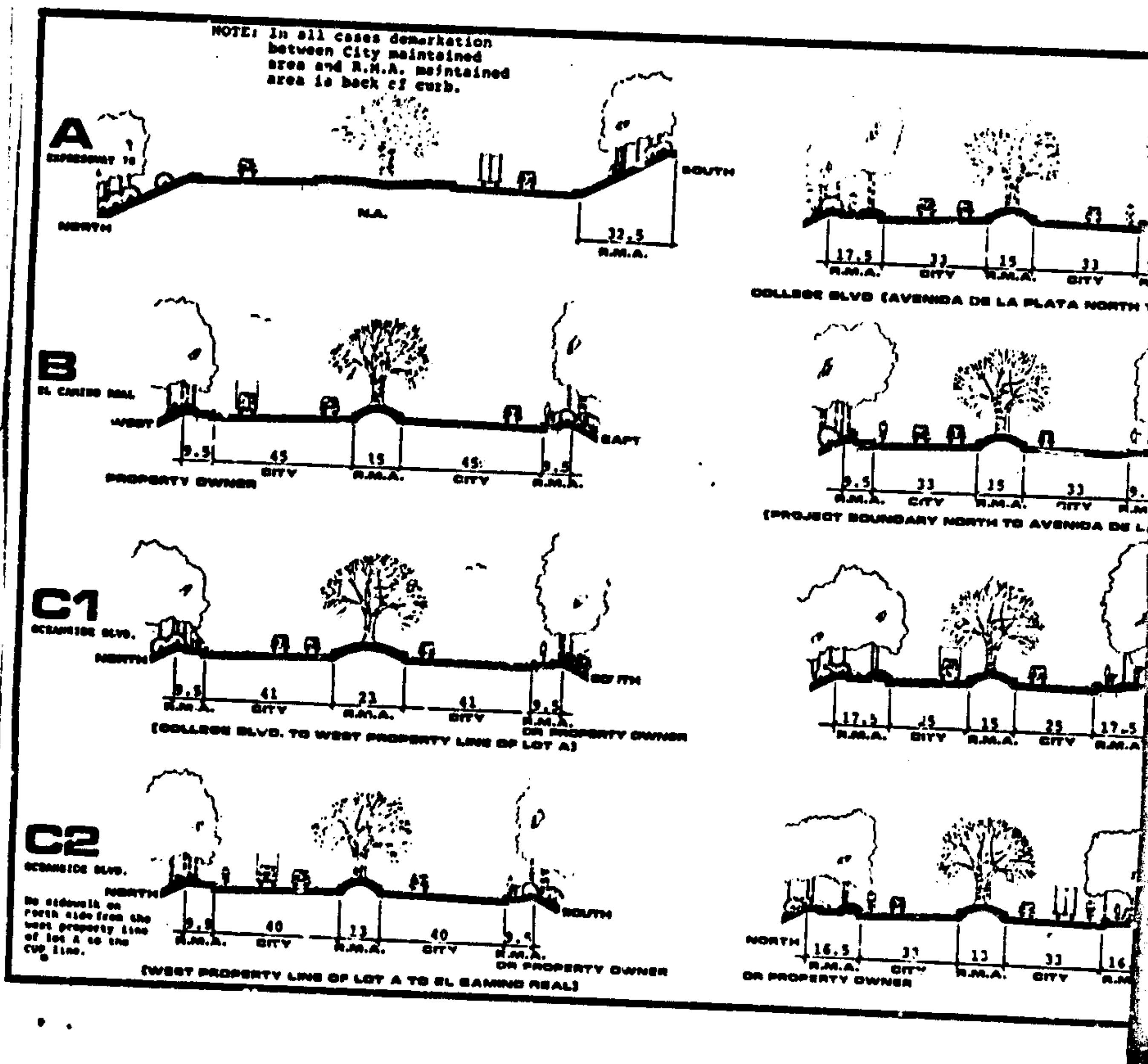
EXHIBIT A-2 • RANCHO DEL ORO PROPERTY

0: 682

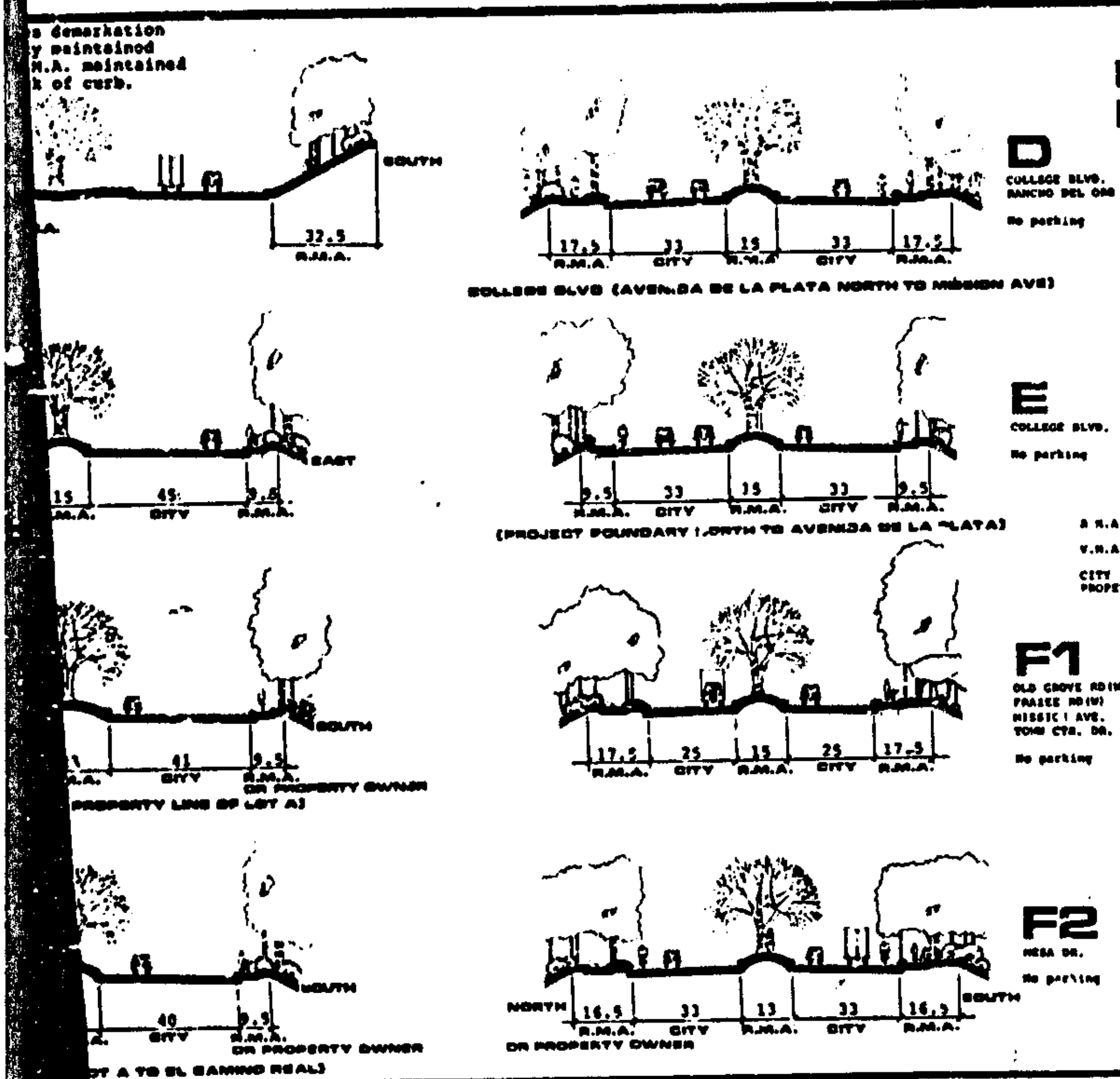

MAJOR RANCH STREETS
STREET CROSS SECTION
See applicable street cross section Exhibit B-1 and B-2 for Maintenance Areas covered by Ranch Maintenance Agreement ("R.M.A.")
HWY. 76
COMM. CTR.
Frazee
VILL VII
VILL IV
Mission Ave.
Mesa Dr.
VILL VIII
VILLAGE IX
VILL XI
VILL X
T.C. WEST
T.C. EAST
El Camino Real
Rancho Del Oro Dr.
UNIT 7
UNIT 5
UNIT 3
UNIT 3A
UNIT 4
UNIT 6
Oceanside Blvd.
GEN. COMM.
F1
F2
C1
C2
D
B


0. 683
RANCHO
DEL ORO
OCEANSIDE
CALIFORNIA
RANCH
MAINTENANCE
AGREEMENT
HWY. 76
COMM. CTR.
T.C.
TH
Frazee Rd.
Talone Rd.
VILL VII
VILLAGE VI
VILL IV
VILLAGE V
Mission Ave.
College Blvd.
VILL. CTR.
PARK
Ridge Rd.
Mesa Dr.
VILLAGE II
VILLAGE III
Old Grove Rd.
CORP. OFF.
UNIT 2
VILL VIII
PLAZA
RDO
Oceanside Blvd.
UNIT 1
UNIT 3
UNIT 3A
UNIT 4
UNIT 5
Del Oro
COMM. CTR.
GEN. COMM.
College Blvd.
July 10, 1986
EXHIBIT B
EXHIBIT B - MAJOR RANCH STREETS

0: 684


NOTE: In all cases demarkation between City maintained area and R.M.A. maintained area is back of curb.
A
NORTH
N.A.
SOUTH
32.5
R.M.A.
B
EL CAMINO REAL
WEST
9.5
45
15
45
9.5
EAST
PROPERTY OWNER
CITY
R.M.A.
CITY
R.M.A.
C1
OCEANSIDE BLVD.
NORTH
9.5
41
23
41
9.5
SOUTH
R.M.A.
CITY
R.M.A.
CITY
R.M.A.
OR PROPERTY OWNER
(COLLEGE BLVD. TO WEST PROPERTY LINE OF LOT A)
C2
OCEANSIDE BLVD.
NORTH
9.5
40
13
40
9.5
SOUTH
R.M.A.
CITY
R.M.A.
CITY
R.M.A.
OR PROPERTY OWNER
(WEST PROPERTY LINE OF LOT A TO EL CAMINO REAL)
17.5
33
15
33
R.M.A.
CITY
R.M.A.
CITY
COLLEGE BLVD (AVENIDA DE LA PLATA NORTH
9.5
33
15
33
R.M.A.
CITY
R.M.A.
CITY
(PROJECT BOUNDARY NORTH TO AVENIDA DE L
17.5
25
15
25
17.5
R.M.A.
CITY
R.M.A.
CITY
R.M.A.
NORTH
16.5
33
13
33
16
R.M.A.
CITY
R.M.A.
CITY
OR PROPERTY OWNER

0 685



RANCHO DEL ORO

OCEANSIDE CALIFORNIA

STREET CROSS SECTIONS

LEGEND

R.M.A. = Maintenance areas for Ranch Maintenance Agreement
V.M.A. = Maintenance areas for Village Maintenance Agreement
CITY = Areas to be maintained by city
PROPERTY OWNER = Areas to be maintained by abutting property owner

DEVELOPER
COLLINS RANCHO DEL ORO
11750 SORRENTO VALLEY ROAD
SAN DIEGO, CALIFORNIA

PLANNING CONSULTANT
LIGHTFOOT AND ASSOCIATES
705 FOURTH STREET
OCEANSIDE, CALIFORNIA

COMMERCIAL PLANNING
SGPA
440 UPAS STREET
SAN DIEGO, CALIFORNIA

CIVIL ENGINEER
CEP ASSOCIATED
9455 COMPLEX STREET
SAN DIEGO, CALIFORNIA

LAND PLANNER
ANTHONY M. GUZZARDO
AND ASSOCIATES, INC.
836 MONTGOMERY STREET
SAN FRANCISCO, CALIFORNIA

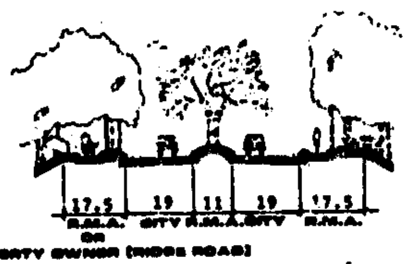
JULY 10, 1986

EXHIBIT B-1 MAINTENANCE AREAS

. 0. 686

G

No parking



NOTE: In all cases demarkation between City maintained area and R.M.A. maintained area is back of curb.

0 687

NOTE: In all cases demarkation between City maintained area and R.M.A. maintained area is back of curb.

RANCHO DEL ORO

OCEANSIDE CALIFORNIA

STREET CROSS SECTIONS

LEGEND

R.M.A. = Maintenance areas for Ranch Maintenance Agreement
V.M.A. = Maintenance areas for Village Maintenance Agreement
CITY = Areas to be maintained by City
PROPERTY OWNER = [illegible] to be maintained by abutting property owner

DEVELOPER
COLLINS RANCHO DEL ORO
11750 SORRENTO VALLEY ROAD
SAN DIEGO, CALIFORNIA

PLANNING CONSULTANT
LIGHTFOOT AND ASSOCIATES
705 FOURTH STREET
OCEANSIDE, CALIFORNIA

COMMERCIAL PLANNING
SGPA
440 UPAS STREET
SAN DIEGO, CALIFORNIA

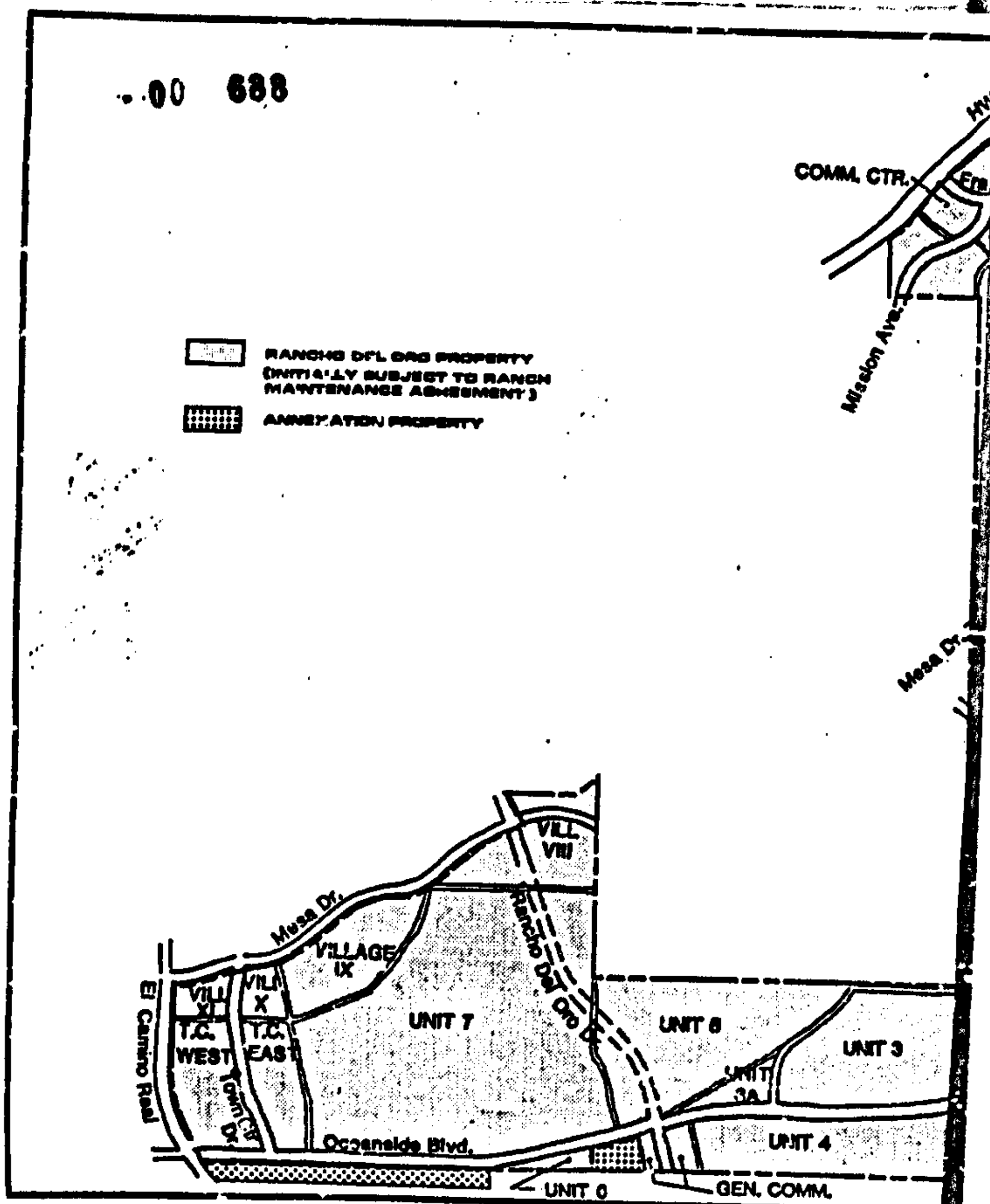
CIVIL ENGINEER
CEF ASSOCIATED
9466 COMPLEX STREET
SAN DIEGO, CALIFORNIA

LAND PLANNER
ANTHONY M GUZZARDO
AND ASSOCIATES, INC
836 MONTGOMERY STREET
SAN FRANCISCO, CALIFORNIA

JULY 10, 1986

EXHIBIT B-2 - MAINTENANCE AREAS

00 688



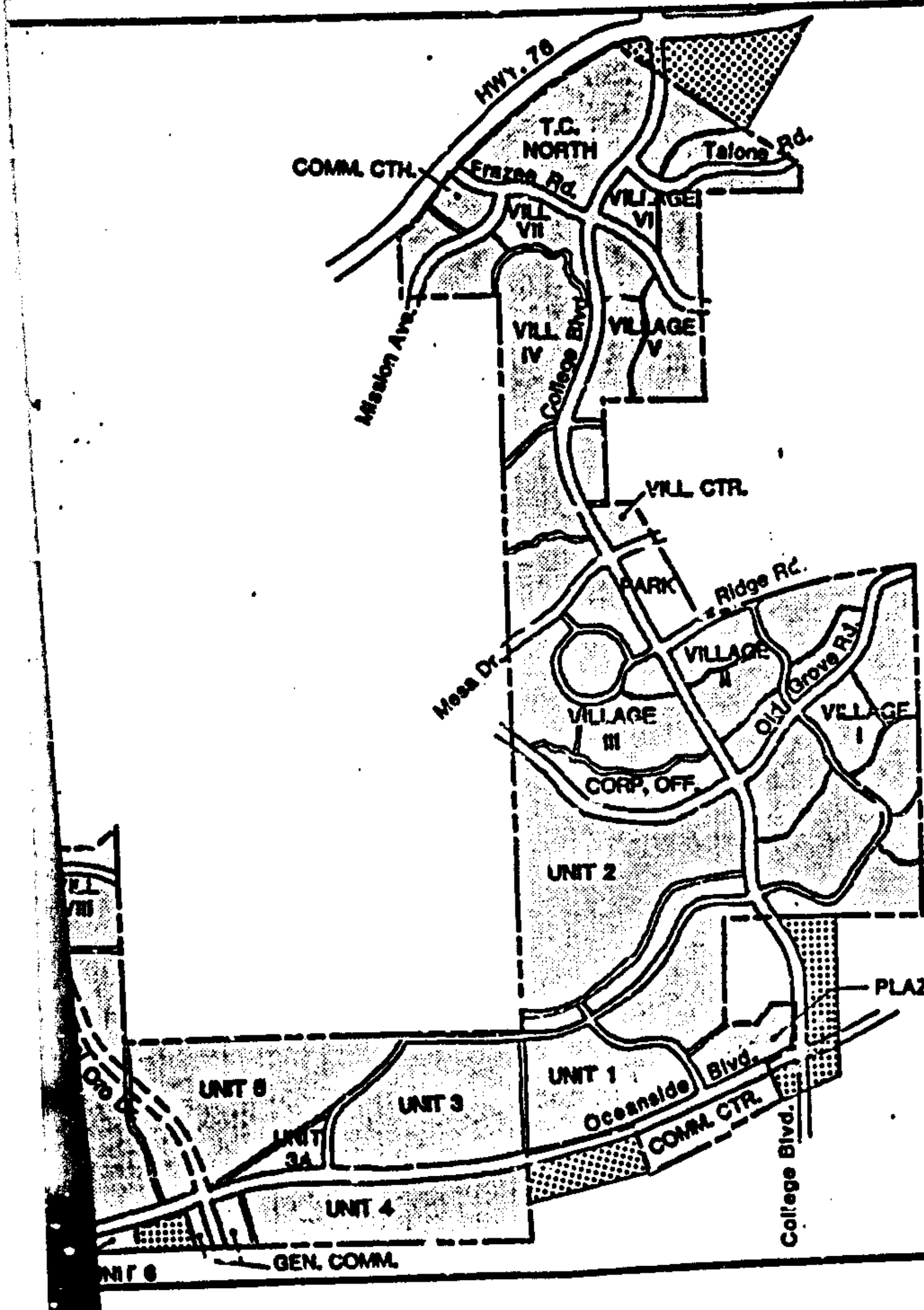
RANCHO DEL ORO PROPERTY (INITIALLY SUBJECT TO RANCH MAINTENANCE AGREEMENT)
ANNEXATION PROPERTY
COMM. CTR.
Mission Ave.
Mesa Dr.
VILL. VIII
VILLAGE IX
VILL. X
VILL. XI
T.C. WEST
T.C. EAST
El Camino Real
Town Ctr. Dr.
UNIT 7
Rancho Del Oro Dr.
UNIT 5
UNIT 3
UNIT 3A
UNIT 4
Oceanside Blvd.
UNIT 0
GEN. COMM.

