The following notice is pursuant to California Government Code Section 12956.1(b)(1))

Notice

If this document contains any restriction based on age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code by submitting a "Restrictive Covenant Modification" form, together with a copy of the attached document with the unlawful provision redacted to the county recorder's office. The "Restrictive Covenant Modification" form can be obtained from the county recorder's office and may be available on its internet website. The form may also be available from the party that provided you with this document. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

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Recorded in Official Records
County of Riverside
Gary L. Orso
Assessor, County Clerk & Recorder

Lawyers Title Co.

Recording Requested by:
Stowe-Passco Development, Inc.

When Recorded Mail To:
Lesley Watkins
Stowe-Passco Development, Inc.
801 North Parkcenter Drive
Suite 235
Santa Ana, CA 92705

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DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR TRACT 27580-1, 27580-2, & 27580-3 "WALKING HORSE RANCH"

This DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR "WALKING HORSE RANCH" ("Declaration") is made as of the 30th day of May, 2001 by Walking Horse Ranch, LLC, a California Limited Liability Company ("Declarant"), with reference to the following facts:

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401345430

RECITALS

A. Declarant is the Owner of the following real property in the State of California, County of Riverside, City of Norco, described as follows and hereinafter referred to as the "Property":

PHASE 1:

Lots 1 through 26, Tract No. 27580-1, in the City of Norco, County of Riverside, State of California, as per map on file in Book 294, pages 49 through 52, of Maps, in the Office of the County Recorder of said County.

PHASE 2:

Lots 1 through 30 inclusive, of Tract No. 27580-2, in the City of Norco, County of Riverside, State of California, as per unrecorded Tentative Map which is scheduled to be the second development phase of the project

PHASE 3:

Lots 1 through 24 inclusive, of Tract No. 27580-3, in the City of Norco, County of Riverside, State of California, as per unrecorded Tentative Map which is scheduled to be the third development phase of the project

B. Declarant intends to subject the Property to the covenants, conditions, restrictions, easements and equitable servitudes set forth in this Declaration, for the benefit of the Property and the future owners thereof.

NOW, THEREFORE, Declarant declares as follows:

ARTICLE 1
SUBMISSION

1.1 Submission: The property and each part and parcel thereof, and each of the above described Lots, shall be held, sold, leased, rented, hypothecated, encumbered, conveyed, used, occupied and improved subject to the easements, restrictions, covenants and conditions contained in this Declaration which are imposed as equitable servitudes pursuant to a general plan for the development of the Property and for the purpose of protecting, enhancing and maintaining the value and desirability of the Property. This Declaration and all of the covenants, conditions, restrictions, easements and equitable servitudes set forth herein shall run with, be binding upon and insure to the benefit of each and every person having or acquiring any right, title, or interest in any Lot and shall be binding upon and inure to the benefit of the successors in interest of such persons, their heirs, successors and assigns.

1.2 Incorporation of Declaration into Deeds. Any deed or other instrument by which a Lot is conveyed shall be subject to the provisions of this Declaration, whether or not the deed makes reference to this Declaration.

ARTICLE 2
EASEMENTS, FENCE MAINTENANCE AND SUBDIVISION

2.1 Utility Easements: Easements are reserved as shown on the Recorded Map for installation and maintenance of utility services, including public utilities, storm drainage facilities and sanitary sewer facilities. Any easements for installation, maintenance, use or repair of public utilities or drainage facilities which are dedicated on the Map or created by separate instrument shall be kept free of buildings and within such easements no structure shall be placed or permitted to remain which may damage or interfere with the installation, maintenance, use or repair of such public utilities or drainage facilities or which may damage, interfere with, or change the directions of flow or drainage in the easements. All such easements at all times shall be accessible to Declarant until Declarant no longer has any interest in the Property and at all times shall be accessible to all persons installing, repairing, using or maintaining such utilities and drainage facilities.

