



REAL ESTATE TRANSFER DISCLOSURE STATEMENT
(CALIFORNIA CIVIL CODE §1102, ET SEQ.)
(C.A.R. Form TDS, Revised 6/24)

☐ This property is a duplex, triplex or fourplex. A TDS is required for all units. This TDS is for ALL units (or ☐ only unit(s) ____).
THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY SITUATED IN THE CITY OF Escondido, **COUNTY OF** San Diego, **STATE OF** CALIFORNIA,
DESCRIBED AS 2954 Rangpur Ct, Escondido, CA, 92027

THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE ABOVE DESCRIBED PROPERTY IN COMPLIANCE WITH § 1102 OF THE CIVIL CODE AS OF (DATE) 07/31/2026. **IT IS NOT A WARRANTY OF ANY KIND BY THE SELLER(S) OR ANY AGENT(S) REPRESENTING ANY PRINCIPAL(S) IN THIS TRANSACTION, AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PRINCIPAL(S) MAY WISH TO OBTAIN.**

I. COORDINATION WITH OTHER DISCLOSURE FORMS

This Real Estate Transfer Disclosure Statement is made pursuant to § 1102 of the Civil Code. Other statutes require disclosures, depending upon the details of the particular real estate transaction (for example: special study zone and purchase-money liens on residential property).

Substituted Disclosures: The following disclosures and other disclosures required by law, including the Natural Hazard Disclosure Report/Statement that may include airport annoyances, earthquake, fire, flood, or special assessment information, have or will be made in connection with this real estate transfer, and are intended to satisfy the disclosure obligations on this form, where the subject matter is the same:

- ☒ Inspection reports completed pursuant to the contract of sale or receipt for deposit.
☒ Additional inspection reports or disclosures: _____
Seller may have obtained a limited number of third-party inspections that will be supplied to Buyer at buyers request if available.
☒ No substituted disclosures for this transfer.

II. SELLER'S INFORMATION

The Seller discloses the following information with the knowledge that even though this is not a warranty, prospective Buyers may rely on this information in deciding whether and on what terms to purchase the subject property. Seller hereby authorizes any agent(s) representing any principal(s) in this transaction to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the property.

THE FOLLOWING ARE REPRESENTATIONS MADE BY THE SELLER(S) AND ARE NOT THE REPRESENTATIONS OF THE AGENT(S), IF ANY. THIS INFORMATION IS A DISCLOSURE AND IS NOT INTENDED TO BE PART OF ANY CONTRACT BETWEEN THE BUYER AND SELLER.

Seller ☐ **is** ☒ **is not** occupying the property.

A. The subject property has the items checked below:*

- | | | |
|--|--|--|
| ☒ Range | ☐ Wall/Window Air Conditioning | ☐ Pool: |
| ☒ Oven | ☒ Sprinklers | ☐ Child Resistant Barrier |
| ☒ Microwave | ☒ Public Sewer System | ☐ Pool/Spa Heater: |
| ☒ Dishwasher | ☐ Septic Tank | ☐ Gas ☐ Solar ☐ Electric |
| ☐ Trash Compactor | ☐ Sump Pump | ☒ Water Heater: |
| ☐ Garbage Disposal | ☐ Water Softener | ☒ Gas ☐ Solar ☐ Electric |
| ☒ Washer/Dryer Hookups | ☒ Patio/Decking | ☐ Water Supply: |
| ☐ Rain Gutters | ☐ Built-in Barbecue | ☒ City ☐ Well |
| ☐ Burglar Alarms | ☐ Gazebo | ☐ Private Utility or |
| ☐ Carbon Monoxide Device(s) | ☐ Security Gate(s) | <u>Other City of Escondido</u> |
| ☒ Smoke Detector(s) | ☒ Garage: | ☒ Gas Supply: |
| ☒ Fire Alarm | ☒ Attached ☐ Not Attached | ☒ Utility ☐ Bottled (Tank) |
| ☐ TV Antenna | ☐ Carport | ☐ Window Screens |
| ☐ Satellite Dish | ☐ Automatic Garage Door Opener(s) | ☐ Window Security Bars |
| ☐ Intercom | ☒ Number Remote Controls _____ | ☐ Quick Release Mechanism on |
| ☒ Central Heating | ☐ Sauna | <u>Bedroom Windows</u> |
| ☒ Central Air Conditioning | ☐ Hot Tub/Spa: | ☐ Water-Conserving Plumbing Fixtures |
| ☐ Evaporator Cooler(s) | ☐ Locking Safety Cover | |
| Exhaust Fan(s) in <u>Unknown</u> | 220 Volt Wiring in _____ | Fireplace(s) in <u>Unknown</u> |
| ☒ Gas Starter _____ | ☒ Roof(s): Type: <u>Tile</u> | Age: <u>20</u> (approx.) |
| ☐ Other: _____ | | |

Are there, to the best of your (Seller's) knowledge, any of the above that are not in operating condition? ☐ Yes/☒ No. If yes, then describe. (Attach additional sheets if necessary): _____
List of items in the home may not be complete. Any items remaining in home at time of sale will be left.