0. 689

RANCHO DEL ORO

OCEANSIDE CALIFORNIA

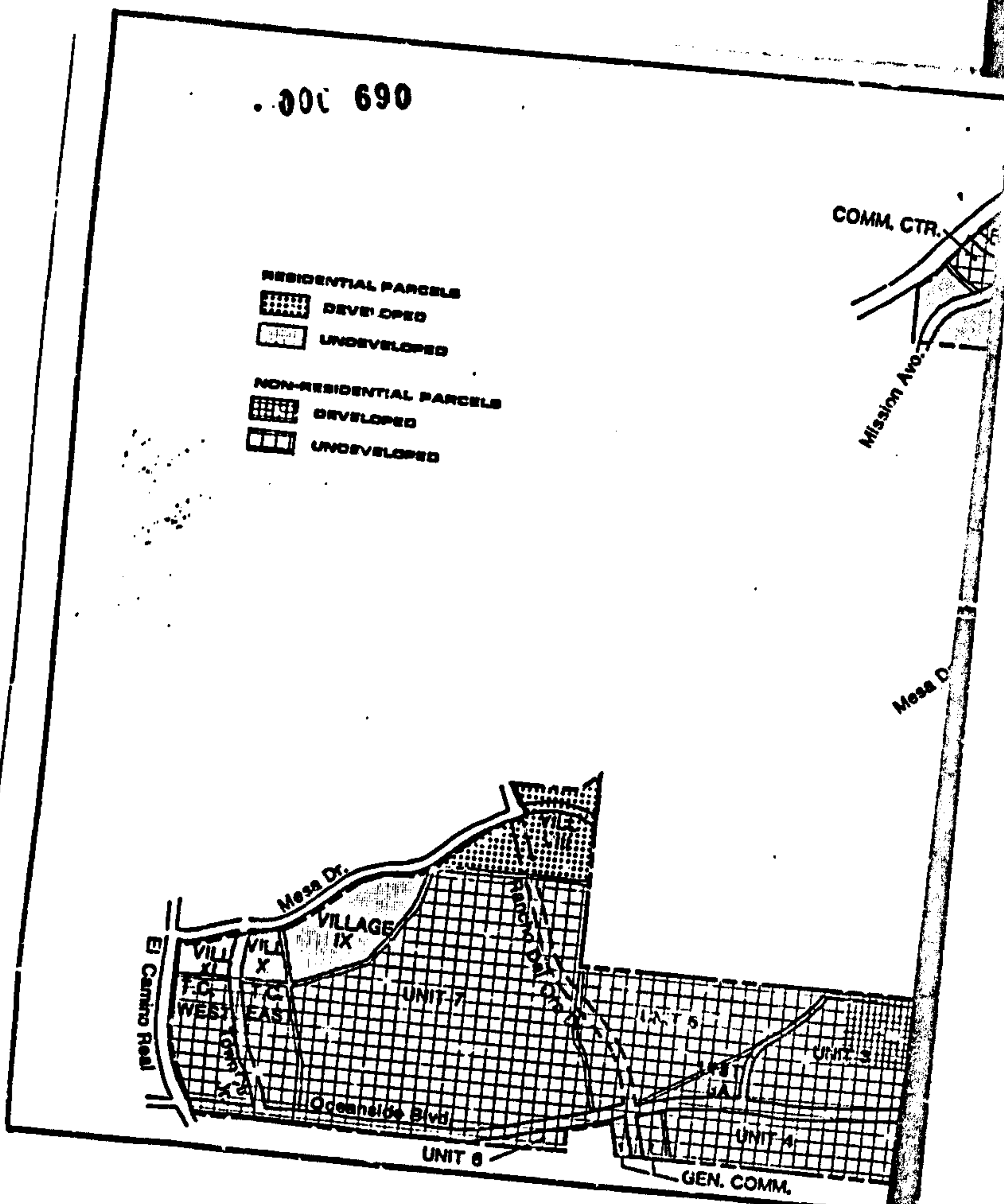
RANCH MAINTENANCE AGREEMENT



July 10, 1986

EXHIBIT C - ANNEXATION PROPERTY

.00(690

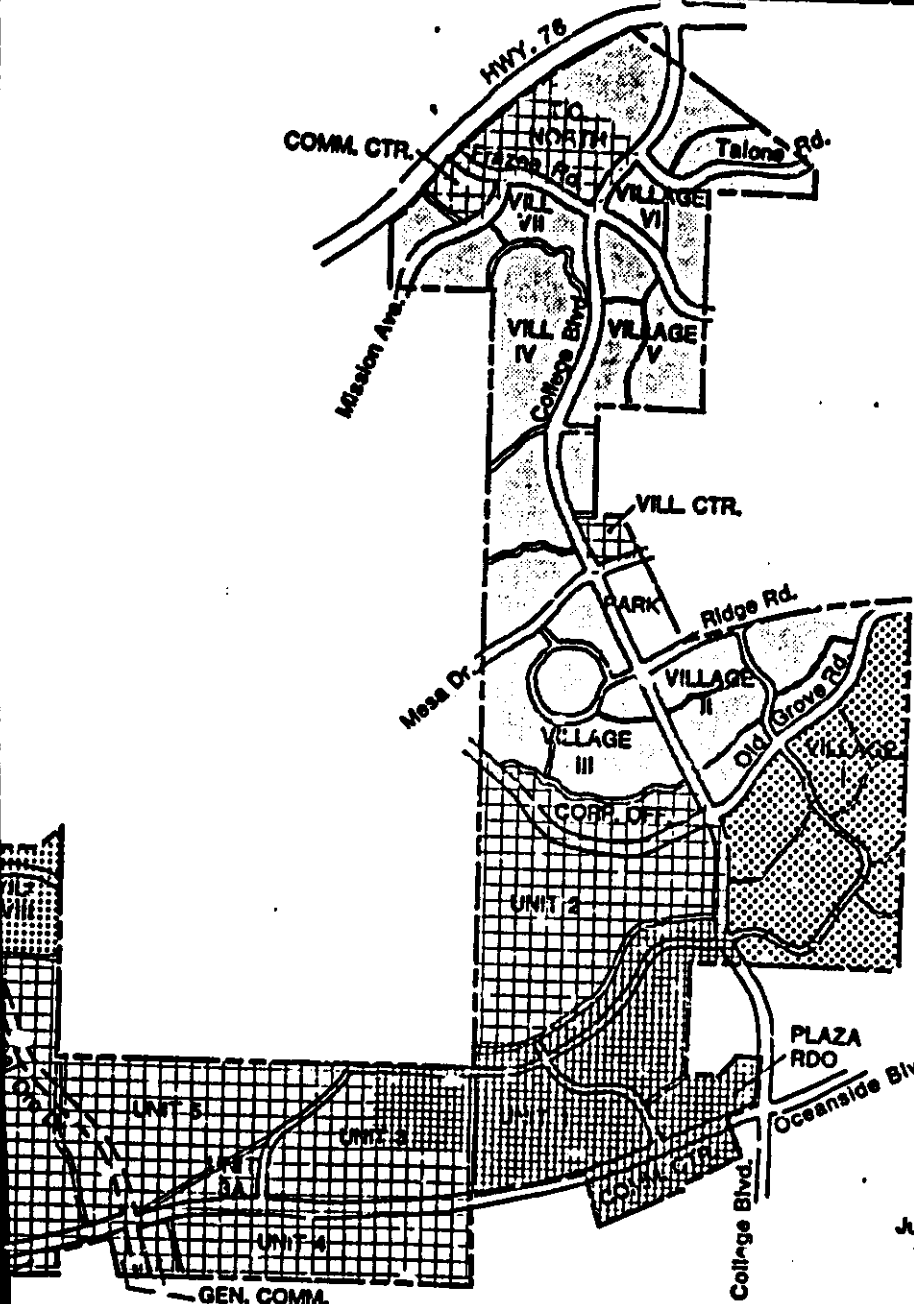

RESIDENTIAL PARCELS
DEVELOPED
UNDEVELOPED
NON-RESIDENTIAL PARCELS
DEVELOPED
UNDEVELOPED
COMM. CTR.
Mission Ave.
Mesa Dr.
Mesa Dr.
VILLAGE IX
VILL X
VILL XI
T.C. WEST
T.C. EAST
UNIT 7
UNIT 5
UNIT 4
UNIT 6
GEN. COMM.
El Camino Real
Oceanside Blvd

0 691

RANCHO DEL ORO

OCEANSIDE CALIFORNIA

RANCH MAINTENANCE AGREEMENT



July 10, 1986

EXHIBIT D - DEVELOPED AND UNDEVELOPED PARCELS

WHEN RECORDED MAIL TO

THE MONEY STORE
17530 VENTURA BLVD 101
ENCINO, CA
91316

G-672496

86-162820

RECORDED IN OFFICIAL RECORDS OF SAN DIEGO COUNTY, CA

1986 APR 28 AM 8:00

VERA L. LYLE
COUNTY RECORDER

[Space Above This Line For Recording Data]

Loan #: 2808 005441 8

DEED OF TRUST

THIS DEED OF TRUST ("Security Instrument") is made on April 21, 19 86. The trustor is DAVID R. MEYER and PAULA M. MEYER, HUSBAND AND WIFE AS JOINT TENANTS ("Borrower").

The trustee is PRINCETON ESCROW CO, A CALIFORNIA CORP ("Trustee"). The beneficiary is The Money Store California Inc , A Corporation, which is organized and existing under the laws of California, and whose address is 17530 Ventura Blvd #101, Encino, CA 91316 ("Lender").

Borrower owes Lender the principal sum of Fourteen Thousand and No/100 Dollars (U.S. $ 14,000.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on May 5, 2001. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in SAN DIEGO County, California:

LOT 652 OF CARLTON HILLS UNIT NO. 3, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 4112, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MARCH 11, 1959.

No. 162529 86 H

which has the address of 9440 TERRYWOOD ROAD [Street], SANTEE [City]

California 92071 [Zip Code] ("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS Borrower and Lender covenant and agree as follows

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of (a) yearly taxes and assessments which may attain priority over this Security Instrument (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums, and (d) yearly mortgage insurance premiums, if any These items are called "escrow items" Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution) Lender shall apply the Funds to pay the escrow items Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge Borrower and Lender may agree in writing that interest shall be paid on the Funds Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made The Funds are pledged as additional security for the sums secured by this Security Instrument

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first, to late charges due under the Note, second, to prepayment charges due under the Note, third, to amounts payable under paragraph 2, fourth, to interest due; and last, to principal due

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender (b) contests in good faith the lien by, or defends against enforcement of the lien in legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance This insurance shall be maintained in the amounts and for the periods that Lender requires The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender Lender may make proof of loss if not made promptly by Borrower

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened It the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due The 30-day period will begin when the notice is given

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition

6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste If this Security Instrument is on a leasehold Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing

7. Protection of Lender's Rights in the Property; Mortgage Insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property a
in the Property. Lender's actions may include paying any sums secured by a lien which has priority
Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make
Lender may take action under this paragraph 7, Lender does not have to do so

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrow
Security Instrument. Unless Borrower and Lender agree to other terms of payment these amounts shall
the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Le
requesting payment

86 4 No 169520

If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law

8. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due

Unless Lender and Borrower otherwise agree in writing any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments

10. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy

11. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several Any Borrower who co-signs this Security Instrument but does not execute the Note (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument, (b) is not personally obligated to pay the sums secured by this Security Instrument, and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit, and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note

13. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17

14 Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision To this end the provisions of this Security Instrument and the Note are declared to be severable

16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument, or (b) entry of a judgment enforcing this Security Instrument Those conditions are that Borrower (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred, (b) cures any default of any other covenants or agreements (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borr covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a d days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to c before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, perty. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to b assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the defaul before the date specified in the notice, Lender at its option may require immediate payment in full of all sums se ty Instrument without further demand and may invoke the power of sale and any other remedies permitted Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19 limited to, reasonable attorney's fees and costs of title evidence.

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If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee shall cause this notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by applicable law to Borrower and to the other persons prescribed by applicable law. Trustee shall give public notice of sale to the persons and in the manner prescribed by applicable law. After the time required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, express or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

20. Assignment of Rents: That as additional security, Borrower hereby gives to and confers upon Lender the right, power and authority, during continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto the borrower, prior to any default by borrower in payment of any sums secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Lender may at any time, without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the sums hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits and apply the same less costs and expenses of operation and collection, including reasonable attorney fees, upon any sum secured hereby or due a senior lien holder. Lender may determine, make, cancel, enforce or modify leases, obtain and eject tenants, and set or modify rents. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof and the taking of the other acts described herein shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

21. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs.

22. Substitute Trustee. Lender, at its option, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Lender and recorded in the office of the Recorder of the county in which the Property is located. The instrument shall contain the name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument is recorded and the name and address of the successor trustee. Without conveyance of the Property, the successor trustee shall succeed to all the title, powers and duties conferred upon the Trustee herein and by applicable law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

23. Request for Notices. Borrower requests that copies of the notices of default and sale be sent to Borrower's address which is the Property Address.

24. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

☐ Adjustable Rate Rider ☐ Condominium Rider ☐ 2-4 Family Rider
☐ Graduated Payment Rider ☐ Planned Unit Development Rider
☐ Other(s) [specify]

25. Statement of Obligation. Lender may collect a fee not to exceed the maximum amount permitted by law for furnishing the statement of obligation as provided in Section 2943 of the Civil Code of California.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

David R. Meyer
DAVID R. MEYER (Seal) Borrower — PAULA M. MEYER (Seal) Borrower

(Seal) Borrower — (Seal) Borrower

STATE OF CALIFORNIA, San Diego County ss:

On this 21st day of April, 19 86, before me, the undersigned, a Notary Public in and for said State, personally appeared David R. Meyer and Paula M. Meyer known to me, or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the foregoing instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.

OFFICIAL SEAL
LESLIE A. WEBB
NOTARY PUBLIC - CALIFORNIA
SAN DIEGO COUNTY
My Comm. Expires Aug 25, 1989

Signature: Leslie A. Webb
Leslie A. Webb
Name (typed or printed)

My Commission expires:

REQUEST FOR RECONVEYANCE

TO TRUSTEE:

The undersigned is the holder of the note or notes secured by this Deed of Trust. Said n... all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby d... or notes and this Deed of Trust, which are delivered hereby, and to reconvey, without warrant... by you under this Deed of Trust to the person or persons legally entitled thereto.

Dated:

[Space Below This Line for Acknowledgment]

No. 86 162620 4

86 594386

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RECORDING REQUESTED BY:

RECORDING REQUESTED BY CONTINENTAL LAND TITLE

WHEN RECORDED RETURN TO:

City Clerk
City of Oceanside
704 Third Street
Oceanside, CA 92054

RECORDED IN OFFICIAL RECORDS OF SAN DIEGO COUNTY, CA.

1986 DEC 17 PM 3:56

VERA L. LYLE COUNTY RECORDER

THIS SPACE FOR RECORDER'S USE ONLY

9003-12
597525

RF 31
AR 27
MG 1

DECLARATION OF COVENANTS
(Tract 1.4)

This DECLARATION OF COVENANTS ("Covenant") is executed as of December 15, 1986 by RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership ("Developer"), with reference to the following facts:

RECITALS

A. Developer owns certain real property located in the City of Oceanside, San Diego County, California, more particularly described on Exhibit "A" attached hereto and made a part hereof ("Property").

B. The Property is part of a larger parcel of real property covered by Implementing Tentative Map No. T-18-85 ("Implementing Tentative Map") and Implementing Development Plan D-49-85 ("Implementing Development Plan"), which were approved by the City of Oceanside ("City") subject to certain conditions set forth in City Planning Commission Resolution No. 86-P6 adopted on February 19, 1986, a copy of which is attached hereto as Exhibit "B" and made a part hereof.

C. The Property is also part of the real property covered by: (1) Specific Plan No. S-1-84 for Rancho Del Oro ("Specific Plan"), approved by the City on November 20, 1985, pursuant to City Council Resolution No. 85-238; (2) Rancho Del Oro Master Subdivision Map East, Map No. 11409 recorded on December 27, 1985 ("Master Subdivision Map"); and (3) Rancho Del Oro Development Agreement DA-1-85 ("Development Agreement") entered into on December 26, 1985 by and between the City and Rancho Del Oro Developments and Rancho Del Oro Investments, recorded on December 27, 1985 as File No. 85-490775 of the Official Records of San Diego County, California.

D. This Covenant is being executed and recorded in order to satisfy Condition No. 7 of the conditions of City approval of the Implementing Tentative Map and the Implementing Development Plan.

NOW, THEREFORE, in consideration of the City's approval the Implementing Tentative Map and Implementing Development Plan, Developer hereby covenants and declares as follows:

1. The Property and any portion thereof, shall be owned, held, conveyed, mortgaged, encumbered, leased, used, occupied, developed and improved subject to: (1) the conditions of approval of the Implementing Tentative Map and the Implementing Development Plan identified in Recital C and set forth in the Resolution attached as Exhibit "B"; (b) the Specific Plan; (c) applicable conditions of approval of the Master Subdivision Map; and (d) applicable terms and conditions of the Development Agreement during the term thereof, unless terminated or released pursuant to its terms. All of the foregoing shall run with title to the Property and bind Developer and all successor owners, lessees, transferees, heirs and assigns of all or any portion of the Property, except as provided herein.

2. Upon recordation of this Covenant, the Property shall be released from the Declaration of Covenants recorded on December 27, 1985 as File No. 85-490780 in connection with recordation of the Master Subdivision Map.

3. This Covenant shall be automatically released and removed as an exception to title for each residential Lot included in the Property upon issuance of a certificate of occupancy for a residential dwelling unit on such Lot, provided that such Lot is part of the property subject to the following: (a) the Master Declaration of Covenants, Conditions and Restrictions for the Villages of Rancho Del Oro recorded on September 4, 1986 of the Official Records of San Diego County, California as File No. 86-388367, as amended from time to time ("Master Declaration"); (b) the Ranch Maintenance Agreement dated October 13, 1986; (c) the Village Maintenance Agreement described in Section 2.9 of the Master Declaration and attached thereto as Exhibit G, as amended from time to time; and (d) the Declaration of Covenants, Conditions and Restrictions for Village I recorded on September 4, 1986 as File No. 86-388368 of said Official Records, as amended from time to time. Residential homeowners shall not be liable for the obligations of Developer under the terms of the permits, approvals and documents described in Section 1.

IN WITNESS WHEREOF, Developer has executed this Declaration of Covenants as of the date first set forth above.

By: RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, General Partner

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation, General Partner

By: ____________________

Title: PRES.

By: ____________________

Title: V.P.

By: J.F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By: ____________________

Title: V.P.

By: ____________________

Title: Assistant Secretary

ACKNOWLEDGED AND APPROVED:

CITY OF OCEANSIDE, a California municipal corporation

By: ____________________

Title: ASSISTANT CITY ATTORNEY

EBS:1870M
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STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On 11-18-86, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Eugene Geritz and Ronald G. Sigler, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the President and Vice President, respectively, on behalf of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner of RANCHO DEL ORO DEVELOPMENTS, that such partnership executed this instrument as such partner of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, and that such partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CHERYL E LEONARD
Notary Public - California
SAN DIEGO COUNTY

Cheryl E Leonard
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On November 18, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Thomas Noan and Barbara Rossoll, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the Vice President and Assistant Secretary respectively, on behalf of J.F. SHEA CO., INC., the corporation that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC—CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Carol J. Clark
Notary Public in and for Said County and State

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EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

Lots 1 through 153 inclusive of Rancho Del Oro Village I, Tract 1.4 in the City of Oceanside, County of San Diego, California, according to Map thereof No. 11689, filed in the Office of the County Recorder of San Diego County on DEC 17 1986, 1986.

EXHIBIT B

PLANNING COMMISSION
RESOLUTION NO. 85-85

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF OCEANSIDE, CALIFORNIA APPROVING A TENTATIVE MAP AND DEVELOPMENT PLAN ON CERTAIN REAL PROPERTY IN THE CITY OF OCEANSIDE

APPLICATION NOS: T-18-85 AND D-49-85
APPLICANT: Rancho Del Oro
LOCATION: East of College Boulevard and south of Old Grove Road

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THE PLANNING COMMISSION OF THE CITY OF OCEANSIDE, CALIFORNIA DOES RESOLVE AS FOLLOWS:

WHEREAS, there was filed with this Commission a verified petition on the forms prescribed by the Commission requesting a Tentative Map and Development Plan under the provisions of Articles 7 and 25 of the Zoning Ordinance of the City of Oceanside to permit the following:

545 single family lots on 131.5 acres

on certain real property legally described as shown on EXHIBIT "A" attached hereto and incorporated herein by reference thereto.

WHEREAS, the Planning Commission, after giving the required notice, did on the 3rd day of February, 1985 conduct a duly advertised public hearing as prescribed by law to consider said application.