2.2 Fence Maintenance. The owners of adjacent Lots shall be mutually bound equally to maintain, repair and replace and common fence bordering their Lots. In the event that the adjacent owners are unable to agree to such maintenance, repair or replacement the party who desires to proceed with the work shall notify the adjacent owner of his intention to do so. If, within fifteen (15) days after receipt of such notice, the adjacent owner has not made written objections to the proposed work, the work shall proceed and the reasonable cost thereof shall be shared equally between the parties. In connection with the performance of such work, in order to secure payment therefore by the adjoining Lot owner, the billing rendered by the owner performing such work will, together with annual interest thereon at the higher of 9% or the maximum rate allowed by law, become a charge upon the Lot owned by the other, and shall be a continuing lien upon such Lot. Said lien may be enforced and foreclosed in the same manner in which the lien of deeds of trust and mortgages are enforced and foreclosed under Sections 2924 et.seq of the Civil Code of California, or in any other manner provided by law for the enforcement and foreclosure of liens. Such lien may be perfected by the filing of and instrument among the public records of Riverside County, California indicating the amount of such lien, including attorney's fees and cost of collection.

If within 15 days after receiving such notice the adjacent owner does not make written objections to the proposed work, then the matter(s) in dispute shall be submitted for resolution to the American Arbitration Association (AAA), each party paying one half of the initial charge levied by the AAA, and the party against whom such matter is resolved will bear the entire cost of such arbitration proceeding.



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Fences shall be maintained at the same location as originally installed by Declarant and at the same height and of the same material composition as originally installed by Declarant or may be upgraded to masonry brick.

2.3 No Subdivision of Lots. There shall be no subdivision, partition, or other division of any Lot nor shall any owner or any other person acquiring any interest in a Lot seek ant partition or subdivision thereof, except that his prohibition shall not apply to the sale of any entire Lot in any partition action among tenants in common or joint tenants.

ARTICLE 3
USE RESTRICTIONS

3.1 Residential Use: Except as otherwise provide in this Declaration, and in accordance with the Norco Municipal Code, each lot shall be used as a residence for a single family and for no other purpose. Except as provided in 3.13 no owner shall use or permit the use of his Lot for any business, commercial, manufacturing, mercantile or any other non-residential use or purpose.

3.2 Temporary Habitation: No structure or building other than a completed residence, designed as such, shall be used or occupied as a dwelling place on any portion of the Property. No tent or any other temporary habitation is to be used as a dwelling. No trailer, camper, boat or recreational vehicle is to be used as place of habitation.

3.3 Parking: No automobile, boat, animal trailer, trailer. recreational vehicle, camper, commercial vehicle or truck shall be parked, stored or left for a continuous periods in excess of seventy-two (72) hours on any street or on any Lot, except wholly within the garage or behind a fully fenced area located upon the Lot. No major repairs or maintenance of any vehicle shall be made or performed on any street or driveway, except in the case of emergency.

3.4 Signs: No signs, billboards, or other advertising device shall be erected or placed upon any Lot or any portion of the Property, except that one "For Sale", "For Lease," "For Rent" or Yard Sale" sign may be displayed upon a Lot or other parcel within the Property, provided that such sign shall be no larger than three square feet, or taller that six feet in height measured from the ground level on which it stands. This prohibition shall not apply to the Declarant or its agent, who may erect and display larger signs and conduct other onsite merchandising efforts, including but not limited to a model home complex and related parking in order to effectuate sales of the Lots and dwellings.

3.5 Landscape Maintenance. Grass, hedges, shrubs, vines, and mass planting of any type on any portion of a Lot shall be mowed, trimmed, and cut at regular intervals so as to appear neat and attractive. Trees, shrubs, grass, hedges, vines, plants and mass plantings of any type which have died shall be promptly removed and replaced with the same foliage or other foliage approved by the City of Norco.