Seller has never occupied this property. Seller encourages Buyer to have their own inspections performed and verify all information relating to this property.
(*see note on page 2)

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Seller's Initials BB / _____

Buyer's Initials _____ / _____



REAL ESTATE TRANSFER DISCLOSURE STATEMENT (TDS PAGE 1 OF 3)

Opendoor Brokerage, Inc. | Opendoor Brokerage, LLC, 410. N Scottsdale Rd, Ste. #1600 Tempe AZ 85281
Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201

Phone: _____ Fax: _____
www.lwolf.com

New Forms

B. Are you (Seller) aware of any significant defects/malfunctions in any of the following? ☐ Yes ☒ No. If yes, check appropriate space(s) below.

☐ Interior Walls ☐ Ceilings ☐ Floors ☐ Exterior Walls ☐ Insulation ☐ Roof(s) ☐ Windows ☐ Doors ☐ Foundation ☐ Slab(s)
☐ Driveways ☐ Sidewalks ☐ Walls/Fences ☐ Electrical Systems ☐ Plumbing/Sewers/Septics ☐ Other Structural Components
 (Describe: _____)

If any of the above is checked, explain. (Attach additional sheets if necessary.): _____

*Installation of a listed appliance, device, or amenity is not a precondition of sale or transfer of the dwelling. The carbon monoxide device, garage door opener, or child-resistant pool barrier may not be in compliance with the safety standards relating to, respectively, carbon monoxide device standards of Chapter 8 (commencing with § 13260) of Part 2 of Division 12 of, automatic reversing device standards of Chapter 12.5 (commencing with § 19890) of Part 3 of Division 13 of, or the pool safety standards of Article 2.5 (commencing with § 115920) of Chapter 5 of Part 10 of Division 104 of, the Health and Safety Code. Window security bars may not have quick-release mechanisms in compliance with the 1995 edition of the California Building Standards Code. § 1101.4 of the Civil Code requires all single-family residences built on or before January 1, 1994, to be equipped with water-conserving plumbing fixtures after January 1, 2017. Additionally, on and after January 1, 2014, a single-family residence built on or before January 1, 1994, that is altered or improved is required to be equipped with water-conserving plumbing fixtures as a condition of final approval. Fixtures in this dwelling may not comply with § 1101.4 of the Civil Code.

C. Are you (Seller) aware of any of the following:

1. Substances, materials, or products which may be an environmental hazard such as, but not limited to, asbestos, formaldehyde, radon gas, lead-based paint, mold, fuel or chemical storage tanks, and contaminated soil or water on the subject property ☐ Yes ☒ No
 2. Features of the property shared in common with adjoining landowners, such as walls, fences, and driveways, whose use or responsibility for maintenance may have an effect on the subject property ☐ Yes ☒ No
 3. Any encroachments, easements or similar matters that may affect your interest in the subject property ☐ Yes ☒ No
 4. Room additions, structural modifications, or other alterations or repairs made without necessary permits. ☐ Yes ☒ No
 5. Room additions, structural modifications, or other alterations or repairs not in compliance with building codes ☐ Yes ☒ No
- (Note to C4 and C5: If transferor acquired the property within 18 months of accepting an offer to sell it, transferor shall make additional disclosures regarding the room additions, structural modifications, or other alterations or repairs on a Seller Property Questionnaire (C.A.R. Form SPQ).)
6. Fill (compacted or otherwise) on the property or any portion thereof ☐ Yes ☒ No
 7. Any settling from any cause, or slippage, sliding, or other soil problems ☐ Yes ☒ No
 8. Flooding, drainage or grading problems ☐ Yes ☒ No
 9. Major damage to the property or any of the structures from fire, earthquake, floods, or landslides ☒ Yes ☐ No
 10. Any zoning violations, nonconforming uses, violations of "setback" requirements ☐ Yes ☒ No
 11. Neighborhood noise problems or other nuisances ☐ Yes ☒ No
 12. CC&R's or other deed restrictions or obligations ☒ Yes ☐ No
 13. Homeowners' Association which has any authority over the subject property ☒ Yes ☐ No
 14. Any "common area" (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others) ☒ Yes ☐ No
 15. Any notices of abatement or citations against the property ☐ Yes ☒ No
 16. Any lawsuits by or against the Seller threatening to or affecting this real property, claims for damages by the Seller pursuant to § 910 or 914 threatening to or affecting this real property, claims for breach of warranty pursuant to § 900 threatening to or affecting this real property, or claims for breach of an enhanced protection agreement pursuant to § 903 threatening to or affecting this real property, including any lawsuits or claims for damages pursuant to § 910 or 914 alleging a defect or deficiency in this real property or "common areas" (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others) ☐ Yes ☒ No

If the answer to any of these is yes, explain. (Attach additional sheets if necessary.): _____

HOA Name: Eureka Springs Homeowners' Association, Phone Number: 800-689-5812 Ext: 703, Main Fee: \$180.00 paid monthly. Please see attached for HOA-related expenses provided to the Seller at the time the Seller purchased this property. Buyer is encouraged to contact the HOA for current information. Prior Ownership: insurance claim filed under prior ownership. Seller has never occupied this property. Seller encourages Buyer to have their own inspections performed and verify all information relating to this property where applicable as noted.
 Seller has never occupied this property. Seller encourages Buyer to have their own inspections performed and verify all information relating to this property.