WHEREAS, studies and investigations made by this Commission and in its behalf reveal the following facts:

For the Tentative Map:

1. This Tentative Map T-18-85 and Development Plan D-49-85 are in conformance with the standards set forth in the "PRD Master Plan for Rancho Del Oro" approved by the City Council on October 15, 1985.

2. The 174 excess units from the initial allocation for Village I on the Residential Density Management Table of the Specific Plan are hereby re-allocated to the Unallocated Excess Block of the Rancho Del Oro Residential Management Table.

3. This approval is based upon the presumption that two lanes of College Boulevard will be constructed from Old Grove Road to Mission Avenue in accordance with the Development

Agreement, so that they will be of beneficial effect to mitigate the circulation demands caused by the development of Village I.

4. Tentative Map T-18-85 is in conformance with and relies upon the fulfillment of the terms and conditions of the Rancho Del Oro Development Agreement, the City of Oceanside General Plan, the Master Tentative Map, the approved Specific Plan. The project has been conditioned to fulfill the requirements placed on these approvals.

For the Development Plan:

1. Consideration has been given and restrictions imposed in view of the size, shape, current zoning, and the use of the property and surrounding uses to permit the same degree of enjoyment and neighborhood protection as would be accorded in normal circumstances.

   - The Implementing Development Plan shall conform to the criterion of the Planned Residential Development Master Plan as regards to setbacks unit type and size of the lots.

2. That the Development Plan as approved will not endanger the public peace, health, safety, or general welfare of persons residing or working in the vicinity or injurious to property or improvements in the vicinity.

   - The Implementing Development Plan is conditioned in terms of infrastructure, landscaping and unit types that will be attractive and will not endanger the public peace or general.

3. Development Plan D-49-85 is in conformance with and relies upon the fulfillment of the terms and conditions of the Rancho Del Oro Development Agreement, the City of Oceanside General Plan, the Master Tentative Map and the approved Specific Plan. The project has been conditioned to fulfill the requirements placed on these approvals.

4. The Planning Commission finds that common open space requirements as stipulated in the Planned Residential Development Master Plan has been met to this point.

WHEREAS, the Planning Commission finds that there will not be an adverse impact upon the environment from this project and hereby approves a Negative Declaration under the provisions of the California Environmental Quality Act.

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission does hereby APPROVE Tentative Map T-18-85 and Development Plan D-49-85 subject to the following conditions:

EXHIBIT B

1. The property covered by this Tentative Map T-18-85 and Development Plan D-49-85 is included within the Phase 1 Development Area of the Rancho Del Oro Development Agreement DA-1-85 (hereinafter referred to as the "Development Agreement") and is subject to said Development Agreement, and the conditions of approval of the Rancho Del Oro Specific Plan S-1-84 (hereinafter, the "Specific Plan"), the Rancho Del Oro Master Tentative Map T-5-84 (hereinafter the "Master Tentative Map") and the Rancho Del Oro Master Final Map(recorded on December 27, 1985 and hereinafter the "Master Final Map"). Development of this 131.5 acre site shall proceed only upon compliance with all conditions of this Resolution and the requirements of the Development Agreement, the Specific Plan, the Master Tentative Map, and the Master Final Map, except as expressly modified in this Resolution.

2. This Implementing Tentative Map and Implementing Development Plan, and other approvals constitute consent of the Developer and all Subsequent Developers of the property covered by the Implementing Tentative Map and Implementing Development Plan to all applicable provisions of the Development Agreement, the Specific Plan, and the Master Tentative Map and that they will develop in accordance with these documents. The approval of the project further constitutes the applicant's and other developer's agreement with all statements in the Description and Justification and other materials and information submitted with this application, as modified by the conditions of this Resolution.

3. This Tentative Map T-18-85 is an implementing tentative map, as required by the Development Agreement, the Specific Plan, and Master Tentative Map. This Development Plan D-49-85, is the concurrent implementing development plan required by said Development Agreement, the Specific Plan and Master Tentative Map.

4. This Implementing Tentative Map T-18-85 and Implementing Development Plan D-49-85 shall run concurrently, and for any unrecorded portions shall expire on February 19, 1989. If the Implementing Tentative Map and Implementing Development Plan expire, no development shall occur on any portion of the entire Village not finaled by the expiration date (excluding Tract 1.1) until approval of a new Implementing Tentative Map and concurrent Implementing Development Plan, for the entire unfinaled portion.

5. For purposes of this Implementing Tentative Map and Implementing Development Plan, "development" shall be an all-inclusive term defined as "the uses to which the land is put, the construction and infrastructure on the land".

6. The conditions and requirements of this Implementing Tentative Map and Implementing Development Plan shall be binding upon the Applicant and any subsequent owner, assignee, transferee, successor, or any other person, party or entity pursuing development within the 131.5 acre site. Such conditions and requirements run with the land, and all such persons, parties or entities shall abide by and comply with the conditions of the Master Tentative Map, Specific Plan, Development Agreement and this Resolution.

7. As a prerequisite to the approval of any final map for any property covered by this Implementing Tentative Map, a notice, declaration, covenant or other recordable document shall be recorded setting forth that all requirements and conditions placed on this Implementing Tentative Map T-18-85, Implementing Development Plan D-49-85, the Specific Plan, the Master Tentative Map and the Development Agreement, run with the land and bind all owners, lessees, transferees, heirs and successors of any portion or all of the approximately 131.5 acre site. Such notice, declaration, covenant or other document shall also generally list the conditions of approval, and shall be subject to the review and approval of the City Attorney prior to recordation. A note referencing the recordation of the notice, declaration, covenant or other document shall appear on every Final Map for this Implementing Tentative Map T-18-85. Upon recordation of this notice, declaration, covenant or other document against any portion of this 131.5-acre site, the Declaration of Covenants recorded against this 131.5-acre site on December 27, 1985, File No. 85-490780, shall be released from such portion by an appropriate document reviewed and approved by the City Attorney.

8. If any future or subsequent Implementing Tentative Map, Implementing Development Plan or any other permit or approval is processed for the subject property, conditions may be imposed in addition to the conditions and requirements imposed by this resolution.

9. Upon the failure of any developer of Implementing Tentative Map T-18-85 and Implementing Development Plan D-49-85, or any other responsible representative or owner of any portion of the 131.5 acre site, to comply with any conditions for the development and/or improvement of any of the 131.5-acre site, including but not limited to the timing of the posting of security and the construction of the improvements, infrastructure, dedication or other requirements of this Resolution, the City of Oceanside shall have the right to suspend development of any portion or all of the 131.5-acre site affected by the default. The city's rights include, but are not limited to the right to withhold building permits and other permits and to amend or modify the land use rules, including but not limited to the zoning,

applicable to the property affected by the default, to the extent rights to develop have not vested under then-existing State law.

10. Upon the failure of Rancho Del Oro Developments and Rancho Del Oro Investments, collectively the "Master Developer" under the Development Agreement, or an approved successor Master Developer, as defined in the Development Agreement, to post security for, construct and/or complete the Phase 1 College Boulevard improvements in the Specific Plan area, in accordance with the requirements of the Development Agreement, the City shall have any and all rights upon the Master Developer default as are set forth under Section 8.3 (b) of the Development Agreement. Such rights include, but are expressly not limited to, the right to terminate the Development Agreement and to modify the land use rules including the zoning applicable to any portion of this 131.6-acre site affected by the default, to the extent rights have not vested under then existing State law. The City shall also have the right to withhold building permits and other permits in approvals to the extent the default affects improvements which are reasonably related to and necessary for the development of such a portion of the property included within this 131.6 acre site, as indicated in the infrastructure phasing program of the Specific Plan and the other conditions of approval of this Resolution.

11. As a condition of approval of any Final map for any portion or all of this Implementing Tentative Map, the property owner shall irrevocably offer for dedication all public street rights-of-way, (including ultimate easements and statements regarding construction access) not previously offered for dedication which are necessary to implement this Tentative Map and/or Implementing Development Plan as determined by the City Engineer.

12. The 545 dwelling units of this project constitute 545 units out of the 2,420 dwelling units permitted in the Phase 1 Development Area in accordance with the Development Agreement. The project also represents 545 units out of the overall 4,840 dwelling units permitted in the entire Specific Plan area, and pursuant to the Specific Plan, the unit allocation for Village I shall be fixed at 545 dwelling units.

13. Public improvements required under this resolution shall be constructed by the property owner, or cooperation provided for construction of such improvements with other developers of property within Rancho Del Oro Villages I and II also needing the same improvements. Approval of the Implementing Tentative Map and Implementing Development Plan constitutes the property owner's consent to enter into such private reimbursement agreements with adjacent or nearby property owners of Rancho Del Oro Villages I and II who need the same off-site improvements.

14. Any developer of any property covered by this Implementing Tentative Map and/or Implementing Development Plan shall grant, prior to the City's approval of any Final Map for this Implementing Tentative Map and Implementing Development Plan, the right to the City for a license to enter upon their respective parcel(s) for the purpose of constructing any improvements required under the infrastructure phasing program of the Specific Plan. This shall include infrastructure within Village I and between Village I and the other villages in the Specific Plan area. A note to this effect shall appear on each Final Map, or upon a separate instrument reviewed and approved by the City Engineer and City Attorney.

15. No Declaration of Conditions, Covenants, and Restrictions, contract of sale, lease or other written document or other means or method shall be established or shall attempt to establish any requirement, restriction or limitation on any of this property or any person, individual or entity which would operate, directly or indirectly, to prevent or preclude said or other person, individual or entity from complying with all applicable provisions of the Development Agreement, the Master Tentative Map, this Implementing Tentative Map, Implementing Development Plan, the Planned Residential Development Master Plan or any applicable site development plan.

16. Prior to the approval of the first Final Map for any property covered by this Implementing Tentative Map T-18-85 and the Implementing Development Plan D-49-85, a Master Homeowners Association shall be formed which shall include Residential Villages and which shall also ultimately include Villages 2 through 7 of the Specific Plan area, including Village I in accordance with the following requirements:

(a) Said Master Association shall have the responsibility to carry out, at a minimum, the maintenance of all common open space lots and tot lots. The Master Association shall have the responsibility of maintaining the specialized street furniture and fixtures as shown on the implementing Tentative Map T-18-85 and Lots Z, T, S and R as indicated on Conditions 77 through 79 of this Resolution unless and until such time as a maintenance district is formed which includes such items. Lots F, G and C shall be maintained by the Master Homeowners Association as indicated in Conditions 77 through 79 of this Resolution. Lots F, G, and C shall not be maintained in any Maintenance District. The required maintenance shall also include the Hillside Recreation Facility located between Tracts 1.1 and 1.3 and other future common open spaces in Villages 2 through 7. The maintenance of said open space lots and tot lots may be transferred to individual tract associations formed in accordance with Condition No. 17 of this Resolution.

(b) Conditions, covenants and restrictions (hereinafter Master Association "C.C.&R's") for said Master Association shall be prepared by the property owner or other developer of the property and shall be recorded prior to and/or concurrently with the recordation of such first Final Map. The Master Association C.C.&R's shall be reviewed and approved by the City Attorney prior to recordation and shall contain at a minimum, the following:

(i) Provisions for the maintenance of the common open space and other areas described in Subsection (a), above, including provisions establishing mechanisms to ensure adequate and continued monetary funding for such maintenance by the Master Association.

(ii) Provisions ensuring the access of the Rancho Del Oro residents to the Hillside Recreation Facility between Tracts 1.1 and 1.3, all parkways, all medians, all tot lots in Village I and other future common open space areas located in Villages 2 through 7.

(iii) Provisions to ensure the annexation into said Master Association, of the remaining portions of Village I as they are finaled, as well as other future Villages 2 - 7 within the Specific Plan area.

(iv) Provisions specifying that neither the C.C.&R's nor any contract of sale, lease, or other written document or any means or method shall be established or shall attempt to establish any requirement, restriction, or limitation on this developer or any person, individual or entity which would operate, directly or indirectly, to prevent or preclude any other developers of this land or any person, individual, or entity in complying with all applicable provisions of the Development Agreement, the Master Tentative Map, the Implementing Tentative Map or the Implementing Development Plan.

(v) Provisions specifying that no portion of the properties covered by this Implementing Tentative Map and Implementing Development Plan shall be leased, sold or otherwise transferred, during the term of the Development Agreement without compliance with the provisions of the Development Agreement. Each developer, down to and including, the first individual, person, party, entity or other developer who acquires each portion of the property, must provide, deliver and record their written acknowledgment of the Development Agreement to the City in accordance with the requirements of the Development Agreement. Nothing in this condition is intended to preclude the leasing to tenants that does not constitute a subdivision.

(vi) Provisions to ensure the establishment of maintenance responsibilities of the other villages in the Specific Plan area for the common open space, in accordance with applicable City Resolutions adopted in the future for such villages.

(vii) Provisions prohibiting the Master Association from relinquishing its obligation to maintain the common open space and other areas listed in Subsection (a) above without the prior consent of the Oceanside City Council.

(viii) Provisions stating that none of the above provisions of the C.C.&R's shall be deleted or modified without the consent of the City Attorney, that the City shall have the right, but not the obligation, to enforce any of the provisions and that in the event the City pursues legal action to enforce any of its rights, the City shall be entitled to reasonable attorney's fees.

(c) All property covered by this Implementing Tentative Map and Implementing Development Plan shall be included in this Master Homeowners Association; each portion of the property covered by the Implementing Tentative Map and Implementing Development Plan shall be annexed into the Master Homeowners Association prior to the approval of the Final Map for each such portion. Property in other villages shall be annexed into the Master Association as such property is finaled, and appropriate maintenance provisions shall be added to the Master Association C.C.&R's at that time.

(d) Nothing herein shall be deemed to preclude the modification to the responsibilities of said Master Association, or any C.C.&R's required for said associations concerning any other Village in the Specific Plan area.

17. Prior to the approval of each Final Map for any property covered by this Implementing Tentative Map T-18-85 and Implementing Development Plan D-49-85, a Homeowners Association for each tract included within Village I may be

formed which shall have the responsibility to carry out, at a minimum, the following duties in such tract to the extent that such duties or provisions are not covered by the Master Association:

(a) Provision for maintenance of common open space lots and tot lots described in Condition No. 15(a) of this Resolution, to the extent that such maintenance shall not be carried out by the Master Association.

(b) Conditions, covenants and restrictions (hereinafter the "Tract C.C.&R's") for said Tract Association shall be prepared by the property owner or other developer of the property and shall be recorded prior to and/or concurrently with the recordation of each such Final Map. The Tract C.C.&R's shall be reviewed and approved by the City Attorney prior to recordation, and shall contain, at a minimum, the following:

(i) Provisions for the maintenance of the common open space and other areas described in Subsection (a), above, including provisions establishing mechanisms to ensure adequate and continued monetary funding for such maintenance by the Tract Association;

(ii) Provisions ensuring the access of the Rancho Del Oro residents to the Hillside Recreation Facility between Tracts 1.1 and 1.3, all parkways, all medians, all tot lots in Village I and other future common open space areas located in Villages 2 through 7;

(iii) Provisions to ensure the annexation into said Tract Association, the remaining portions of each tract as they are finaled;

(iv) Provisions specifying that neither the C.C.&R's nor any contract of sale, lease, or other written document or any means or method shall be established or shall attempt to establish any requirement, restriction, or limitation on this developer or any person, individual or entity which would operate, directly or indirectly, to prevent or preclude any other developers of this land or any person, individual, or entity in complying with all applicable provisions of the Development Agreement, the Master Tentative Map, the Implementing Tentative Map or Implementing Development Plan;

(v) Provisions stating that none of the above provisions of the C.C.&R's shall be deleted or modified without the consent of the City Attorney,

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that the City shall have the right, but not the obligation, to enforce any of the above provisions, and that in the event the City pursues legal action to enforce any of its rights, the City shall be entitled to reasonable attorney's fees.

(c) All property of any tract covered by this Implementing Tentative Map and Implementing Development Plan shall be included in one tract association; each portion of the property covered by the Implementing Tentative Map and Implementing Development Plan shall be annexed into the one tract association prior to the approval of the Final Map for each such portion. Property in other phases of the tract shall be annexed into the Tract Association as such property is finaled.

18. Fences, if installed, shall be placed only at the tops of slopes on Lots 15, 16 and 17 in Tract 1.4 of Implementing Tentative Map T-18-85. This requirement shall be recorded against these lots in the form of a notice, declaration or covenant or other recordable documentation approved by the City Attorney. Provisions shall be made in the fences to allow access for maintenance from the individual lots. The maintenance of these slopes shall appear as a deed restriction on each lot.

19. No portions of the properties covered by this Implementing Tentative Map and Implementing Development Plan shall be leased, sold or otherwise transferred, during the term of the Development Agreement without compliance with the provisions of the Development Agreement. Each developer, down to and including the first individual, person, party or entity or developer who acquires each portion of the property must provide, deliver and record their written acknowledgment of the Development Agreement to the City in accordance with the requirements of the Development Agreement. Nothing in this condition is intended to preclude the leasing to tenants that does not constitute a subdivision.

20. This Implementing Tentative Map and Implementing Development Plan are subject to the Declaration of Covenants, Conditions and Restrictions for the Rancho Del Oro Planned Community, recorded December 27, 1985 (File No. 85-490781).

21. No landscape installation work in any portion of this map shall commence without City-approved individual landscape plans which comply with the Master Landscaping Plan. An individual landscape plan shall be approved prior to the issuance of any building permits. The Master Landscape Plan for Rancho Del Oro shall be approved by the City Engineer prior to the approval of the first Final Map for this Implementing Tentative Map.

22. The developer shall install landscaping on the front yards of the lots for patio home types D and E (tracts 1.2, 1.3 and 1.4).

23. The location of common mailboxes shall be approved by the City Engineer.

24. Elevations shall be substantially the same as those approved by the Planning Commission.

25. The developer is prohibited from entering into any agreement with a cable television franchise of the City which gives such franchisee exclusive rights to install, operate, and/or maintain its cable television system in the develooment.

26. Park fees shall be calculated against the dedication of land for the park as specified in the Development Agreement, in accordance with the fee schedule in effect at the time building permits are requested.

27. School fees shall be determined by the Vista School District on a per unit basis. A letter of clearance shall be provided to the City prior to the issuance of building permits.

28. The developer shall pay thoroughfare fees as required by the City's Thoroughfare Fee Ordinance.

29. The Hillside Recreation Facility (Open Space Lot) between Tracts 1.1 and 1.3 shall be improved with the landscape knoll and active recreation facilities concurrently with the issuance of any building permits for Tracts 1.2 through 1.5. Details for the open space area shall be submitted to the City Engineer for approval. The plan for the Hillside Recreation Facility shall be submitted by the developer and approved by the City as a prerequisite to the issuance of any building permits. The improvements in landscaping shall be completed prior to the approval of occupancy of any dwelling units in Village I. The Master Homeowners Association C.C.&R's shall provide for access and maintenance of all common open space provided in this Village as well as the annexation of that common open space ultimately provided in Villages 2 through 7 for the use and enjoyment of all residents in Village I.

Engineering:

ALL IMPROVEMENTS, INFRASTRUCTURE AND DEDICATIONS SHALL BE TO THE SATISFACTION OF THE CITY ENGINEER.

30. If the off-site grading, as shown on the easterly boundary of Implementing Tentative Map T-18-85 in Tracts 1.3 and 1.5 cannot be accomplished due to the refusal of permission to

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grade, the applicant shall file a revised tentative map to reflect any revised grading. No slopes shall be created in this area of Tracts 1.3 and 1.5 that require a retaining wall more than three feet in height from the new finish grade on the easterly boundary. The decision on any revised map of whether substantial conformity can be made or requirement for a new Public Hearing shall be at the discretion of the City Engineer. Any parcels lost as a result of such a revision shall not be transferred as an automatic allocation amendment to any other Tract or Village.

31. The developer shall dedicate, or shall provide irrevocable offers of dedication of any right-of-way required for Old Grove Road and Avenida De La Plata, slopes and utility easements and internal streets as required by the City Engineer to serve the property.

32. All public streets shall include street name signs and traffic control signs consistent with State and City standards and the Specific Plan.

33. Pavement sections for all drives, streets and parking areas shall be based upon soil tests and traffic index. The pavement design shall be prepared by the subdivider's soil engineer subject to the City Engineering Manual and City Specifications, and shall be approved by the City Engineer with the approval of any Grading Plan and/or improvement plans.

34. All street designs shall include all required underground construction. Conduits and pipelines located within areas of the street being constructed shall be placed at time of street construction to eliminate future disturbance to the existing street.

35. All development shall be in accordance with the City's Floodplain Management Regulations in effect at the time of development.

36. Prior to or concurrently with recordation of any Final Map for any property covered by this Implementing Tentative Map and Implementing Development Plan, the City shall initiate proceedings, at Master Developer's expense and in conformance with State law, to form, based upon proceedings initiated by Master Developer, an assessment district (the "Rancho Del Oro Maintenance District") to finance the maintenance of landscaping, lighting and other improvements (except paved travelways, pavement, water and sewer lines, gas, electric and other utility lines) located within public street rights-of-way through and adjacent to the property and within landscape easements granted to the City adjacent to such public rights-of-way. Any improvements included in the District must be consistent with City policy.