In addition, each owner of a Lot shall maintain all slopes or terraces in his Lot: (i) in an attractive condition and (ii) so as to prevent erosion thereof upon adjacent streets or adjoining property. As used in the preceding sentence, the term "maintain" shall mean: (i) with respect to those slopes or terraces, or portions of either thereof, upon which Declarant installs landscaping or irrigation lines, the maintenance, repair, restoration, and replacement of such landscaping and irrigation lines; and (ii) with respect to those slopes or terraces, or portions of either thereof, upon which Declarant does not install such landscaping and irrigation lines, the installation of such landscaping and irrigation lines within six (6) months after the initial purchase of such landscaping and irrigation lines.

These obligations are subject to moratoria or other legislative enactments which might prevent the owner from fulfilling these obligations, including limitations on water use arising from drought conditions. Once the conditions which give rise to such moratoria or legislation have passed, then the owner will be obligated to resume such maintenance work.

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3.6 Rubbish and Refuse Disposal. No weeds, vegetation, rubbish, debris, garbage, waste materials or materials of any kind whatsoever shall be placed or permitted to accumulate upon any Lot which would be unsanitary, unsightly, offensive, or detrimental to any Lot in the vicinity thereof or to the occupants of any Lot in such vicinity. Accumulations of such refuse shall be removed on a weekly basis.

3.7 Nuisance. No noxious or offensive activity shall be carried on, in or upon this Property nor shall anything be done thereon which may be or become an unreasonable annoyance, inconvenience or nuisance to the residents of the Property or unreasonable interference with the quiet enjoyment of the occupants of Lots. No owner shall permit anything to be done or kept on his Lot which would result in the cancellation of insurance on any other Lot or which would be in violation of any law. It being understood that in the City of Norco and in the Walking Horse Ranch residential project, the keeping of animals and the characteristics of such a life style does not in itself constitute and nuisance.

3.8 Oil and Mining Operations. No oil drilling, oil development operation, oil well, tank, tunnel, mineral excavation or shaft, derrick or other structure designed for use in boring for oil, minerals, or natural gas shall be erected, maintained, or permitted upon any Lot. Nor shall any septic tank or other individual water or sewage disposal system be permitted on any Lot.

3.9 Pets, Livestock, and Poultry.

A. No animals shall be raised, bred or kept on any Lot in violation of the City Of Norco requirements and rules regarding "*animal keeping units*". It is also understood that notwithstanding the rules and regulation of the City of Norco, no animals are allowed to be kept or maintained for commercial purposes. The number of household pets generally considered to be outdoor pets, such as dogs, cats, et cetera, shall not exceed three (4) in number except for newborn offspring of such household pets which are under six months of age. No animal shall be allowed if such animal constituted an unreasonable annoyance, inconvenience or nuisance to any other owner.

3.10 Antennas, Etc.. No antenna, windmills or poles of any kind higher than 25 feet shall be allowed to be displayed. Satellite Dishes shall be allowed to be mounted on a roof only if less than 18" in diameter. Larger Satellite Dishes must be mounted on the ground within the backyard only if such backyard is enclosed by a fence. The installation of satellite dishes is also subject to the ordinances of the City of Norco.

3.11 Laundry. No laundry or wash shall be dried or hung upon the exterior of any Lot or any place visible from any street.

3.12 Declarant's Rights. Notwithstanding anything to the contrary contained in this Declaration, Declarant, its agents, employees and contractors shall not be restricted or prevented by this declaration from doing, and Declarant, its agents, employees and contractors shall have the right to so such things or take such actions as they deem necessary, advisable or convenient for completion and improvement of the project as a residential community for the sale, rental, or other disposition of lots in the project. The rights of Declarant, its agents, employees and contractors shall include, without limitation:

(a) The right and easement of ingress in, over and upon the Property for the purpose of performing on any part or parts of the project acts deemed necessary, advisable or convenient for the completion and improvement of the project as a residential community and for the sale, rental or other disposition of Lots;

(b) The right to erect, construct, maintain, demolish or remove structures and other improvement on the Property as it deems necessary, advisable or convenient for the completion and improvement of the project as a residential community and for the sale, rental or other disposition of Lots; and

(c) The right to use lots and improvements owned by Declarant as models, sales offices and contractor's offices and to construct and display promotional, informational and directional signs and other sales aides on or about any portion of the project.