Initially, the Property included in the Rancho Del Oro Maintenance District will include the Property covered by the first Final Map of this Implementing Tentative Map and Implementing Development Plan and Unit 1 of the Rancho Del Oro Technology Park; the other portions of this Tentative Map shall be annexed into the District as they are finaled. Until the formation of the Maintenance District and/or in the event the District is not formed, the property owner (whether Master Developer or a Subsequent Developer) shall maintain the interim or permanent landscaping on the property owned by the developer and adjacent slopes and medians. This obligation may be incorporated into those of any homeowners association. Necessary permits shall be obtained prior to any work in the public right-of-way.

37. Grading, drainage, and street facilities shall be designed to adequately accommodate storm water run-off and shall be in accordance with the standard plans and specifications of the City of Oceanside in effect at the time of submission of the plans and subject to the approval of the City Engineer.

38. Grading design and construction shall be in accordance with provisions of the latest adopted Grading Ordinance in effect at the time grading permits are issued. Slopes shall not exceed 2:1 but may be flatter.

39. Sediment and silt traps shall be included in drainage improvements as required by the City Engineer. Maintenance of private drains shall be the responsibility of the property owner or association as required by the City's Grading and Erosion Control Ordinances.

40. The area is subject to payment of Master Plan of Drainage acreage fees, to be paid prior to approval of any Implementing Final Map. The amount of the fees, and any applicable credit, shall be determined in accordance with the fee schedule in effect at the time of the approval of each Final Map for any portion of this Implementing Tentative Map. All storm drains and appurtenances shall be designed and installed to the satisfaction of the City Engineer. On- and off-site drains shall be shown on City standard plans and profile sheets. Storm drain, water and sewer easements shall be dedicated where required by the City Engineer.

41. No credit shall be given for any drainage facility unless it is part of the Master Drainage Plan.

42. The developer shall be responsible for obtaining any off-site easements required to serve the development being proposed. Where the City is required to lend its power of condemnation, all costs shall be borne by the developer.

43. No grading shall occur outside the limits of the Implementing Tentative Map and Implementing Development Plan area unless an easement, letter of permission or other legal agreement satisfactory to the City Attorney is obtained from the owners of the affected properties prior to approval of the grading permit.

44. Street lights shall be installed and dedicated in the location as indicated by the City Engineer for this Implementing Tentative Map and Implementing Development Plan. The developer shal' pay all applicable fees, energy charges and/or assessments in effect at the time of the filing of the Implementing Final Map and shall agree to the formulation of, or the annexation to, any appropriate street lighting district.

45. All traffic signal contributions, highway thoroughfare fees, park fees, reimbursements and other applicable charges, fees and deposits shall be paid prior to the filing of the Implementing Final Map, in accordance with City fee schedules, ordinances, rules, regulations and policies in effect at the time of Implementing Final Map. The developer shall also be required to join into, contribute, or participate in any improvement, lighting, or other special district affecting or affected by this subdivision. Approval of the Implementing Tentative Map and Implementing Development Plan shall constitute the developer's approval of all such payments, and its agreement to pay for any other similar assessments or charges in effect at the time it is submitted and to join, contribute or participate in such districts. This does not constitute a waiver of the right to protest.

46. Design and construction of all improvements shall be in accordance with standard plans and specifications of the City of Oceanside and consistent with Development Agreement and Specific Plan at the time of submission of improvement plans or construction, whichever is later. All improvements shall be subject to approval by the City Engineer.

47. Street sections shall be in substantial conformance with the approved exhibits in the Specific Plan. Varied sections may be allowed on a case-by-case basis as approved by the City Engineer.

48. As a prerequisite to approval of any Final Map all of the improvements and/or infrastructure requirements within the boundaries of this Implementing Tentative Map and Implementing Development Plan shall be covered by a subdivision improvement agreement and the posting of security in a manner and form satisfactory to and approved by the City Attorney and City Engineer.

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49. All new or existing distribution utility lines services and extensions within or contiguous to any portion of the area covered by the Tentative Map including electrical, telephone and cable television shall be constructed underground.

50. Where cast-in-place pipe is permitted by the City Engineer, the developer shall provide constant inspection during construction by a City approved inspector at the developer's expense. Cast-in-place pipe shall not be placed within the right-of-way of any public street.

51. When drainage is placed into an underground system, it shall remain in such enclosed system until it can be discharged into a drain approved by the City Engineer.

52. All applications for maps and other approvals shall be submitted in a timely manner, subject to the processing limitation of Development Agreement in accord with other City policies in effect at the time.

53. All easements for storm drains shall be a minimum of 15 feet in width and shall exist on one lot. The easement shall increase in size for depth and size of pipe. Width shall be determined by construction considerations. The location and size of such easement shall be shown for dedication on the Implementing Final Map.

54. Maintenance of all storm drains which are not acceptable into the City's maintained system, but which meet acceptable standards, as determined by the City Engineer, shall be included in a maintenance district to be established by Rancho Del Oro, prior to the City's approval of the Final Map of the Implementing Tentative Map and the Implementing Development Plan. Prior to district formation, the developer shall be responsible for maintenance.

55. All approved traffic control signs and directional signs and street furniture shall be installed by the developer and maintained under the maintenance agreement or district. Prior to the district formation, the developer shall be responsible for maintenance.

56. Vehicular access rights to College Boulevard and Old Grove Road, and Avenida De La Plata shall be relinquished to the City from all abutting lots.

57. Prior to approval of any final map increment, all of the above requirements within such increment, or outside of it if required by the City Engineer, shall be covered by a subdivision agreement, secured with sufficient improvement securities or bonds guaranteeing performance, payment for labor and materials, setting of monuments, and warranty against defective materials and workmanship.

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58. All streets shall be improved to City standards except as approved in the Rancho Del Oro Specific Plan or as ordered by these conditions.

59. Pavement sections for all streets, alleys, driveways and parking areas shall be based upon soil tests and traffic index. The pavement design to be prepared by the subdivider's soil engineer must be approved by the City Engineer.

60. All streets shall be improved with street name signs, and traffic control devices, as required by the City Engineer.

61. Sight distance requirements at all street intersections shall conform to the intersectional sight distance criteria as provided by the latest revision of the American Association of State Highway Officials in the publication "Geometric Design for Highways and Streets".

62. Landscaping plans for trees, bushes and shrubs or plans for the construction of walls, fences or other structures at or near intersections must conform to sight distance requirements and must be submitted to the City Engineer for approval prior to any such planting or construction.

63. All storm drains shall be designed and installed to the satisfaction of the City Engineer. On and off-site storm drains shall be shown on the City standard plan sheets.

64. Storm drain easements shall be dedicated when required. The developer shall be responsible for obtaining any off-site easements for storm drainage facilities.

65. Prior to any grading of any part of the Village, a comprehensive soils and geologic investigation shall be conducted of the soils, slopes, and formations in the tracts. All necessary measures shall be taken and implemented to assure slope stability, erosion control, and soil integrity. No grading shall occur until a detailed grading plan, to be prepared in accordance with the Grading Ordinance and Hillside Ordinance, is approved by the City Engineer.

66. The entire Village shall be served with a water system adequate enough for fire protection and domestic supply, with hydrants and other appurtenanc. as needed. The main lines shall be dedicated to the City, and appropriate easements shall be provided. The sewer system to serve the tract shall be designed and constructed to City standards. All other utilities to serve the tract, including electrical, telephone, and cable T.V., shall be constructed underground.

67. All streets shall meet the City of Oceanside standards with respect to longitudinal grade.

68. Where stub streets are created in the phasing schedule, temporary turnarounds shall be constructed to the satisfaction of the City Engineer.

69. All open space lots shall be delineated and lettered to identify those portions of the open space lots which would be included in the Maintenance District along the major street. The open spaces behind the lots not contiguous to the street shall be designated a separate lot from those along the major highways.

THE FOLLOWING CONDITIONS APPLY TO EACH TRACT (OR PORTION AS SHOWN ON THE MAP) AS IT IS DEVELOPED. IF A PREVIOUS PHASE HAS ACCOMPLISHED A CONDITION THEN IT SHALL BE CONSIDERED TO BE MET.

70. Village I may be recorded and developed in increments, in a maximum of six phases or less. The phases shall be in accordance with the lines shown on the approved Tentative Map except as modified by these conditions of approval. As a condition of approval of any Final Map, the City Engineer may require the dedication and construction of necessary utilities, streets, and other improvements outside of the area of the particular map or incremental map. This will be required if such dedication and/or construction is necessary to mitigate the circulation, parking, access or other impacts of the development and to ensure consistency with or implementation of the General Plan, the Rancho Del Oro Specific Plan, or as otherwise necessary for the health, safety or welfare of the occupants or owners in the subdivision or the local neighborhood.

71. Each proposed Final Map, or incremental Final Map, shall be analyzed on the assumption that the particular map or incremental map is the first and only map proposed to be recorded and developed. If it is found that a previous map or other development has accomplished one or more of the following conditions, then such condition shall be deemed to be met.

72. <u>Tract 1.2</u>

Tract 1.2 may be finaled in two phases, as shown on the approved Implementing Tentative Map.

A. If development of Phase 2 of Tract 1.2 occurs first, then a sewer line shall be constructed between lots 205 and 206 to Avenida De La Plata then in Avenida de la Plata through tract 1.1 to tie in with the existing sewer main. A sewer line shall be constructed in "E" Street, "D" Street and in an easement between lots 4 and 5 to tie in with the existing line in College Blvd. A water line shall be constructed from the 27-inch water line in Old Grove Road down Avenida De La Plata to "C" Street, then in "C" Street and "B" Street, "A" Street, Avenida De La Plata and College Boulevard to the existing 10-inch water line. The water line shall be looped between "C" and "B" Streets and "C" and "E" Streets at the southerly property line of Phase 2. All water lines constructed shall be a minimum of 8 inches in diameter.

Secondary access shall be provided for Tract 1.2 for either phase, utilizing the dedication and construction of "C" Street, "B" Street and "A" Street, respectively. Avenida De La Plata shall be constructed from Old Grove Road to "C" Street and from College Boulevard to "A" Street with full width improvements and with one-half width plus 12 feet for the balance of the frontage of the subdivision. Old Grove Road shall be constructed with full width improvements from College Boulevard to Avenida De La Plata.

B. If development of Phase 1 of Tract 1.2 occurs first, a sewer line shall be constructed in an easement through Lot 4 from "D" Street to the College Boulevard sewer main and a sewer line shall be constructed in "B" Street between lots 205 and 206 to Avenida De La Plata then in Avenida De La Plata through Tract 1.1 to tie in with the existing sewer line. A water line shall be constructed from the 27-inch water line in Old Grove Road down Avenida De La Plata, "C" Street, "B" Street, "A" Street back to Avenida De La Plata and College Boulevard to the existing 10-inch water line in College Boulevard. Construction of temporary water line loops on "F" Street between "C" and "E" Streets, and between "C" and "B" Streets at the northerly end of Phase 1 shall be required. The development of Phase 1 as the first final map will also require that Avenida De La Plata shall be constructed full width from College to the easterly property line of Phase 1; from this point, it shall be constructed half width plus 12 feet to Old Grove Road. College Boulevard improvements shall be completed across the frontage of Tract 1.2, in accordance with the Development Agreement; such College Boulevard Improvements shall include the Phase 2 Improvements and Final Improvements as defined in the Development Agreement.

C. At the time development of a particular phase of 1.2 occurs, all streets and utilities as shown on the approved Tentative Map, for both phases may be constructed in lieu of the foregoing conditions, if approved by the City Engineer. In the event the City Engineer approves such construction, the developer shall be required to dedicate, by separate instrument, all easements and rights of way necessary to construct and maintain said utility lines and streets, as determined by the City Engineer, to the extent such easements have not yet been dedicated.

73. Tract 1.3

Tract 1.3 shall be finaled in one final map.

A. Construction of a sewer line down Avenida De La Plata through Tract 1.1 to tie in with the existing sewer main shall be required. Construction of a water line from Old Grove Road within Avenida De La Plata to the existing water line in College Boulevard shall also be required.

B. The cul-de-sacs in Tract 1.3 shall have the water line in each street looped to the satisfaction of the City Engineer. The 27-inch line shown on the tentative map in Old Grove Road shall be constructed.

C. Avenida De La Plata shall be constructed full width from College Boulevard to Old Grove Road.

74. Tract 1.4

Tract 1.4 shall be finaled in one map.

A. A sewer line shall be constructed in "L" Street and "K" Street to "O" Street through an easement in Lot 55 to College Boulevard to tie in with the existing sewer main at Avenida De La Plata and College Boulevard. A water main shall be constructed off the 14 inch line on Old Grove Road to form a loop along Avenida De La Plata, "L" Street, "K" Street, "O" Street, "M" Street and back to Old Grove Road. The full street improvements for College and Old Grove shall be constructed across the frontage of Tract 1.4. and Avenida De La Plata shall be constructed full width from Old Grove Road to the easterly property line and one half width plus 12 feet from the easterly property line to College Boulevard.

75. Tract 1.5

Tract 1.5 may be finaled in two phases, as shown on the tentative map.

A. If Phase 2 is developed first, a sewer line shall be constructed in "R" Street, "W" Court, and in an easement through Lot 22 then across Avenida De La Plata through Tract 1.2 to tie in with the existing sewer main at Avenida De La Plata and College Boulevard. A water line shall be constructed from the existing 14-inch line in Old Grove Road down "Q" Street to "P" Street, and to "U" Street to Old Grove Road. A water line shall also be constructed in Old Grove Road from College Boulevard to the connection of Old Grove Road with Temple Heights Drive in the northeasterly portion of Tract 1.5. "U" Street shall be dedicated and constructed full width from Old Grove Road to its intersection with "P" Street.

B. If Phase 1 is developed first, a sewer line shall be constructed across Avenida De La Plata through Tract 1.2 to the existing sewer line in College Boulevard. The water line construction shall be required from Old Grove Road down "U" Street to "T" Street, to "R" Street to "W" Court and through an easement in "W" Court and looped within "W" Court back to "V" Street. A water line may be constructed in Old Grove Road in order to serve Tract 1.5, if required by the City Engineer.

C. To provide secondary access, Old Grove Road must be constructed full width from College Boulevard to join the existing Temple Heights Drive on the northeasterly corner of the subdivision. "Q" Street must be constructed to provide secondary access from Old Grove Road, to "P" Street, to "R" Street, and the construction of "R" Street to join the existing "R" Street in Phase 1.

76. Storm drains as necessary shall be constructed to City standards and to the satisfaction of the City Engineer to adequately serve each individual final map.

77. Open space Lot "F" shall become two lots; the portion running between Avenida De La Plata and Lot Nos. 7 through 22, inclusive, of Tract 1.5 shall be re-labeled Lot "Z" and shall be included in the Maintenance District formed. The portion of Lot "F" running behind Lots 73 through 98, inclusive, of Tract 1.3, shall be labeled Lot "F" and shall be maintained by the Master Homeowners Association. Lot "F" shall not be included in any Maintenance District.

78. Open space Lot "G" shall become two lots; the portion running between "C" Street of Tract 1.3 adjacent to Avenida De La Plata of Tract 1.3 shall be re-labeled Lot "T" and shall be included in the Maintenance District formed. The portion of Lot "G" running behind Lot Nos. 12, 13, 38 and 39 inclusive of Tract 1.3 shall be labeled Lot "G" and shall be maintained by homeowners of Tract 1.3 and may be maintained by the Master Homeowners Association. Lot "G" shall not be included in any Maintenance District.

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79. Open space Lot "C" shall become three lots; the portion running behind Lot Nos. 85 through 99, along Avenida De La Plata of Tract 1.4 shall be re-labeled Lot "S" and shall be included in the Maintenance District formed. The portion between Lot Nos. 53 and 56 adjacent to College Boulevard of Tract 1.4 shall be re-labeled Lot "R". The portion of Lot "C" running behind Lot Nos. 14 through 45, inclusive, of Tract 1.2, shall be labeled Lot "C" and shall be maintained by homeowners of Tract 1.2 and may be maintained by the Master Homeowners Association. Lot "C" shall not be included in any Maintenance District.

Water and Sewer:

80. The water system shall be looped to provide a second water source at all times to each tract to insure that adequate fire protection and domestic needs are met at all times. Water and sewer lines shall be in the travel way of all streets and roadways. At no time shall water or sewer mains be located within the center medians. Water and sewer lines shall be a minimum of five feet from curb, a minimum of ten foot separation between water and sewer is required by public health standards and a minimum of five feet from other utilities, such as gas, electric, etc. is required.

81. Temporary sewer pump stations shall not be permitted. All sewers shall be gravity flow to an existing City main. All construction or design shall adhere to the Master Plan of Sewers for the City. Any necessary extensions, additions and/or reconstruction shall be designed and constructed with the Final Map and Implementing Development Plan.

82. Master Plan Water and Sewer utilities that are constructed by the Developer shall be credited when building permits are issued subject to ordinances in effect at the time. The credit shall be determined on an approved engineer's estimate of the dollar value of the facilities prepared at the time facilities design are approved for construction. Sewer and Water connections will be given at building permit issuance based on the current connection fee in effect at the time building permits are issued.

83. All public water and/or sewer facilities not located within the public right-of-way, shall be provided with adequate sized easements.

84. The developer shall be responsible for developing all water and sewer facilities necessary to this property in accordance with the infrastructure phasing program of the Specific Plan. Any relocation of water or sewer lines are the responsibility of the developer.

Fire:

85. Fire hydrants shall be 2-1/2" X 4".

86. The fire hydrants shall be installed and tested prior to placing any combustible materials on the job site. Temporary lines are not acceptable.

87. Fire hydrants shall be located as indicated on a map filed in the Fire Prevention Bureau. Blue reflectors shall be placed opposite each hydrant in the street per City Standards.

89. All-weather access roads shall be installed and made Serviceable prior to and during time of construction. Sec. 10.301(c) and (d) Uniform Fire Cord.

89. Plans shall be submitted to the Fire Prevention Bureau complying with Title 19, C.A.C.; Uniform Fire Code; Uniform Building Code.

90. All existing fire hydrants shall be shown within 400 feet of the project on plot plan.

91. Cul-de-sacs shall be 40 feet radius.

92. Hydrants shall be located as required by the Fire Marshal.

93. The required fire flow shall be determined at the time of building permit application.

General:

94. Unless expressly waived or modified by this Resolution or by the Rancho Del Oro Development Agreement (DA-1-85), all current standards and City ordinances and policies in effect at the time building permits are issued are required to be met by this project. The failure to specifically identify in this Resolution all applicable provisions of the Development Agreement or any other ordinance, resolution, policy, rule or regulation shall not be deemed a waiver by the City of these requirements and all such requirements shall be applicable to this 131.5-acre site.

PASSED on February 3, 1986 by the following vote, to wit:

AYES: Burgeson, Jakovac, Lyon, Ramsey, Sullivan, Skinner

NAYES: Wilson

ABSENT: None

ABSTAIN: None

ADOPTED on this 19th day of February, 1986.

Brian Sullivan
Brian Sullivan, Chairman

ATTEST:

Michael J. Blessing
Michael J. Blessing, Secretary

I, MICHAEL J. BLESSING, Secretary of the Oceanside Planning Commission, hereby certify that this is a true and correct copy of Resolution No. 86-P5.

Dated: 19 Feb '86

MICHAEL J. BLESSING, Secretary
OCEANSIDE PLANNING COMMISSION

EXHIBIT B

RANCHO DEL ORO

VILLAGE I

LEGAL DESCRIPTION

Portion of SE 1/4 Section 15 T11S R4W City of Oceanside, San Diego County, California.

2076 86 594388

Recording Requested By:

RECORDING REQUESTED BY CONTINENTAL LAND TITLE

When Recorded Mail To:
AYLWARD, KINTZ, STISKA,
WASSENAAR & SHANNAHAN
Attn: Ellen B. Spellman
225 Broadway, Suite 2100
San Diego, CA 92101

[For Recorder's Use]

90031-12 597524

RF 15
AR 13
MG 1

DECLARATION OF RESTRICTIONS AND REPURCHASE AGREEMENT
(Tract 1.4)

This DECLARATION OF RESTRICTIONS AND REPURCHASE AGREEMENT ("Declaration"), which shall be effective upon recordation, is executed as of December 9, 1986, by RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership ("Seller"), and MISSION VIEJO COMPANY, a California corporation ("Developer"), with reference to the following facts:

RECITALS

A. Pursuant to a Purchase and Sale Agreement and Escrow Instructions executed concurrently herewith ("Agreement"), Seller agreed to sell to Developer, and Developer agreed to purchase, the real property ("Property") located in the City of Oceanside, County of San Diego, California, more particularly described on Exhibit "A" attached hereto and made a part hereof.

B. Seller owns other real property in the vicinity of the Property, more particularly described on Exhibit "B" attached hereto and made a part hereof (the "Benefitted Property").

C. As part of the consideration to Seller for entering into and performing the Agreement, Developer agreed to accept the conveyance of the Property subject to certain restrictions on development of the Property and Seller's right and option to repurchase the Property under certain conditions. These restrictions are intended to benefit Seller and successor owners of the Benefitted Property.

D. As of the date of recordation of this Grant, Seller has conveyed the Property to Developer.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1
DEVELOPMENT RESTRICTIONS

1.1 General. Buyer shall install, at its sole expense, the improvements described in this Article, in addition to those improvements required as conditions to the final subdivision map for the Property [Map No. 11409] or shown on improvement drawings approved by the City in connection therewith. The installation, construction and design of the improvements shall comply with: (a) the Declaration of Covenants, Conditions and Restrictions for Rancho Del Oro Planned Community, recorded on December 27, 1985 as File No. 85-490781 ("Development CC&Rs"), as amended by the Amendment thereto dated October 13, 1986 and recorded on October 30, 1986 as File No. 86-494623; (b) the Design Guidelines established pursuant to the Development CC&Rs; and (c) the Master Landscape Plan ("Master Landscape Plan") for Rancho Del Oro, in the form approved by City, as the same may be modified from time to time.

1.2 Front Yard Landscaping. All front yards shall be landscaped with grass, shrubs, trees and an underground irrigation system. The entire front yard setback area and an area extending five feet to the rear of the front corners of the house shall be landscaped. Street trees shall be 24-inch box minimum in size, and the front yard shall contain a minimum of 12 one-gallon or five-gallon shrubs.

1.3 General Landscaping Requirements. All plant types, installation and maintenance shall comply with the Master Landscape Plan. Front yard landscaping shall be maintained by Developer for a minimum of ninety (90) days after installation. Landscaping in public rights-of-way shall be maintained for a period of at least ninety (90) days after installation and until maintenance is accepted by either the master homeowners' association or by Rancho Del Oro Developments pursuant to the Ranch Maintenance Agreement providing for maintenance of major street rights-of-way for Rancho Del Oro.

1.4 Slope Banks. Side and rear slopes between lots which are less than five feet need not be landscaped. Rear slopes which exceed five feet (or extensions of such slopes) and all side slopes located within required front-yard landscape areas shall be landscaped. All side slopes which slope down to abutting streets shall be landscaped. All rear slopes abutting College Boulevard or Old Grove Road shall be landscaped, in accordance with City requirements. Rear yards shall be landscaped with drought-tolerant landscaping. Front yard side slopes and side slopes abutting streets shall be landscaped in accordance with the landscaping requirements for front yards. An underground irrigation system shall be installed for all slopes which require landscaping. The irrigation system shall be valved such that the slope banks on each lot will be disconnected from the common system and hooked up to the meter for the individual residence upon sale of the unit. Developer shall maintain the landscaping for a period of at least ninety (90) days after installation and until sale of the unit to a homeowner.

1.5 Privacy Fences. A 6-foot high masonry fence (6-inch concrete block) with pilasters a maximum of 40 feet apart on center, with integrated cap finished with stucco, shall be installed along Old Grove Road and Avenida de la Plata and

College Boulevard along the rear of Lots 1 through 14, 19 through 42, and 86 and along the side yards of Lots 1, 14, 15 and 86. Pilaster and wall details shall conform to standard details provided by the Rancho Del Oro Planning and Development Board. The top of the privacy fence shall be parallel with the slope of the ground, with required steps occurring at the pilasters.

1.6 View Fences. A 6-foot high tubular steel fence with 2-inch by 1-inch top and bottom rails and 1/2-inch by 1/2-inch pickets every 4 inches on center, and with 8-inch by 8-inch stucco finished concrete block pilasters, and 2-inch by 2-inch steel posts at the midpoint between pilasters, shall be installed along the rear or side yards of the following Lots adjoining the open space easements or hillside recreation areas: Lots 43 through 85. Pilasters shall be located approximately every 20 feet on center, with a pilaster at each lot corner. For lots which exceed 40 feet in width, a pilaster shall be located at each lot corner with an additional pilaster at the midpoint, provided that the space between pilasters does not exceed 30 feet. Pilaster details shall conform to standard details provided by the Rancho Del Oro Planning and Development Board.

1.7 Rear and Side Yard Fences. A 5-foot high wood rear fence shall be provided for all lots which do not have privacy or view fences. All lots shall have 5-foot high wood side yard fences, with a return to the side wall of the residence. In general, side yard fences shall continue to within ten (10) feet of the front corners of the residence. The top and bottom of fences constructed upon slope banks shall run parallel with the slope of the ground.

1.8 Tract Entry. Tract entry and identification signs in conformance with the Master Landscape Plan shall be constructed at the intersection of the tract entry and Old Grove Road.

1.9 Street and Cul-de-Sac Medians. All street and cul-de-sac medians shall be landscaped with an underground irrigation system connected to the irrigation systems for the open-space lots. Medians shall be planted, with trees at least 24-inch box in size, shrubs at least one-gallon in size, and ground cover in accordance with a plan approved by the Rancho Del Oro Planning and Development Board pursuant to Section 1.11. Removable concrete block pavers shall be installed at all cul-de-sac parking areas.

1.10 Tot Lots. All tot lots shall be improved with play equipment, landscaping, underground irrigation system, lighting, and other amenities as generally set forth in the illustrative plan included in the Master Landscape Plan. Trees shall be a combination of 15-gallon, 24-inch box and 36-inch box and shrubs shall be one-gallon minimum in size. A specific landscape plan and specifications for all furniture and equipment shall be submitted for approval by the Rancho Del Oro Planning and Development Board pursuant to Section 1.11.

1.11 Street Furniture. All street trees, street signs, and traffic control signs shall conform to the Rancho Del Oro Street graphics program set forth in the Master Landscape Plan and the Specific Plan. Fire hydrants shall be unpainted brass, in accordance with specifications identified in the Master Landscape Plan. Mail boxes shall be grouped in units of four with 4x4-inch wood posts and support members in accordance with details identified in the Master Landscape Plan.

1.12 Approvals. Landscape and irrigation plans for all required landscaping, together with elevations, sections, structural details, material and color samples of all required fences, monument signs, and other street furniture shall be submitted to the Rancho Del Oro Planning and Development Board for approval pursuant to the Development CC&Rs. All such approvals shall be obtained no later than thirty (30) days after Developer's acquisition of the Property. Developer shall obtain all permits required for such construction from the City of Oceanside.

1.13 Signs. All on-site and off-site signs shall be approved by the Rancho Del Oro Planning and Development Board pursuant to the Development CC&Rs. In addition to the requirements and standards set forth therein, all on-site and off-site signs advertising the Rancho Del Oro development and individual residential projects shall conform to, and Developer shall cooperate with, a coordinated Master Sign Program to be developed by Seller in connection with a master merchandising and advertising program for the Villages of Rancho Del Oro.

ARTICLE 2
RIGHT OF REPURCHASE

2.1 Notice of Offer. If Developer receives an acceptable bona fide offer ("Offer") to purchase or otherwise transfer, except in the ordinary course of its business of selling residential dwelling units ("Dwelling Units") constructed on the Property to the public, any portion of the Property upon which it has not completed the framing of the Dwelling Unit(s) to be constructed thereon, Developer shall immediately notify Seller in writing of the Offer. Such notice ("Notice") shall set forth the offeror's name and address, the terms upon which the sale or transfer is to be made, and the consideration to be paid by the offeror. A copy of the Offer shall be attached to the Notice.

2.2 Seller's Right. Seller shall have the right and option to repurchase all but not less than all of any such portion of the Property, on the same terms and conditions, for the same price and exercisable in the same manner, as set forth in the Offer, by giving Developer written notice of its election to repurchase within a period of ten (10) business days after receipt of the Notice [or until ten (10) days after Seller first receives actual notice of the sale or transfer of any such portion of the Property made without first giving Seller written notice of intention to sell or transfer the same].

2.3 Transfer to Affiliate. Notwithstanding the foregoing, Developer shall have the right, at its sole election, to transfer the Property to an affiliated corporation or other entity, so long as: (a) Developer retains the right to receive not less than fifty percent (50%) of the profits arising from the development and sale or lease of Dwelling Units on the Property; and (b) pursuant to the governing documents of such corporation or other entity, or other arrangement, Developer shall be the party responsible for the construction of Dwelling Units thereon.

2.4 Nonexercise of Seller's Right. If Seller elects not to exercise its right to repurchase hereunder, Developer shall have the right to sell or otherwise transfer such portion of the Property to the person or entity identified as the offeror in the Notice and on the same terms and conditions disclosed to Seller; provided, however, that the agreement of sale or transfer executed by Developer and such other person or entity shall contain a covenant by such person or entity to enter into an agreement with Seller whereby such person or entity agrees to assume all of the then executory obligations of Developer contained in the Agreement that pertain to such portion of the Property. If any of the terms or conditions of the Offer are changed prior to the sale or transfer of the portion of the Property to the offeror, Developer shall repeat this right of first refusal procedure, setting forth all modified terms.

2.5 No Waiver. Any failure by Seller to exercise its rights hereunder after delivery of a Notice to Seller shall not be construed as a waiver of Seller's right of first refusal with respect to (a) any portion of the Property not included in the Notice, or (b) any portion of the Property included in the Notice which Developer fails to sell or otherwise transfer to the offeror identified in the Notice; and this Grant shall remain in full force and effect and shall apply to Developer and any person or entity to whom Developer sells or transfers any portion of the Property.

2.6 Release, Subordination. Any portion of the Property on which the framing of a Dwelling Unit has been completed by Developer shall automatically be released from the provisions of this Article 2 without payment of any consideration to Seller. Within ten (10) days after Developer has notified Seller that Developer has completed the framing on a portion of the Property, Seller shall execute and return to Developer for recordation a quitclaim of its right of first refusal with respect to those portions of the Property which have framed Dwelling Units thereon. Developer shall, at its own expense, be responsible for the preparation and recordation of all such quitclaims. Within ten (10) days after the written request of Developer, Seller shall subordinate its right of first refusal to Developer's acquisition and construction financing on the form of subordination required by Developer's lender.

2.7 Dedications, Utility Easements, Common Areas. Any portion of the Property which is dedicated or otherwise conveyed to and accepted by a public or quasi-public authority, utility or entity, or which is conveyed to a homeowners association comprised of residents of the Property for use as a community facility for the common enjoyment of such residents, shall automatically be released from this instrument without payment of any consideration to Seller. Within ten (10) days after receipt of a written request from Developer, Seller shall execute and return to Developer a quitclaim deed prepared by Developer evidencing such release, provided that Developer shall accompany such request for release and quitclaim deed with evidence satisfactory to Seller that such a conveyance has been or is about to be accomplished.

2.8 Termination. Seller's right of first refusal shall terminate upon the first to occur of: (a) the completion of the framing of the last of the Dwelling Units permitted to be constructed on the Property; or (b) five (5) years from the date of recordation of this Declaration.

ARTICLE 3
GENERAL PROVISIONS

3.1 Attorneys' Fees. In the event any legal or equitable proceeding is commenced to enforce or to restrain the violation of this Declaration, the losing party shall pay the attorneys' fees of the prevailing party incurred in such proceeding.

3.2 Cumulative Remedies. The remedies available at law or in equity to enforce this Declaration shall be cumulative, and no such remedy is exclusive. Failure by Seller to exercise any such remedy shall not, under any circumstance, constitute a waiver of the right to exercise such remedy thereafter.

3.3 Notices. Any notices required or permitted hereunder shall be in writing and shall be personally delivered or mailed, postage prepaid, by registered or certified mail, return receipt requested, addressed as follows: If intended for Developer: to Mission Viejo Company, ATTN: William K. Smith, 24800 Chrisanta Drive, Mission Viejo, California 92691. If intended for Seller: to Rancho Del Oro Villages Land Developments, c/o Collins-Rancho Del Oro Company, ATTN: Eugene Geritz, 11750 Sorrento Valley Road, Suite 118, San Diego, California 92121. Mailing addresses may be changed at any time upon written notification to the other party. Notices shall be deemed received on the date of personal delivery or seventy-two (72) hours after mailing.

3.4 Severability. The provisions of this Declaration shall be deemed independent and severable, and if any competent court holds any provision to be invalid, partially invalid or unenforceable, such invalidity or unenforceability shall not effect or invalidate any other provision.

3.5 Governing Law. This Declaration shall be governed, construed and enforced in accordance with the laws of the State of California.

3.6 Runs with Land. The covenants, conditions and restrictions contained herein are made for the benefit of Seller and successor owners of all or any portion of the Benefitted Property; shall create equitable servitudes upon the Property in favor of each and every portion of the Benefitted Property; shall bind Developer and each successive owner of all or any portion of the Property during his period of ownership, and each person having any interest in the Property derived through any owner thereof; and shall operate as covenants running with the land. This Declaration has been made with the intent of satisfying the requirements of Section 1468 of the California Civil Code.

3.8 Enforcement. This Declaration shall be enforceable only by Seller or by any successor owner of all or any portion of the Benefitted Property identified as a successor Seller in a supplement to this Declaration executed by Seller and recorded in the Official Records of San Diego County, California.

IN WITNESS WHEREOF, this Declaration has been executed as of the date first written above.

SELLER:

RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, a California general partnership

By: RANCHO DEL ORO DEVELOPMENTS, a California general partnership, General Partner

By: COLLINS-RANCHO DEL ORO COMPANY, a California corporation

By: ______________________

Title: ______________________

By: ______________________

Title: V.P.

2083

By: J. F. SHEA CO., INC., dba "Shea Homes," a Nevada Corporation, General Partner

By: [signature]
Title: VICE PRES

By: [signature]
Title: Assistant Secretary

DEVELOPER:

MISSION VIEJO COMPANY, a California corporation

By: ______________________
President

By: ______________________
Vice President/Secretary

EBS:2122M

2084

By: J. F. SHEA CO., INC., dba "Shea Homes," a Nevada corporation, General Partner

By: ______________________
Title: ______________________

By: ______________________
Title: ______________________

DEVELOPER:

MISSION VIEJO COMPANY, a California corporation

By: ______________________
President

By: ______________________
Vice President/Secretary

EBS:2122M

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On November 25, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Eugene Geritz, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the ——— President, and Ronald G. Sigler, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the Vice President ~~Secretary~~ of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed the within instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the corporation that executed the within instrument as a partner of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the general partnership that executed the within instrument, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its Board of directors as such partner and that such partnership executed the same.

WITNESS my hand and official seal.

OFFICIAL SEAL
PATRICIA L. BEVIL
Notary Public-California
Principal Office in
San Diego County
My Comm. Exp. Mar. 4, 1988

Patricia L. Bevil
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO

On NOVEMBER 25 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared THOMAS NOON and BARBARA ROSSOLL, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the VICE PRESIDENT and ASSISTANT SECRETARY, respectively, on behalf of J.F. SHEA CO., INC., the corporation that executed this instrument on behalf of RANCHO DEL ORO VILLAGES LAND DEVELOPMENT, the partnership that executed this instrument, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors as such partner and that the partnership executed it.

WITNESS my hand and official seal.

OFFICIAL SEAL
CAROL J. CLARK
NOTARY PUBLIC—CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 6, 1990

Carol J. Clark
Notary Public in and for Said County and State

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On December 9, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared J. G. Gilleran and William K. Smith, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed this instrument as the President, and Vice President / Secretary respectively, or on behalf of the corporation therein named, and acknowledged to me that the corporation executed this instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Sally J. Clark
Notary Public in and for Said County and State

OFFICIAL SEAL
SALLY JO CLARK
Notary Public - California
ORANGE COUNTY
My Commission Expires Nov 23, 1988

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

Lots 1 through 153 inclusive of Rancho Del Oro Village I, Tract 1.4, in the City of Oceanside, County of San Diego, California, according to Map thereof No. 11689, filed in the Office of the County Recorder of San Diego County on DEC [illegible], 1986.

DEC 17 1986

EXHIBIT "B"
[TO DECLARATION OF RESTRICTIONS]

LEGAL DESCRIPTION OF BENEFITTED PROPERTY

Lots 2.1 through 2.5 inclusive and Lots 3.1 through 3.6 inclusive of Rancho Del Oro Master Subdivision Map East, in the City of Oceanside, County of San Diego, State of California, according to Map thereof No. 11409 filed in the Office of the County Recorder of San Diego County on December 27, 1985.

9782.01/AGP93/108 1769 87 132025

RECORDED IN OFFICIAL RECORDS OF SAN DIEGO COUNTY, CA

1987 MAR 13 PM 3:30

VERA L. LYLE COUNTY RECORDER

Recording Requested By:
RECORDING REQUESTED BY CONTINENTAL LAND TITLE
Developer

When Recorded Mail To:

Rancho Del Oro Developments
c/o Jenkins & Perry
A Professional Corporation
1100 Central Savings Tower
225 Broadway
San Diego, CA 92101
Attn: Arthur G. Peinado, Esq.

RF 6
AR 1
MG 1

Space Above For Recorder's Use

DECLARATION OF DEVELOPER
ESTABLISHING DELEGATE DISTRICT 1.4
UNDER DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR VILLAGE I

THIS DECLARATION OF DEVELOPER ESTABLISHING DELEGATE DISTRICT 1.4 UNDER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VILLAGE I is executed as of the 4th day of February, 1987, by RANCHO DEL ORO DEVELOPMENTS, a California general partnership ("Developer"), with reference to the following facts:

A. Developer has caused to be filed for record a Declaration of Covenants, Conditions and Restrictions for Village I ("the Declaration"), which was recorded on September 4, 1986, at File/Page No. 86-388368, Official Records of San Diego County, California, and amended by instrument recorded November 19, 1986, at File/Page No. 86-479692, Official Records of San Diego County, California. Each reference herein to the Declaration includes such amendment and any subsequent amendments which may from time to time be adopted.

B. Pursuant to Paragraph 3.3 of the Declaration, Developer has reserved the absolute right to establish from time to time Delegate Districts for the Village Project, all in the manner set forth in said Paragraph 3.3.

C. Pursuant to Article 16 of the Declaration, which is entitled "Annexation," Developer has reserved the absolute right to annex from time to time into the Village Project portions of the Annexation Property, all in the manner set forth in said Article 16.

D. Developer intends by this instrument to establish a Delegate District as provided under the Declaration.

NOW, THEREFORE, Developer hereby declares the following:

1. Establishment of Delegate District. Delegate District 1.4 is hereby established as a Delegate District under the Declaration for the purposes set forth in the Declaration, the Articles and the Bylaws.

2. Real Property Within Delegate District. All portions of the real property described in attached Exhibit A which become from time to time subject to the Declaration will constitute Delegate District 1.4.

2.1 Effect of Recording Declaration of Annexation. Any portion of such real property made subject to the Declaration under a Declaration of Annexation and Restrictions recorded pursuant to Article 16 of the Declaration will become a part of Delegate District 1.4, effective as of the date of the filing for record of such Declaration of Annexation and Restrictions, without necessity of recording any further document or instrument of any kind; however, each such portion shall be subject to any limitations contained in the Declaration or in the Declaration of Annexation and Restrictions that are applicable thereto.

2.2 Effect of Recording Termination and Extinction of Declaration of Annexation. Any portion of such real property, after becoming a part of Delegate District 1.4 pursuant to a recorded Declaration of Annexation and Restrictions, shall cease to be a part of Delegate District 1.4, effective as of the date of the filing for record of a Termination and Extinction of Declaration of Annexation and Restrictions with respect to such portion as provided in Article 16 of the Declaration.

3. Meaning of Terms. Words, terms and phrases used herein and in the Declaration shall have the meaning ascribed thereto in the Declaration.

IN WITNESS WHEREOF, this Declaration of Developer Establishing Delegate District 1.4 under Declaration of Covenants, Conditions and Restrictions for Village I has been executed as of the date first above set forth at San Diego, California.

RANCHO DEL ORO DEVELOPMENTS,
a California general
partnership

By COLLINS-RANCHO DEL ORO
COMPANY, a California
corporation

By ______________
Title Pres.

By ______________
Title Vice President

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN DIEGO)

On February 4, 1987, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Eugene Goetz, personally known to me (or proved to me on the basis of satisfactory evidence) to be the President, and Robert A. Stine, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice President of COLLINS-RANCHO DEL ORO COMPANY, the corporation that executed this instrument on behalf of RANCHO DEL ORO DEVELOPMENTS, the partnership that executed this instrument pursuant to its bylaws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

OFFICIAL SEAL
PATRICIA L. BEVIL
Notary Public-California
Principal Office in
San Diego County
My Comm. Exp. Mar. 4, 1988

Patricia L. Bevil
Notary Public in and for said
County and State

LEGAL DESCRIPTION

Lots 1 through 42, inclusive, 44 through 96, inclusive, 98 through 139, inclusive, and 141 through 152, inclusive, of Rancho Del Oro Village I, Tract 1.4, in the City of Oceanside, County of San Diego, State of California, according to Map No. 11689, filed in the Office of the County Recorder of San Diego County on December 17, 1986.

EXHIBIT A

RECORDING REQUESTED BY, AND
WHEN RECORDED, MAIL TO:

Villages of Rancho Del Oro
c/o Marquis Management Group
6440 Lusk Blvd, Ste D-100
San Diego, CA 92121

90 241915

2244

RECORDED IN OFFICIAL RECORDS SAN DIEGO COUNTY, CA

90 MAY -3 PM 12:40

VERA L. LYLE
COUNTY RECORDER

RF	44
AR	42
MG	1

(Space Above For Recorder's Use)

AMENDED AND RESTATED DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

RANCHO DEL ORO VILLAGE I

wvj134/20568/000/0090/ccr.vl.am
049/099 05-30-89

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AMENDED AND RESTATED DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

RANCHO DEL ORO VILLAGE I

THIS RESTATED DECLARATION is made by THE VILLAGE I ASSOCIATION, INC., a California nonprofit mutual benefit corporation, referred to herein as "Declarant.".