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ARTICLE 4
RECONSTRUCION OF RESIDENCES

In the event of damage or destruction to a residence by fire or other casualty, the owner shall within four (4) months thereafter commence to reconstruct such residence and complete such reconstruction as soon as reasonable possible, substantially in accordance with the original plans and specifications thereof. In such case, the residence shall be restored so that the exterior appearance substantially resembles the appearance of the dwelling, both in form and in color, as existed before such damage or destruction.

ARTICLE 5
MISCELLANEOUS

5.1 Mortgage Protection. The restrictions, covenants, conditions and agreements contained in this Declaration shall not prejudice or in any way invalidate the lien or encumbrance of any mortgage or deed of trust, provided, however, that in the event of the foreclosure, whether by judicial or non-judicial proceedings, of any such mortgage or deed of trust, the purchaser at the sale held pursuant to any such proceedings shall hold the title so acquired subject to all the restrictions, covenants, conditions, easements and equitable servitudes contained in this Declaration.

5.2 Independence of Provisions. Invalidation of any one of these restrictions, covenants, conditions or equitable servitudes by a judgement or court order shall not in any way affect any of the other provisions, which other provisions shall remain in full force and effect.

5.3 Enforcement. The failure of any owner to comply with the provisions of this Declaration shall entitle Declarant or any other owner to bring an action to enforce this Declaration, including the recovery of damages or injunctive relief or both, and any owner (after giving due notice to any affected owner) shall have the right to enforce, by legal proceeding, through the recovery of restrictions, easements, and equitable servitudes imposed by or pursuant to the provisions of this Declaration. Failure to enforce any provision of this Declaration shall not be a waiver of the right to do so thereafter. All remedies provided in this Declaration shall be cumulative and in addition to any other remedies available at law or in equity.

5.4 Amendments. This Declaration may be amended, waived, or terminated at any time by the owners of fifty-one percent (51%) or more of the total number of Lots within the Property, provided, however, that so long as Declarant owns two or more Lots, Declarant's written consent to any amendment, waiver or termination must be first obtained. Any instrument amending, waiving or terminating this Declaration shall only be effective after City of Norco review and approval and if executed by the requisite number of owners recorded in the official records of the County of Riverside.

ARTICLE 6
SPECIAL STUDIES ZONE

Present and future home buyers of the Property are hereby notified that as of the date of this Declaration no portion of this subdivision is within a Special Studies Zone as determined by the State of California State Geologist.



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IN WITNESS THEREOF, the undersigned, being the Declarant herein has executed this Declaration of Covenants, Conditions, and Restrictions for Huntington, as of the date first set forth.

DECLARANT:

Walking Horse Ranch , LLC
a California Limited Liability Company

By: Stowe-Passco Development, LLC
a California Limited Liability Company
Manager

By: Stowe Properties, Inc.
a California Corporation
Manager

By: _____
Nat Stowe ~~Harty~~, President

STATE OF CALIFORNIA)
) S.S.
COUNTY OF)

NAT STOWE Harty

On May 30, 2001, before me, Lesley Watkins, a Notary Public in and for said County and State, personally appeared (SIGNEE ABOVE), ~~(TITLE)~~ of Walking Horse Ranch,, LLC, a California Limited Liability Company, personally known to me (~~or proved to me on basis of satisfactory evidence~~) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

_____
Notary Public

LESLEY WATKINS
Commission # 1291819
Notary Public - California
Orange County
My Comm. Expires Feb 2, 2005

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Under the provisions of Government Code 27361.7 I certify under the penalty of perjury that the notary seal on the document to which this statement is attached reads as follows:

Name of Notary: Lesley Watkins

Commission #: 1291819

Place of Execution: Orange Co.

Date Commission Expires: 2-2-05

Date: 9-19-01

Signature: [signature]

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