P R E A M B L E:

A. Declarant is a corporation whose members are the Owners of all the Lots within that certain real property (the "Properties") in the City of Oceanside, County of San Diego, State of California, more particularly described as Rancho Del Oro Village I, Unit 1.1 and Tracts 1.2 through 1.6, inclusive, as shown on the following Maps Recorded in the Office of the San Diego County Recorder:

Unit 1.1 -- Map No. 11501
Tract 1.2 -- Map No. 11642
Tract 1.3 -- Map No. 11793
Tract 1.4 -- Map No. 11689
Tract 1.5 -- Map No. 11703
Tract 1.6 -- Map No. 11794

B. The Properties are currently subject to the covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges set forth in that certain "Master Declaration of Covenants, Conditions and Restrictions for the Villages of Rancho Del Oro," recorded on September 4, 1986 at File Page 86-388367 of Official Records of San Diego County, and any amendments thereto (the "Master Declaration"); and in that certain "Declaration of Covenants, Conditions and Restrictions for Village I," recorded on September 4, 1986 at File Page 86-388368 of Official Records of San Diego County, as amended (the "Village I Declaration").

C. Declarant now desires to amend and restate the Village I Declaration and replace it in its entirety with this Restated Declaration, to simplify the legal and management structure of which the Owners within the Properties are a part, to permit dissolution of The Village I Association, Inc. and thereby eliminate liability for costs accompanying the existence of a separate corporation, and to promote consistency of organization among the several Villages within the Rancho Del Oro planned community. Declarant further desires that, upon recordation of this Restated Declaration, all of the Properties shall be subject to the covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges contained herein and in the Master Declaration as it may be complemented and reasonably modified by this Restated Declaration to reflect the different character of the Properties contemplated herein.

D. The covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges hereinafter set forth and as set forth in the Master Declaration are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Properties, in furtherance of a general plan for the protection, maintenance, improvement and sale of the Properties or any portion thereof. The covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges shall run with and burden the Properties and shall be binding upon all persons having or acquiring any right, title or interest in the Properties, or any part thereof; shall inure to the benefit of every portion of the Properties and any interest therein; and shall inure to the benefit of and be binding upon and may be enforced by Declarant, the "Master Association" (as defined in the Master Declaration), each "Owner" (as defined in the Master Declaration), and their respective heirs, executors, administrators, and successive owners and assigns.

NOW, THEREFORE, Declarant hereby amends and restates the Village I Declaration in its entirety, such that this Restated Declaration completely supersedes the Village I Declaration.

ARTICLE I

1. <u>Definitions</u>.
Unless otherwise expressly provided herein, the following words and phrases when used herein shall have the meanings hereinafter specified. All other capitalized terms used herein are defined to mean the same as such terms are defined in the Master Declaration.

1.1. <u>Architectural Review Committee/ARC</u>.
Architectural Review Committee or ARC shall mean the Committee created pursuant to Article VI hereof for the purposes described in said Article.

1.2. <u>Builder</u>.
Builder shall mean the person, persons, entity or entities which meet the definition of a "Builder" contained in the Master Declaration.

1.3. Delegate.
Delegate shall mean a natural Person selected pursuant to Article V hereof by the Owners within a Delegate District as the Master Member for that Delegate District, as further provided herein.

1.4. Delegate District.
Delegate District shall mean a geographical area in the Properties in which a single Delegate shall be elected by the Owners within such geographical area. Delegate Districts shall be established from time to time by Developer upon Recordation of an instrument creating such a Delegate District, all as further provided herein.

1.5. Master Member.
Master Member shall mean the primary Delegate elected by the Owners pursuant to Article V hereof (or, in the absence of the primary Delegate, any alternate Delegate as provided in said Article V). The Delegate shall qualify as a Master Member and be eligible to exercise the voting rights thereof as provided in said Article V commencing when any of the Units within the Delegate District first becomes subject to assessments levied pursuant to the Master Declaration. Master Member as defined herein is hereby expressly declared to be a complementary addition to the provisions of the Master Declaration, to reflect the different character of the development plan for the Properties.

1.6. Person.
Person shall mean a natural individual, a corporation, a partnership or any other entity with the legal right to hold title to real property.

1.7. Properties.
Properties shall mean the real property more particularly described in the Preamble, Section A hereof. The Properties are classified as a "Common Interest Development" under Section 1351(c) of the California Civil Code.

1.8. Record/Recorded/Recordation.
Record, Recorded or Recordation shall mean, with respect to any document, the filing or recording of such document in the office of the County Recorder of San Diego County.

1.9. Restated Declaration.
Restated Declaration shall mean this instrument as it may be amended from time to time. This Restated Declaration is also a "Village Declaration" as defined in the Master Declaration.

1.10. Village Owner.
Village Owner shall mean the Person or Persons, including Developer or a Builder, who holds or hold record fee simple

title to, or a long-term ground leasehold estate of record in, any Unit within the Properties. For purposes of this Section, "long-term ground leasehold interest" shall mean a leasehold interest having a term of ten or more years. Village Owner shall also include each seller under an executory contract of sale, but shall exclude "Mortgagees" (as defined in the Master Declaration). Each Village Owner shall also be an "Owner" (as defined in the Master Declaration).

ARTICLE II

2. Integration with Master Project.

2.1. Transition.
Notwithstanding any contrary provision of this Restated Declaration, for purposes of facilitating the transition of the Properties from the governance of the Village I Declaration to this Restated Declaration, the following provisions shall become effective immediately upon Recordation hereof.

(a) Delegates and Delegate Districts. The division of Village I into Delegate Districts 1.1, 1.2, 1.3, 1.4, 1.5 and 1.6 (the "Prior Districts") pursuant to the Village I Declaration is hereby superseded, and each "Declaration of Developer" Recorded pursuant to the Village I Declaration establishing such Prior Districts (namely, those Declarations Recorded in Official Records of San Diego County on February 26, 1987 at File Page 87-103159, on October 30, 1986 at File Page 86-494627, on July 10, 1987 at File Page 87-388211, on March 13, 1987 at File Page 87-132075, on April 2, 1987 at File Page 87-177076 and on May 17, 1988 at File Page 88-231781) is hereby superseded and shall be of no further effect. The Prior Districts are hereby incorporated into and replaced by one Delegate District encompassing all of the Properties, pursuant to Section 5.1 hereof. Until the first regular meeting of the Village Owners which is noticed and conducted as described in Section 5.3 hereof, the primary Delegate representing the "RDO Village I Delegate District" (as defined in Article V hereof) shall conclusively be presumed to be the natural Person who is the President of Declarant on the date this Restated Declaration is Recorded, and the alternate Delegate shall conclusively be presumed to be the natural Person who is the Vice President of Declarant on the date this Restated Declaration is Recorded.

(b) ARC Membership. Until the first regular meeting of the Village Owners which is noticed and conducted as described in Section 5.3 hereof, the members of the ARC described in Article VI hereof shall conclusively be presumed to be the natural Persons who serve as the Board of Directors of Declarant on the date this Restated Declaration is Recorded, and the chair of the ARC shall conclusively be presumed to be the primary Delegate identified in Section 2.1(a) above.

2.2. Owners' Rights and Easements. All the rights and easements granted to the Owners in the Master Declaration are hereby granted to the Village Owners, except as may be otherwise provided or limited in this Restated Declaration. Such rights and easements shall include, without limitation, the right of access to and enjoyment of all of the Master Common Area and the Master Recreational Facilities in the Master Project as granted and limited in the Master Declaration, which right is also hereby granted to all Owners with regard to the Master Common Area and the Master Recreational Facilities within the Properties.

2.3. Developer/Builder Rights and Easements. All rights and easements reserved in the Master Declaration by "Developer," "Rancho," "Home Building" or "Builders" (as such terms are defined in the Master Declaration) are hereby reserved in like manner by Developer with regard to and over the Properties, together with the right and obligation of any one or more of the aforementioned entities to grant and transfer any or all of such rights and easements to other Persons as provided in the Master Declaration, including without limitation the rights described in the Article entitled "Development Rights" of the Master Declaration. In addition, every Builder shall have an easement of access, ingress and egress for maintenance and repair and related purposes, over all of the Properties and the improvements thereon (including without limitation any of the Master Common Area and any Lot) as to which the City requires that one or more bonds or other instruments be posted in favor of the City to secure the maintenance of such property and improvements for a limited period of time. Each Builder may exercise said easement at such times and for such purposes as may be determined to be appropriate in the sole discretion of any one or more of them, pursuant to the terms of the aforementioned bonds or other instruments. However, nothing herein shall impose on any Builder an obligation to perform any such maintenance.

2.4. Master Association Membership. In addition to the Members of the Master Association listed in the Article of the Master Declaration entitled "The Master Association," and in keeping with the different character of the development plan of the Properties, upon Recordation of this Restated Declaration the Delegate identified in and elected pursuant to Article V hereof shall become a Member of the Master Association. Thereafter, the Delegate shall exercise the rights and perform the duties of Master Membership as set out in the Master Declaration, subject to and modified by the provisions of Section 5.5 hereof.

2.5. <u>Assessments</u>.
The Properties are hereby made subject to the Article entitled "Assessments" of the Master Declaration, including without limitation the authority of the Master Board to levy and enforce assessments apportionable to all Owners and assessments apportionable only to Village Owners; provided that all assessments shall be subject to the provisions of Sections 1366, 1366.1 and 1367 of the California Civil Code; and further provided, that as a complementary addition to and reasonable modification of the Master Declaration as authorized therein, any "Single Benefit Assessment" (as defined in the Master Declaration) established by the Master Board pursuant to that Section entitled "Special Assessments" of the Article entitled "Assessments" of the Master Declaration, may be imposed only by a vote of two-thirds (2/3) of all the Village Association Boards of Directors (if any) and Village ARC's within the Master Project within ninety (90) days of the vote of the Master Board authorizing that Single Benefit Assessment.

2.6. <u>City Requirements</u>.
Declarant hereby grants to the City a license to enter upon the Properties for the purpose of constructing any improvements required under the infrastructure phasing program of the City. Neither this Restated Declaration nor any contract of sale, lease or other written document or any means or method shall be established or shall attempt to establish any requirement, restriction or limitation on Declarant or any Person which would operate, directly or indirectly, to prevent or preclude any Person from complying with all applicable provisions of any permits, approvals, ordinances or other imprimaturs of any kind affecting the Properties which have been or may in the future be granted, adopted, enacted or otherwise approved by the City.

2.7. <u>Ranch Maintenance Agreement</u>.
The Master Association is hereby irrevocably appointed as the attorney-in-fact for every Village Owner (with the exception of the Secretary, Department of Veterans' Affairs, an officer of the United States of America) to act on their behalf under that certain Ranch Maintenance Agreement Recorded on March 27, 1987 as File Page 87-162820 of Official Records of San Diego County, with regard to the maintenance of certain Improvements which are covered by said Ranch Maintenance Agreement.

ARTICLE III

3. Maintenance.

3.1. Village Maintenance Areas.

(a) Transfer to Master Association. In addition to the maintenance obligations of the Master Association which exist with regard to the Master Common Area, effective upon the "Transfer Date" (as defined herein) the Master Association shall be obligated to maintain, repair and replace the Improvements located within the "Village Maintenance Areas" depicted in Exhibit "A" hereto and more fully described in the separate "Street Maintenance Agreement" for the Properties to be executed by and between the Master Association and the City. By accepting a deed to any portion of the Properties, each Village Owner (with the exception of the Secretary, Department of Veterans' Affairs, an officer of the United States of America) irrevocably appoints the Master Association as its attorney-in-fact to act on its behalf with regard to all matters involving the Village Maintenance Area Improvements and the Street Maintenance Agreement.

(b) Transfer Date. For purposes of this Section 3.1, "Transfer Date" shall mean the date on which all of the following conditions shall have occurred:

(i) Assessments have commenced as to one or more Units within the Properties;

(ii) All of the Village Maintenance Area Improvements which are the obligation of the Builder to install have been installed in accordance with the plans and specifications approved by the City and all other City standards applicable to said Improvements;

(iii) The City has accepted in writing the Village Maintenance Area Improvements located within any public right-of-way, and has released all performance bonds and labor and materials bonds and any other security provided to the City to ensure installation of said Improvements, specifically excluding therefrom any City-required bond or other security posted to ensure continued maintenance of the Village Maintenance Area Improvements after they are installed;

(iv) The Builder has notified the Master Association in writing of Builder's intent to transfer maintenance obligations as to the Village Maintenance Area Improvements to the Master Association effective on a date certain, which date shall be no less than ninety (90) days after the first to occur of the City's acceptance of said Improvements or the expiration of the applicable period for filing mechanic's liens;

(v) The Builder has transmitted to the Master Association a complete listing of all Village Maintenance Area Improvements, together with a complete copy of "as-built" plans and specifications for all such Improvements and a copy of the City's acceptance and releases (as described above), which documents shall be transmitted no later than thirty (30) days before the Transfer Date; and

(vi) The Master Association has accepted the Village Maintenance Area Improvements, which acceptance shall not unreasonably be withheld.

(c) Costs of Maintenance. Before the Transfer Date, the Builder shall pay all costs of installing, maintaining, repairing and replacing such Improvements. On and after the Transfer Date, the costs of maintaining, repairing and replacing such Improvements, including any such costs incurred by the City, shall be assessed to all Village Owners on a periodic basis by the Master Association pursuant to the Master Declaration, this Restated Declaration and any subsequent Notice of Addition as defined in Section 8.4 hereof.

(d) Ownership. The Builder which installs the Village Maintenance Area Improvements shall retain ownership of such Improvements until the Transfer Date, at which time ownership of such Improvements within public rights-of-way shall be transferred to the City (or, should the City not accept said ownership, to the Master Association), and ownership of the other such Improvements shall be transferred to the Master Association.

3.2. Drains.
Pursuant to City requirements, maintenance of any storm drains which serve the Properties but which are not accepted by the City into the City's storm drainage system shall be maintained, repaired and replaced as necessary by the Master Association, and the associated costs shall be assessed equally among all the Village Owners by the Master Association. Water and sewer facilities located on a Lot shall be maintained, repaired and replaced by and at the sole cost and expense of the respective Village Owner of each such Lot.

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

ARTICLE IV

4. Use Restrictions.
All real property within the Properties shall be held, used and enjoyed subject to the limitations and restrictions below and in the Master Declaration, and subject to Developer's and each Builder's exemptions in Article VII hereof and the development rights in Article XIII of the Master Declaration.

4.1. Single Family Residence.
Each Unit shall be used as a residence for a single Family and for no other purpose.

4.2. Business or Commercial Activity.
No part of the Properties shall ever be used or caused to be used or allowed or authorized to be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storage, vending or other such nonresidential purposes; except Developer, a Builder or their successors and assigns, may use any portion of the Properties for a model home

site, and display and sales office in connection with the sale of Units in the Properties by any of them. The provisions of this Section 4.2 shall not preclude professional and administrative occupations without external evidence thereof, for so long as such occupations are conducted in conformance with all applicable governmental ordinances and are merely incidental to the use of the Unit as a residential home.

4.3. Nuisances.
No noxious or offensive activities (including but not limited to the repair of motor vehicles) shall be carried on upon the Properties. No horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of a Unit and its contents, shall be placed or used on the Properties or on any public street abutting the Properties. Noisy or smoky vehicles, large power equipment and large power tools (excluding lawn mowers and other equipment utilized in connection with ordinary landscape maintenance), off-road motor vehicles or items which may unreasonably interfere with television or radio reception of any Owner in the Properties, and objects which create or emit loud noises or noxious odors shall not be located, used or placed on any portion of the Properties, or on any public street abutting the Properties, or exposed to the view of other Owners without the prior written approval of the ARC. The ARC shall have the right to determine if any noise, odor, or activity producing such noise or odor constitutes a nuisance. No Owner shall permit or cause anything to be done or kept on the Properties, or on any public street abutting the Properties, which may increase the rate of insurance in the Properties, or result in the cancellation of such insurance, or which will obstruct or interfere with the rights of other Owners, nor commit or permit any nuisance thereon or violate any law. Each Owner shall comply with all of the requirements of the local or state health authorities and with all other governmental authorities with respect to the occupancy and use of a Unit. Each Owner shall be accountable to the Master Association and other Owners for the conduct and behavior of children and other family members or persons residing in or visiting his Unit; and any damage to the Master Common Area, personal property of the Master Association or property of another Owner, caused by such children or other family members, shall be repaired at the sole expense of the Owner of the Unit where such children or other family members or persons are residing or visiting.

4.4. Signs.
No sign, poster, display, billboard or other advertising device of any kind shall be displayed to the public view on any portion of the Properties, or on any public street abutting the Properties, without the prior written consent of the ARC, except (a) one (1) sign for each Unit, not larger than eighteen (18) inches by thirty (30) inches, advertising the Unit for sale or

rent, (b) traffic and other signs installed by Developer or a Builder as part of the original construction of the Properties, or (c) signs, regardless of size, used by Developer, its successors or assigns, to advertise the Properties during the construction and sales period or installed by Developer to denote visitor parking areas within the Properties. All signs or billboards and the conditions promulgated for the regulation thereof shall conform to the requirements of all applicable governmental ordinances.

4.5. Parking and Vehicular Restrictions. The parking areas of the Properties shall be used for parking authorized vehicles only and shall not be used for storage, living, recreational or business purposes. No Person shall park, store or keep any vehicle on any portion of the Properties, except wholly within the parking areas designated therefor. No Person shall park, store or keep anywhere on the Properties or on any public street abutting the Properties, any inoperable vehicle or any large commercial-type vehicle (other than a pickup truck or van used for daily transportation of residents of or visitors to the Properties) including, but not limited to, any dump truck, cement mixer truck, oil or gas truck or delivery truck, any recreational vehicle, camper unit, house car or motor home, any bus, trailer, trailer coach, camp trailer, boat, aircraft, mobile home, or any other similar vehicle or any vehicular equipment, mobile or otherwise, deemed to be a nuisance by the ARC, except wholly within the Owner's garage and only with the garage door closed. The above excludes camper trucks and similar vehicles up to and including three-quarter (3/4) ton when used for everyday-type transportation and subject to approval by the ARC. No Person shall conduct repairs or restorations of any motor vehicle, boat, trailer, aircraft or other vehicle upon any portion of the Properties or on any public street abutting the Properties. However, such repair and restoration shall be permitted within an Owner's garage when the garage door is closed, provided that such activity may be prohibited entirely if the ARC determines in its reasonable discretion, that such activity constitutes a nuisance. No parking shall be permitted which may obstruct free traffic flow, constitute a nuisance, or otherwise create a safety hazard. Vehicles owned, operated or within the control of any Owner or of a resident of such Owner's Unit shall be parked in the garage of such Owner to the extent of the space available therein, provided that each Owner shall maintain his garage in a manner which ensures that it is capable of accommodating at least one full-sized automobile in each bay. Notwithstanding the foregoing, these restrictions shall not be interpreted in such a manner so as to permit any activity which would be contrary to any ordinance of the City.

4.6. Animal Restrictions.
No insects, reptiles, poultry or animals of any kind shall be raised, bred or kept on the Properties, except that usual and ordinary domestic dogs, cats, fish, birds and other household pets (excluding, without limitation, equine, bovine, sheep, swine, goats and other such animals) may be kept on Lots, provided that they are not kept, bred or maintained for commercial purposes, in unreasonable quantities, or in violation of the rules and regulations adopted by the ARC or the Master Association. As used in this Restated Declaration, "unreasonable quantities" shall ordinarily mean more than two (2) pets per household; provided, however, that the ARC may determine that a reasonable number in any instance may be more or less. The ARC shall have the right to prohibit maintenance of any animal which constitutes, in the opinion of the ARC, a nuisance to any other Owner. Animals belonging to Owners, occupants or their licensees, tenants or invitees within the Properties must be either kept within an enclosure or on a leash being held by a person capable of controlling the animal. Pets shall not be permitted on any Tot Lot or any recreation area. Furthermore, any Owner shall be liable to each and all remaining Owners, their families, guests, tenants and invitees, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Properties by such Owner or by members of his family, his tenants or his guests; and it shall be the duty and responsibility of each such Owner to clean up after such animals which have used any portion of the Master Common Area or public streets abutting the Properties.

4.7. Trash.
No rubbish, trash or garbage or other waste material shall be kept or permitted upon any Unit, the Master Common Area or any public street abutting or visible from the Properties, except in sanitary containers located in appropriate areas screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the Properties, or any portion thereof, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. Such containers shall be exposed to the view of neighboring Units only when set out for a reasonable period of time (not to exceed twelve (12) hours before and after scheduled trash collection hours). There shall be no exterior fires whatsoever except barbecue fires contained within receptacles designed therefor and fire pits in enclosed areas and designed in such a manner that they do not create a fire hazard. No clothing or household fabrics shall be hung, dried or aired on or over any Unit in such a way as to be visible from any other Unit, and no lumber, grass, shrub or tree clippings or plant waste, metals, bulk material, scrap, refuse or trash shall be kept, stored or allowed to accumulate on any portion of the Properties except within an enclosed structure or if appropriately screened from

view. No plants or seeds infected with noxious insects or plant diseases shall be brought upon, grown or maintained upon the Properties.

4.8. Temporary Buildings.
No outbuilding, basement, tent, shack, shed or other temporary building or Improvement of any kind shall be placed upon any portion of the Properties either temporarily or permanently. No garage, trailer, camper, motor home, recreation vehicle or other vehicle shall be used as a residence in the Properties, either temporarily or permanently.

4.9. Outside Installations.
No radio station or shortwave operators of any kind shall operate from any Unit unless approved by the ARC. No exterior radio antenna, "C.B." antenna, television antenna, receiving station, satellite dish or other antenna of any type shall be erected or maintained in the Properties. However, a master antenna or antennae or cable television antenna or antennae may, but need not, be provided by the Master Association for the use of all Owners, and the Master Association may grant easements for such purposes. No projections of any type shall be placed or permitted to remain above the roof of any building within the Properties, except one or more chimneys and vent stacks originally installed, if at all, by a Builder. No basketball backboard or other fixed sports apparatus shall be constructed or maintained in the Properties without the prior approval of the ARC. No fence or wall shall be erected, altered or maintained in the Properties, except with the prior approval of the ARC. No patio cover, room addition, wiring, air conditioning fixture, water softeners, or other devices shall be installed on the exterior of a Unit or be allowed to protrude through the walls or roof of the Unit (with the exception of those items installed during the original construction of the Unit), unless the prior written approval of the ARC is obtained.

4.10. Drilling.
No oil drilling, oil, gas or mineral development operations, oil refining, geothermal exploration or development, quarrying or mining operations of any kind shall be permitted upon or in any of the Properties, nor shall oil wells, tanks, tunnels or mineral excavations or shafts be permitted upon the surface or within five hundred feet (500') below the surface of the Properties. No derrick or other structure designed for use in boring for water, oil, geothermal heat or natural gas shall be erected, maintained or permitted within the Properties.

4.11. Further Subdivision.
No Owner shall further partition or subdivide his Unit, including without limitation any division of his Unit into time-share estates or time-share uses; provided, however, that this provision shall not be construed to limit the right of an Owner

(1) to rent or lease his entire Unit by means of a written lease or rental agreement subject to the restrictions of this Restated Declaration and the Master Declaration, so long as the Unit is not leased for transient or hotel purposes; (2) to sell his Unit; or (3) to transfer or sell any Unit to more than one person to be held by them as tenants-in-common, joint tenants, tenants by the entirety or as community property. The terms of any such lease or rental agreement shall be made expressly subject to the Master Declaration and this Restated Declaration. Any failure by the lessee of such Unit to comply with the terms of the Master Declaration, this Restated Declaration, or the rules and regulations of the Master Association or the ARC shall constitute a default under the lease or rental agreement.

4.12. Drainage.
There shall be no interference with or alteration of the established drainage pattern over any Unit within the Properties, unless an adequate alternative provision is made for proper drainage. For the purposes hereof, "established drainage pattern" is defined as the drainage which exists at the time that such Unit is conveyed to a purchaser from a Builder pursuant to a transaction requiring the issuance of a final subdivision public report by DRE, and shall include drainage from the Units onto the Master Common Area.

4.13. Water Supply Systems.
No individual water supply, sewage disposal system, or water softener system shall be permitted on any Lot in the Properties unless such system is designed, located, constructed and equipped in accordance with the requirements, standards and recommendations of any water district serving the Properties, the Health Department for San Diego County, the ARC, the Master Association and all other applicable governmental authorities.

4.14. View Obstructions.
Each Village Owner, by accepting title to a Unit, hereby acknowledges that (a) there are no protected views within the Properties, and no Unit is assured the existence or unobstructed continuation of any particular view, and (b) any construction, landscaping or other installation of Improvements by a Builder or other Owners may impair the view from any Unit, and the Village Owners hereby consent to such view impairment.

4.15. Solar Energy Systems.
Each Village Owner may install a solar energy system which serves his Unit so long as (1) the design and location of the solar energy system meets the requirements of applicable zoning district ordinances and the Uniform Building Code and associated ordinances, and (2) said design and location receives the prior written approval of the ARC pursuant to this Restated Declaration.

ARTICLE V

5. Delegate Selection and Voting.

5.1. Delegate District.
The Properties shall constitute one Delegate District for purposes of electing a Delegate to Membership in the Master Association. The Delegate District created herein shall be known as the "RDO Village I Delegate District," to distinguish it from other delegate districts which may exist within the planned community which is subject to the Master Declaration.

5.2. Delegate.
The term "Delegate" as used herein shall mean the natural Person authorized at any point in time to cast the votes allocated to the Delegate District pursuant to Section 5.5 hereof, whether such Person is the alternate Delegate or the primary Delegate. Said Person's status as Delegate shall be coextensive with said Person's status as a Member of the Master Association, as such Master Association Membership is described in the Master Declaration; and with said Person's status as Chair of the ARC, as described in Section 6.1 hereof. The Delegate must at all times be either (a) an authorized agent or employee of Developer or a Builder, or (b) a Village Owner. The primary Delegate shall be elected to serve a term of two (2) years by vote of the Village Owners at a meeting conducted pursuant to Section 5.3 hereof; and any Person may succeed himself or herself as the primary Delegate without limitation. The alternate Delegate shall be selected by the members of the "ARC" established pursuant to Article VI hereof, from among the members of the ARC. The office of primary Delegate shall be deemed vacant upon the death, resignation, removal or judicial adjudication of mental incompetence of the Person filling such office, or upon such Person's failure to satisfy all of the qualifications of a Delegate specified in this Section, or in case the Village Owners in the Delegate District fail to fill such office. Upon the occurrence of any such vacancy, the balance of the term of office of the primary Delegate shall first be filled by the alternate Delegate, and if there is no alternate Delegate, by a vote of a majority of the ARC. The office of alternate Delegate shall be deemed vacant should any of the conditions referenced with regard to the office of primary Delegate occur with regard to the office of alternate Delegate, or should the alternate Delegate become the primary Delegate as provided above; whereupon the office of alternate Delegate shall again be filled by a vote of a majority of the ARC. A Delegate, whether primary or alternate, may be removed with or without cause by the vote in person or by proxy at any duly constituted meeting of at least a majority of a quorum of the Village Owners; provided, that in no event shall any Delegate be removed unless the votes cast in favor of such removal equal at least (a) the number of votes which elected such Deleg[illegible] his current term, or (b) a majority of the total voting power of the Village Owners.

5.3. Meetings of Village Owners.

(a) Time and Purpose. The Village Owners shall meet each year during which the term of office of the Delegate expires. The first meeting of the Village Owners shall be held during the week of October 16, 1989. At the first meeting of the Village Owners and at each subsequent biennial meeting, a primary Delegate shall be elected by a majority of a quorum of the Village Owners for a term of two (2) years or until a successor is elected, whichever is later, subject to removal with or without cause and to the occurrence of any other vacancy as provided in Section 5.2 hereof.

(b) Notice. Meetings of the Village Owners shall be held at a location within the Delegate District or at such other convenient location on or near the Properties as may be designated in the notice of the meeting. Written notice of meetings shall state the place, date and time of the meeting and those matters which, at the time the notice is given, are to be presented for action by the Village Owners. Notice of any meeting at which a Delegate is to be selected shall include the names of all those who are nominees at the time the notice is given. The Secretary of the Master Board shall cause notice of meetings within the Delegate District to be sent no later than ten (10) days prior to the meeting to each Village Owner appearing as such in the official records of the Master Association on the date which is forty-five (45) days prior to the scheduled meeting date. A special meeting of the Village Owners may be called at any reasonable time and place by written request by any holder of Class B voting rights, by the Delegate or by Village Owners having not less than five percent (5%) of the total voting power within the Delegate District. To be effective, such written request shall be delivered to the Secretary of the Master Board, who shall then cause notice to be given to the Village Owners entitled to vote that a meeting will be held at a time and place fixed by the Master Board not less than ten (10) days, nor more than thirty (30) days after receipt of the written request. Notice of special meetings shall specify the general nature of the business to be undertaken and that no other business may be transacted.

(c) Quorum. The presence at any meeting, in person or by proxy as defined herein, of the Village Owners entitled to cast at least twenty-five percent (25%) of the total vot... ithin the Delegate District shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the Village Owners present in person or by proxy may, except as otherwise provided by law and without additional notice to the Village Owners, adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called, at which adjourned meeting the quorum requirement shall be the presence in person or by written proxy of the Village Owners entitled to cast at least five percent (5%) of the total votes within the Delegate District. The Village Owners present at any meeting shall select a Presiding Officer to preside over the meeting and a Secretary to transcribe minutes of the meeting. Unless otherwise expressly provided, any action authorized hereunder may be taken at any meeting of the Village Owners at which a quorum is present, only upon the affirmative vote of the Village Owners having a majority of the voting power present at such meeting either in person or by written proxy.

(d) <u>Proxies</u>. Every Village Owner entitled to vote at a meeting as described herein may attend such meeting and may vote either in person or by a representative authorized to act on behalf of such Village Owner pursuant to a written proxy. Every such proxy shall be irrevocable and shall automatically cease after completion of the meeting for which the proxy was filed. Any form of proxy or written ballot distributed by any Person to the Village Owners shall afford the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted upon, except it shall not be mandatory that a candidate for election as a Delegate be named in the proxy or written ballot. The proxy or written ballot shall provide that, when the Village Owner specifies a choice, the vote shall be cast in accordance with that choice. The proxy shall also identify the person or persons authorized to exercise the proxy.

(e) <u>Voting</u>. Each Village Owner entitled to notice of a meeting as provided in Section 5.3(b) hereof shall be entitled to cast the votes attributable to such Village Owner pursuant to the provisions of Section 5.4 hereof at the meeting for which such notice is given. If there is more than one (1) Record Owner of any Unit, any and all of the Village Owners owning such Unit may attend any meeting of the Village Owners, but the vote attributable to the Unit so owned shall not be increased by reason thereof. The Persons owning the majority interest in a Unit may from time to time designate in writing one (1) of their number to vote. Fractional votes shall not be allowed, and the vote for each Unit shall be exercised, if at all, as a whole. No vote shall be cast for any Unit if the co-owners present in person or by proxy cannot agree to said vote or other action. Unless the Secretary of the Master Board receives a written objection in advance from a co-owner, it shall be conclusively presumed that the voting co-owner is acting with the consent of all other co-owners.

(f) Vote Appurtenant to Unit. The right of a Village Owner to vote as provided in this Article V may not be severed or separated from the ownership of the Unit to which the vote is appurtenant, except that any Village Owner may give an irrevocable proxy in the manner described above or may assign its right to vote to a contract purchaser, a lessee or tenant actually occupying his Unit or the Mortgagee of the Unit concerned, which assignment shall be limited to the term of the lease or the mortgage, as applicable. Any sale, transfer or conveyance of a Unit to a new Owner or Owners shall operate automatically to transfer the appurtenant vote to the new Owner or Owners, subject to any assignment of the right to vote to a contract purchaser, lessee or Mortgagee as provided herein.

(g) Suspension of Voting Rights. The Master Association shall have the authority to suspend the voting rights of any Village Owner, including the right to vote at any meeting called pursuant to the provisions of this Article V, for any period during which the payment of any assessment assessed against such Village Owner and the Unit owned by such Village Owner remains delinquent. Any suspension for nonpayment of any assessment shall not constitute a waiver or discharge of the Village Owner's obligation to pay the assessments provided for herein and in the Master Declaration.

5.4. Voting Classes.
There shall be two classes of vote allocated to the Village Owners within the Delegate District, as follows:

(a) Class A Vote. Each Village Owner, with the exception of Developer and each Builder for so long as a Class B Vote exists, shall be entitled to cast one (1) vote for each Unit owned by such Village Owner which is subject to assessments pursuant to the provisions of the Master Declaration and this Restated Declaration ("Class A Vo

(b) Class B Vote. Each of the Developer and any Builder which is also a Village Owner shall be entitled to cast three (3) votes for each Unit owned by said Developer or Builder, respectively, and subject to assessments pursuant to the Master Declaration and this Restated Declaration ("Class B Vote"). The Class B Votes shall cease and be converted to Class A Votes on the earlier of the following dates: (i) that certain date which is four (4) years after the issuance of the original subdivision public report for a phase of development in the Properties; or (ii) that certain date which is two (2) years after the issuance of the original subdivision public report for the most recent phase of development in the Properties.

5.5. Voting by Delegate as Master Member.

(a) Classes of Master Membership. The Delegate as a Master Member shall have, with respect to the Units then a part of the Properties as to which assessments have commenced ("Subject Units"), (i) one (1) vote for each Subject Unit which has been conveyed to a purchaser other than Developer or a Builder pursuant to a transaction requiring the issuance of a final subdivision public report by the DRE, and (ii) three (3) votes for each Subject Unit owned by Developer or a Builder. The Delegate shall be a Class A Master Member with respect to the voting rights attributable to Subject Units owned by a Village Owner other than Developer or a Builder, and a Class B Master Member with respect to the voting rights attributable to Subject Units owned by Developer or a Builder. The Delegate's Class B Master Membership and the voting rights attributable thereto shall cease and convert to Class A Master Membership and voting rights on the later of the following dates: (i) September 4, 1996, or (ii) that certain date which is two (2) years after the original issuance by the DRE of the most recent final subdivision public report for a phase of development of the Master Project; provided, that notwithstanding the foregoing, the Class B Master Membership and the voting rights attributable thereto (if then still existing) will forever cease and convert to Class A Master Membership with the voting rights attributable thereto on September 4, 1998.

(b) Votes of Delegate. As a reasonable modification and comp[illegible]ry addition to the Master Declaration as authorized therein, and notwithstanding any contrary provision of the Master Declaration, including without limitation that Section entitled

"Votes of Developer" in the Article entitled "The Master Association" (which Section provides, in pertinent part, that the Developer shall be a Class B Master Member having three (3) votes per Unit with regard to each Unit which is both (i) owned by Developer or other parties named in said Section, and (ii) annexed into the Master Project but for which a "Village Association" (as defined in the Master Declaration) has not been formed), the Class B Master Membership voting rights attributable to any Subject Unit shall be exercised solely by the Delegate as provided herein, despite the lack of formation of a Village Association within the Properties.

(c) Voting Procedures. The votes of the Delegate as a Master Member shall be cast in writing at a meeting called for the purpose of such voting. The manner in which the Delegate casts its votes on a particular issue shall be determined by the ARC; provided, that where Subject Units are owned by Developer or a Builder, the Delegate shall cast the votes attributable to those Subject Units on such issue only in the manner specified by Developer.

ARTICLE VI

6. Architectural Control.

6.1. Members of Committee. The Architectural Review Committee ("ARC") shall consist of five (5) members. One (1) of these shall at all times be the natural Person then serving as the primary Delegate pursuant to Article V hereof, only for so long as that Person holds the office of primary Delegate; said Person shall be the Chair of the ARC for the same period. Subject to the following provisions, Developer shall have the right and power at all times to appoint and remove three (3) of the members of the ARC or to fill any vacancy of such majority until the "turnover date," which shall be either (i) the fourth anniversary of the first close of escrow for the sale of a Unit in the Properties pursuant to a transaction requiring the issuance of a final subdivision public report by DRE, or (ii) the date on which termination of Developer's right to appoint and remove ARC members is approved by vote of a majority of the total voting power of the Association residing in Village Owners other than Developer or a Builder, whichever occurs later. The Village Owners holding Class A Votes as provided in Section 5.4 hereof shall have the power to elect one (1) memb- -to the ARC, until the turnover date. Thereafter, the Village Owners holding Class A Votes as provided in Section 5.4 hereof shall have the power to elect and remove all of the members of the ARC, subject to the provisions of Article V hereof regarding election of the primary Delegate.

Persons elected to the ARC by the Village Owners holding Class A Votes shall be Village Owners, but Persons appointed to the ARC by Developer need not be Village Owners.

6.2. ARC Responsibilities.
In addition to the responsibilities of the ARC referenced in Section 2.5 and Article V hereof, the ARC shall have the following rights and duties, subject to the provisions of Article VII hereof:

(a) Review of Plans and Specifications.
The ARC shall consider and act upon any and all plans and specifications submitted for its approval under this Supplementary Declaration and perform such other duties as from time to time shall be assigned to it by the Village Owners or the Master Association, including the inspection of construction in progress to assure its conformance with plans approved by the ARC. No construction, alteration, removal, relocation, repainting, demolition, addition, installation, modification, decoration, redecoration or reconstruction of an Improvement, including landscaping, in any Phase of Development shall be commenced or maintained, until the plans and specifications therefor showing the nature, kind, shape, height, width, color, materials and location of the same shall have been submitted to the ARC and approved in writing by the ARC; provided, however, that any Improvement may be repainted without ARC approval so long as the Improvement is repainted the identical color which it was last painted. Without limiting the generality of the foregoing, the provisions of this Article VI shall apply to the construction, installation, alteration and modification of solar energy equipment subject to the provisions of California Civil Code Section 714. The Village Owner submitting such plans and specifications ("Applicant") shall obtain a written receipt therefor from an authorized agent of the ARC. Until changed by the Master Association, the address for submission of such plans and specifications shall be the principal office of the Master Association. The ARC shall approve plans and specifications submitted for its approval only if it deems that the installation, construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area of the Properties as a whole, that the appearance of any structure affected thereby will be in harmony with the surrounding structures, that the installation or construction thereof will not detract from the beauty, wholesomeness and attractiveness of the Master Common

Area or the enjoyment thereof by the Owners, and that the upkeep and maintenance thereof will not become a burden on the Mascer Association. The ARC shall have the right and duty to promulgate reasonable standards against which to examine any request made pursuant to this Article.

(b) Conditional Approvals. The ARC may condition its approval of proposals or plans and specifications for any Improvement (1) upon the Applicant's furnishing the Master Association with security acceptable to the Master Association against any mechanic's lien or other encumbrance which may be Recorded against the Properties as a result of such work, (2) on such changes therein as it deems appropriate, (3) upon the Applicant's agreement to grant appropriate easements to the Master Association for the maintenance of the Improvement, (4) upon the Applicant's agreement to install (at its sole cost) water, gas, or electrical meters to measure any increased consumption, (5) upon the Applicant's agreement to reimburse the Master Association for the cost of such maintenance, or (6) upon the Applicant's agreement to complete the proposed work within a stated period of time, or all of the above. The ARC may also require submission of additional plans and specifications or other information prior to approving or disapproving material submitted.

(c) Guidelines and Fees. The ARC may issue rules or guidelines setting forth procedures for the submission of plans for approval, requiring a fee payable to the Master Association to accompany each application for approval, or stating additional factors which it will take into consideration in reviewing submissions. The ARC may provide that the amount of such fee shall be uniform, or that it be determined in any other reasonable manner, such as by the reasonable cost of the construction, alterations or additions contemplated. The ARC may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, landscape plans, floor plans, site plans, drainage plans, elevation drawings and descriptions or samples of exterior material and colors.

(d) Limited Time for Review. Decisions of the ARC and the reasons the. -- . shall be transmitted by the ARC to the Applicant at the address set forth in the application for approval, within forty-five (45) days after receipt by the ARC of all materials required by the ARC. Any application submitted pursuant to this Section 6.2 shall be deemed approved by the ARC, unless written disapproval or a request for additional information or materials by the ARC shall have been transmitted to the Applicant within forty-five (45) days after the date of receipt by the ARC of such application or additional information. The Applicant shall also meet any review or permit requirements of the Master Association and the City prior to making any alterations or Improvements permitted hereunder.

6.3. Meetings of the ARC. The ARC shall meet from time to time as necessary to perform its duties hereunder. The ARC may from time to time, by resolution unanimously adopted in writing, designate an ARC representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the ARC, except the granting of variances pursuant to Section 6.8 hereof. In the absence of such designation, the vote or written consent of a majority of the ARC shall constitute an act of the ARC.

6.4. No Waiver of Future Approvals. Approval by the ARC of any proposals or plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the ARC, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters subsequently or additionally submitted for approval or consent.

6.5. Compensation of Members. The members of the ARC shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder.

6.6. Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

(a) Inspections. The ARC or its duly authorized representative may at any time inspect any work for which approval of plans is required under this Article VI. However, the ARC's right of inspection of Improvements for which plans have been submitted and approved shall terminate sixty (60) days after the work of Improvement has been completed and the respective Village Owner has given written notice to the ARC of its completion. The ARC's rights of inspection shall not terminate pursuant to this paragraph if plans for the work of Improvement have not previously been submitted to and approved by the ARC. If, as a result of such inspection, the ARC finds that the Improvement was done without obtaining approval of the plans therefor or was not done in substantial compliance with the plans approved by the ARC, it shall notify the Village Owner in writing of failure to comply with this Article VI within sixty (60) days from the inspection, specifying the particulars of noncompliance. The ARC shall have the authority to require the Village Owner to take such action as may be necessary to remedy the noncompliance.

(b) Remedies. If upon the expiration of sixty (60) days from the date of such notification, the Village Owner has failed to remedy the noncompliance, the ARC shall notify the Master Board in writing of such failure. The Master Board shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance exists, the Village Owner shall remedy or remove the same within a period of not more than forty-five (45) days from the date that notice of the Master Board ruling is given to the Village Owner. If the Village Owner does not comply with the Master Board ruling within that period, the Master Board, at its option, may Record a Notice of Noncompliance and commence a lawsuit for damages or injunctive relief, as appropriate, to remedy the noncompliance. In addition, the Master Board may peacefully remedy the noncompliance, and the Village Owner shall reimburse the Master Association, upon demand, for all expenses (including reasonable attorneys' fees) incurred in connection therewith. If such expenses are not promptly repaid by the Village Owner to the Master Association, the Master Board shall levy a special assessment against the Village Owner for reimbursement as provided in this Restated Declaration. The right of the Master Association to remove a noncomplying Improvement or otherwise remedy the noncompliance shall be in addition to all other rights and remedies which the Master Association may have at law, in equity or in this Restated Declaration or in the Master Declaration.

(c) Limited Time to Inspect. If for any reason the ARC fails to notify the Village Owner of any noncompliance with previously submitted and approved plans within sixty (60) days after receipt of written notice of completion from the Village Owner, the Improvement shall be deemed to be in accordance with the approved plans.

6.7. Scope of Review.
The ARC shall review and approve, conditionally approve or disapprove all plans submitted to it for any proposed Improvement, alteration or addition, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the immediate vicinity and the Properties generally. The ARC shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features. The ARC's approval or disapproval shall be based solely on the considerations set forth in this Article VI, and the ARC shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes. The ARC need not consider the impact of views from other Units or Lots as a factor in reviewing, approving or disapproving any proposed landscaping, construction or other Improvement. There are no protected views within the Properties and no Unit or Lot is assured the existence or unobstructed continuation of any particular view. Each Village Owner shall be responsible for obtaining all necessary permits and for complying with all City requirements with respect to the implementation of such plans.

6.8. Variance.
The ARC may authorize variances from compliance with any of the architectural provisions of this Restated Declaration except for the provisions of Section 6.9 hereof, including without limitation, restrictions upon height, size, floor area or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetics or environmental considerations may require. Such variances must be evidenced in writing, must be signed by a majority of the ARC, and shall become effective upon Recordation. After Developer has lost the right to appoint a majority of the members of the ARC, the Master Board must approve any variance recommended by the ARC before any such variance shall become effective. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Restated Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Restated Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall it affect in any way the Village Owner's obligation to comply with all governmental laws and regulations affecting the use of his Unit.

6.9. Material Changes.
In addition to the other provisions of this Article VI, any Village Owner (other than Developer or a Builder) proposing any

structural, design, color or other change visible from the exterior of a Unit which affects twenty (20) or more Units ("Material Change") shall submit complete plans, specifications, plots and color schemes, as applicable, for the Material Change to the Master Board for approval, which approval must be obtained in writing before the Material Change may be undertaken.

ARTICLE VII

7. Declarant Exemption.
No Village Owner nor the Master Association shall do anything to interfere with, and nothing in this Restated Declaration shall be understood or construed to:

(a) Prevent Developer, any Builder, their successors or assigns, or their contractors or subcontractors, from doing on any Unit owned by them whatever they determine to be necessary or advisable in connection with the completion of such work, including without limitation the alteration of construction plans and designs as they deem advisable in the course of development; or

(b) Prevent Developer, any Builder, their successors or assigns, or their representatives, from erecting, constructing and maintaining on any portion of the Properties owned or controlled by any of them, such structures as may be reasonably necessary for the conduct of their business of completing such work and establishing the Properties as a residential community and disposing of the same by sale, resale, lease or otherwise; or

(c) Prevent Developer, any Builder, their successors or assigns, or their contractors or subcontractors, from conducting on any Unit, or any portion thereof, owned or controlled by any of them, their business of developing, subdividing, grading and constructing Units and other Improvements in the Properties as a residential community and from disposing of Units thereon by sale, lease or otherwise; or

(d) Prevent Developer, any Builder their successors or assigns or their contractors or subcontractors, from maintaining such sign or signs on any portion of the Properties owned or controlled by any of them as may be necessary in connection with the sale, lease or other marketing of Units in the Properties; or

(e) Prevent Developer, any Builder or their successors or assigns, at any time prior to acquisition of title to a Unit by a purchaser from any of them, to establish on that Unit additional licenses, 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.

Notwithstanding any other provision herein, Developer and any Builder need not seek or obtain ARC approval of any Improvement constructed or placed on the Properties by any of them. Developer and any Builder, in the exercise of their respective rights under this Article, shall not unreasonably interfere with the use of the Master Common Area by any other Owner. The rights and reservations of Developer and any Builder set forth in this Article shall terminate on the seventh (7th) anniversary of the first Close of Escrow for the sale of a Unit in the Properties pursuant to a transaction requiring the issuance of a final subdivision public report by DRE.

ARTICLE VIII

8. Subsequent Annexations.
Additional real property may be added to the Properties and such additional real property may become subject to this Restated Declaration as set forth hereinafter.

8.1. Voting Requirements.
Additional real property may be annexed to the Properties and to the Master Project and brought within the general plan and scheme of this Restated Declaration and the Master Declaration upon the approval by vote or written consent of Village Owners entitled to exercise no less than sixty-seven percent (67%) of the voting power of each Class of vote described in Section 5.4 hereof; or, if only one Class of vote then exists, upon the approval by vote or written consent of sixty-seven percent (67%) of the voting power of all the Village Owners and sixty-seven percent (67%) of the voting power of all the Village Owners not including Developer or any Builder. In addition, no such annexation shall be effective unless it is approved in advance by the City and by vote or written consent of the Master Board.

8.2. Rights of Owners within Added Territory.
Subject to the provisions of Section 8.3, upon the Recording of a Notice of Addition of Territory containing the provisions as set forth in this Section, all provisions contained in this Restated Declaration and the Master Declaration shall apply to the real property described in such Notice of Addition of Territory (the "added territory") in the same manner as if it were originally covered by this Restated Declaration and the Master Declaration. Thereafter, the rights, powers and

responsibilities of the parties to this Restated Declaration and the Master Declaration with respect to the added territory shall be the same as with respect to the property originally covered hereby, and the rights, powers and responsibilities of the Owners, lessees and occupants of Units within the added territory, as well as within the property originally subject to this Restated Declaration and the Master Declaration, shall be the same as if the added territory were originally covered by both. From and after the first day of the first month following the first close of escrow for the sale of a Unit in the added territory pursuant to a transaction requiring the issuance of a final subdivision public report by DRE, the Owners of Units located in the added territory shall share in the payment of assessments to the Master Association to meet the expenses of the Master Project. Voting rights attributable to the Units in the added territory shall not vest until assessments have commenced as to such Units.

8.3. Notice of Addition of Territory. The additions authorized under Section 8.1 shall be made by Recording a Notice of Addition of Territory, or other similar instrument (which notice or instrument may contain the Additional Declaration, if any, affecting each such Phase of Development), with respect to the added territory ("Notice of Addition") which shall extend the general plan and scheme of this Restated Declaration to such added territory. The Notice of Addition for any addition under Section 8.1 shall be signed by at least two (2) officers of the Master Association to certify that the requisite approvals under Section 8.1 were obtained. The Recordation of said Notice of Addition shall constitute and effectuate the annexation of the added territory described therein, and thereupon said added territory shall become and constitute a part of the Properties, become subject to this Restated Declaration and encompassed within the general plan and scheme of covenants, conditions, restrictions, reservation of easements and equitable servitudes contained herein, and become subject to the functions, powers and jurisdiction of the Master Association. Such Notice of Addition may contain an Additional Declaration with such additions and modifications of the covenants, conditions, restrictions, reservation of easements and equitable servitudes contained in this Restated Declaration as may be necessary to reflect the different character, if any, of the added territory and as are not inconsistent with the general plan and scheme of this Restated Declaration. In no event, however, shall such Notice of Addition or Additional Declaration revoke, modify or add to the covenants, conditions, restrictions, reservation of easements, or equitable servitudes established by this Restated Declaration as the same shall pertain to the Properties.

ARTICLE IX

9. Termination and Amendment.

9.1. Termination or Amendment by Village Owners. Notice of the subject matter of a proposed amendment to, or termination of, this Restated Declaration in reasonably detailed form shall be included in the notice of any meeting or election of the Village Owners at which a proposed amendment or termination is to be considered. The resolution shall be adopted by the vote, in person or by proxy or written consent, of Village Owners representing not less than sixty-seven percent (67%) of each of the Class A Vote and the Class B Vote, or (if the Class B Vote has terminated) (i) sixty-seven percent (67%) of the voting power of all the Village Owners, and (ii) sixty-seven percent (67%) of the voting power of the Village Owners other than Developer and any Builder; provided that the specified percentage of the voting power of the Village Owners necessary to amend a specified provision or section of this Restated Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that provision or section. So long as there exists a Class B Vote, the prior approval of VA and FHA shall be required for any amendment to this Restated Declaration. A draft of the proposed amendment shall be submitted to VA and FHA for approval prior to its approval by the Village Owners. No amendment by the Village Owners shall be effective within ten (10) years after the date of Recordation of this Restated Declaration without the prior written consent of Developer and the Recordation of that written consent; nor shall any such amendment be effective at any time without Recordation of a written instrument executed by two (2) officers of the Master Association certifying that the votes required for approval have been obtained, and setting forth the particular amendment approved. In addition, any amendment to this Restated Declaration which would also require an amendment to the Master Declaration must comply with the requirements for amendment contained in the Master Declaration.

9.2. City Consent. Any amendment purporting to modify provisions of this Restated Declaration related to maintenance of the Master Common Area, the rights of all Owners to use all of the Master Common Area, the procedure for annexing additional Phases of Development pursuant to Article VIII hereof, or purporting to limit the ability of any Person to co[illegible]h all requirements imposed by the City on the Properties, must be approved in advance by the City Attorney. In addition, the City shall have the right, but not the obligation, to enforce any of the provisions referenced in this Section 9.2, as well as to collect reasonable attorneys' fees expended in the process of such enforcement.

9.3. Mortgagee Consent.
In addition to the notice and consent required pursuant to Sections 9.1 and 9.2 hereof, no amendment to this Restated Declaration which is of a material nature shall be effective unless the Mortgagees of fifty-one percent (51%) of the first mortgages on all the Units in the Properties approve the amendment. Each such Mortgagee which receives proper written notice of a proposed amendment or termination of this Restated Declaration by certified or registered mail with a return receipt requested shall be deemed to have approved the amendment or termination if the Mortgagee fails to submit a response to the notice within thirty (30) days after the Mortgagee receives the notice. None of the provisions of this Restated Declaration shall limit the rights of Mortgagees granted by the Master Declaration.

ARTICLE X

10. Miscellaneous Provisions.

10.1. General Provisions from Master Declaration.
The provisions contained in that certain Article entitled "General Provisions" of the Master Declaration are hereby incorporated herein and made applicable to the Properties by this reference.

10.2. Interpretation.
The provisions of this Restated Declaration and of the Master Declaration shall, to the degree possible, be interpreted consistently. Where inconsistent, the more restrictive or more inclusive provision shall apply. However, notwithstanding any other provision herein, and pursuant to the Article entitled "Annexation" of the Master Declaration, this Restated Declaration contains complementary additions to and reasonable modifications of the Master Declaration as are appropriate to reflect the different character of the development plan for the Properties, which additions and modifications (collectively "Reasonable Modifications") shall prevail with regard to the Properties affected thereby without regard to any contrary provisions of the Master Declaration, whether or not the Reasonable Modifications are labeled as such herein or specifically make reference to the authorizing language of the Master Declaration.

10.3. No Public Rights or Dedication.
Nothing contained in this Restated Declaration shall be deemed to be a gift or dedication of all or any part of the Properties to the public or for any public use.

10.4. VA and FHA Requirements.
In addition to the rights afforded to VA and FHA in Section 9.1 hereof, so long as there exists a Class B Vote and notwithstanding any contrary provision herein, any annexation of additional properties, merger, consolidation or special assessment shall require the prior written approval of VA and, only if FHA is insuring a loan secured by a Mortgage encumbering a Unit, the prior written approval of FHA. No power of attorney granted to the Board of Directors by this Declaration shall apply to or be binding upon the Secretary, Department of Veterans Affairs, an officer of the United States of America.

This Restated Declaration is dated for identification purposes 1-24-90, 1989.

APPROVAL AND CERTIFICATION

We hereby approve this Restated Declaration for Recordation and further certify that this Restated Declaration has been approved as an amendment to the Village I Declaration defined herein by vote of "Delegates" representing at least seventy-five percent (75%) of the total voting power of The Village I Association, Inc., as required pursuant to that Section entitled "Amendment Requirements" of the Article entitled "Amendment" of the Village I Declaration.

"Declarant":

THE VILLAGE I ASSOCIATION, INC., a California nonprofit mutual benefit corporation. Ellis Freehan

APPROVED AS TO FORM
OCEANSIDE CITY ATTORNEY
DEBRA E. CORBETT, ACA

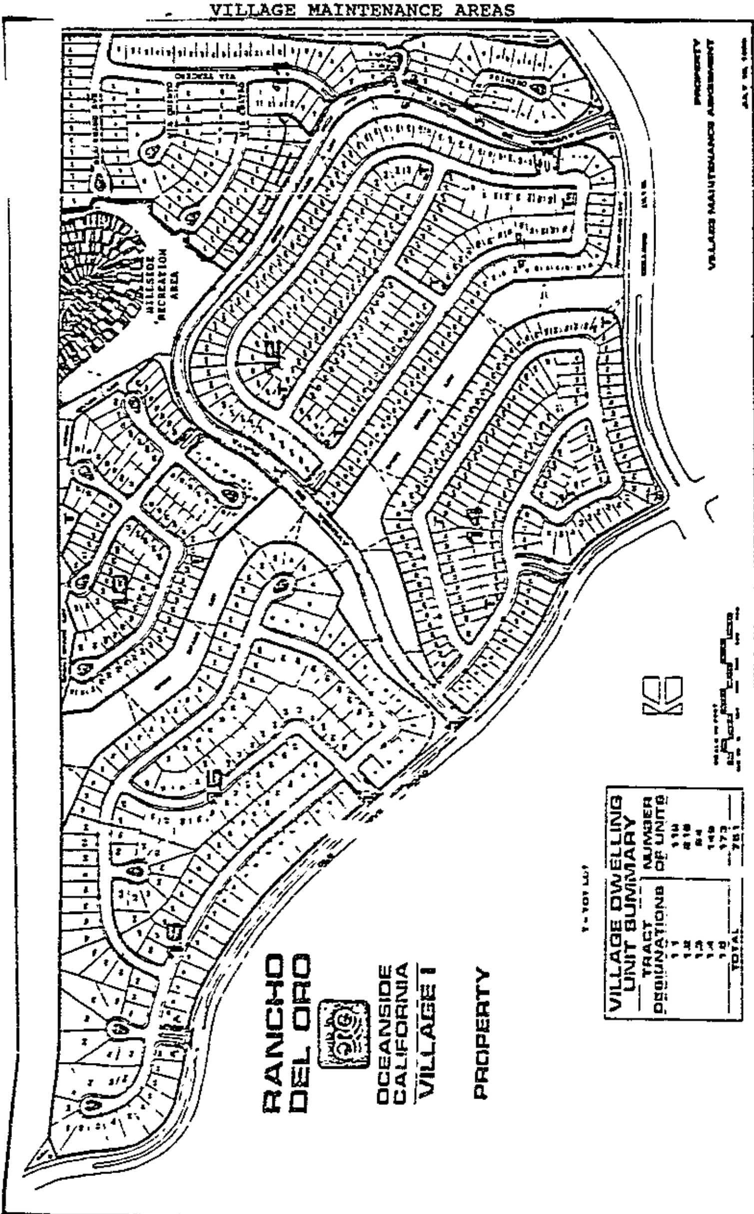
By: ______________________
Its ~~President~~ VICE PRES.

By: ______________________
John Freehan
Its Secretary

wvj134/20568/000/0090/ccr.v1.am
049/099 05-30-89

EXHIBIT "A"

VILLAGE MAINTENANCE AREAS



2330

CONSENT TO AMENDMENT
OF
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR VILLAGE I

THE VILLAGES OF RANCHO DEL ORO ASSOCIATION, INC., a California nonprofit mutual benefit corporation, hereby consents to the foregoing amendment to and restatement of the "Village I Declaration" (as defined herein), pursuant to the provisions of Section 17.2.2 of the Village I Declaration.

EXECUTED on this 26th day of April, 1990.

THE VILLAGES OF RANCHO DEL ORO ASSOCIATION, INC., a California nonprofit mutual benefit corporation

By: [signature]

Its: President

By: Beth Freidenberg

Its: Secretary

wvj134/20568/000/0141/rdo.assoc
03-23-90

CONSENT TO AMENDMENT
OF
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR VILLAGE I

RANCHO DEL ORO DEVELOPMENTS, a California general partnership, hereby consents to the foregoing amendment to and restatement of the "Village I Declaration" (as defined herein), pursuant to the provisions of Section 17.2.1 of the Village I Declaration.

EXECUTED on this 26th day of April, 1990.

RANCHO DEL ORO DEVELOPMENTS,
a California general partnership

By: Collins-Rancho Del Oro Company, a California corporation, General Partner

By: ____________________

Its: President

By: ____________________

Its: V.P.

EXHIBIT "B"

ADDITIONAL CONSENTS TO AMENDMENT
OF VILLAGE I DECLARATION

(Attach Consents of Developer, Master Association, City of Oceanside, Department of Veterans Affairs and 67% of First Mortgagees)

2283

DEPARTMENT OF VETERAN AFFAIRS
OFFICE OF DISTRICT COUNSEL
2022 CAMINO DEL RIO NORTH, SUITE 326
SAN DIEGO, CALIFORNIA 92108

RESUBMISSION DOCUMENTS
DISTRICT COUNSEL PROJECT APPROVAL REQUEST

DATE: 5/22/89

TO: Willard V. Jones

VA FILE NO.: 1107

LGT NO.: ______

PROJECT NAME: Villages of Rancho

LOT(S): Del Oro

TRACT NO.: ______

MAP NO.: ______

PHASE NO.: ______

MASTER PHASE NO.: ______

DATE DOC'S RCVD: 5/18/89

CONDOMINIUM PROJECT TYPE:

PROPOSED ( ) EXISTING ( ) CONV. ( ) UNDER CONST. ( )

LOW RISE ( ) HORIZONTAL ( ) HIGH RISE ( )

PLANNED UNIT DEVELOPMENT TYPE: PROPOSED ( ) EXISTING ( )

MASTER PLANNED UNIT DEVELOPMENT TYPE: PROPOSED ( ) EXISTING ( )

1. Please be advised I have reviewed the item(s) checked on the attached list and have determined that the item(s) is/are acceptable.

2. Please note the additional comments on Attachment No(s). 8

3. Please note the additional comments hereon. ______

If there are any questions concerning any portion of this letter, please contact my secretary, Ms. Jerrie Bruce or myself at (619) 557-6710. Please refer to the Project name and/or File number when you call.

B. Greenberg

BRIAN D. GREENBERG
Attorney

cc:

M. J. D. & P.
N.B
RECEIVED
MAY 25 1989
COPY TO ______
CALENDARED ______
REFERRED TO ______

ORGANIZATIONAL DOCUMENTATION ATTACHMENT(S)

1. ____ Condominium Plan. (Recorded copy with Certificate Consent and recording information affixed by the County Recorder on each page.)

2. ____ Condominium Plan. (Revised draft with revisions requested in our correspondence dated ____________.)

3. ____ Draft Amendment to Condominium Plan. (Submit recorded copy as soon as available.)

4. ____ Recorded Amendment to Condominium Plan.

5. ____ Draft First ( ) or Second ( ) Amendment to Declaration of Covenants, Conditions, and Restrictions. (Submit recorded copy as soon as available.)

6. ____ Recorded First ( ) or Second ( ) Amendment to the Declaration of Covenants, Conditions, and Restrictions.

7. OK Declaration of Covenants, Conditions, and Restrictions. (Revised draft with revisions requested in our correspondence dated * .)

8. Need Declaration of Covenants, Conditions, and Restrictions. (Recorded copy with recording information affixed by the County Recorder on each page.)

9. ____ Draft Articles of Incorporation.

10. ____ Articles of Incorporation for Homeowners Association. (Filed copy with date of filing affixed by the Secretary of State.)

11. ____ Certificate of Amendment to the Articles of Incorporation of the Association filed with the Secretary of State.

12. ____ By-Laws for Homeowners Association. (Complete copy adopted by the Board of Directors as certified by the Association Secreta[illegible] adopted by the Incorporator).

13. ____ By-Laws for Homeowners Association. (Revised draft with revisions requested in our correspondence dated ____________.)

14. ____ Draft Amendment to the By-Laws (Submit copy of adopted Amendment as soon as available.)

15. ____ Sample Grant Deed to convey title to a purchaser of a Lot. (Revised draft with revisions requested in our correspondence dated ____________.)

* REVISED PAGES 6, 7, 31, 32 OF EXHIBIT B.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

On February 8, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared Steve Ellis and John Feehan, personally known to me to be the persons who executed the within instrument as Vice President and Secretary on behalf of THE VILLAGE I ASSOCIATION, INC., the corporation therein named, and acknowledged to me that the corporation executed it.

Witness my hand and official seal.

Michelle Coneybeare
Notary Public

OFFICIAL SEAL
MICHELLE CONEYBEARE
NOTARY PUBLIC - CALIFORNIA
SAN DIEGO COUNTY
My Comm. Expires Jan. 4, 1991