- D. 1. The Seller certifies that the property, as of the close of escrow, will be in compliance with § 13113.8 of the Health and Safety Code by having operable smoke detector(s) which are approved, listed, and installed in accordance with the State Fire Marshal's regulations and applicable local standards.
2. The Seller certifies that the property, as of the close of escrow, will be in compliance with § 19211 of the Health and Safety Code by having the water heater tank(s) braced, anchored, or strapped in place in accordance with applicable law.

Seller certifies that the information herein is true and correct to the best of the Seller's knowledge as of the date signed by the Seller.

Seller Brad Bonney Authorized Signer on Behalf of Opendoor Property J LLC Date 07/31/2026

Seller _____ Date _____



III. AGENT'S INSPECTION DISCLOSURE

(To be completed only if the Seller is represented by an agent in this transaction.)

THE UNDERSIGNED, BASED ON THE ABOVE INQUIRY OF THE SELLER(S) AS TO THE CONDITION OF THE PROPERTY AND BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY IN CONJUNCTION WITH THAT INQUIRY, STATES THE FOLLOWING:

- ☒ See attached Agent Visual Inspection Disclosure (AVID Form)
- ☐ Agent notes no items for disclosure.
- ☐ Agent notes the following items: _____

Agent (Broker Representing Seller) Opendoor Brokerage Inc.
(Please Print)By Lisa Soltez
(Associate Licensee or Broker Signature)Date 07/31/2026**IV. AGENT'S INSPECTION DISCLOSURE**

(To be completed only if the agent who has obtained the offer is other than the agent above.)

THE UNDERSIGNED, BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY, STATES THE FOLLOWING:

- ☐ See attached Agent Visual Inspection Disclosure (AVID Form)
- ☐ Agent notes no items for disclosure.
- ☐ Agent notes the following items: _____

Agent (Broker Obtaining the Offer) _____
(Please Print)By _____
(Associate Licensee or Broker Signature)

Date _____

V. BUYER(S) AND SELLER(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE AND/OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN BUYER AND SELLER(S) WITH RESPECT TO ANY ADVICE/INSPECTIONS/DEFECTS.**I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT.**Seller Brad Bonney Date 07/31/2026 Buyer _____ Date _____

Authorized Signer on Behalf of

Seller _____ Opendoor Property JLL Date _____ Buyer _____ Date _____

Agent (Broker Representing Seller) Opendoor Brokerage Inc.
(Please Print)By Lisa Soltez
(Associate Licensee or Broker Signature)Date 07/31/2026Agent (Broker Obtaining the Offer) _____
(Please Print)By _____
(Associate Licensee or Broker Signature)

Date _____

§ 1102.3 OF THE CIVIL CODE PROVIDES A BUYER WITH THE RIGHT TO RESCIND A PURCHASE CONTRACT FOR AT LEAST THREE DAYS AFTER THE DELIVERY OF THIS DISCLOSURE IF DELIVERY OCCURS AFTER THE SIGNING OF AN OFFER TO PURCHASE. IF YOU WISH TO RESCIND THE CONTRACT, YOU MUST ACT WITHIN THE PRESCRIBED PERIOD.**A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE. IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.**

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New Forms





SELLER PROPERTY QUESTIONNAIRE

(C.A.R. Form SPQ, Revised 6/26)

This form is not a substitute for the Real Estate Transfer Disclosure Statement (TDS). It is used by the Seller to provide additional information when a TDS is completed. If Seller is exempt from completing a TDS, Seller should either complete an Exempt Seller Disclosure (C.A.R. Form ESD) or use this SPQ form instead:

NOTE TO SELLER: YOU ARE STRONGLY ADVISED TO CAREFULLY REVIEW THE DISCLOSURE INFORMATION ADVISORY (C.A.R. Form DIA) BEFORE YOU COMPLETE THIS SELLER PROPERTY QUESTIONNAIRE. ALL SELLERS OF CALIFORNIA REAL PROPERTY ARE REQUIRED TO PROVIDE VARIOUS DISCLOSURES, WHETHER BY CONTRACT, STATUTE, OR CASE LAW. MANY DISCLOSURES MUST BE MADE WITHIN CERTAIN TIME LIMITS. TIMELY AND THOROUGH DISCLOSURES HELP TO REDUCE DISPUTES AND FACILITATE A SMOOTH SALES TRANSACTION.

Seller makes the following disclosures with regard to the real property or manufactured home described as 2954 Rangpur Ct, Escondido, CA, 92027, Assessor's Parcel No. 225-771-37-00, situated in Escondido, County of San Diego California ("Property").

☐ This property is a duplex, triplex, fourplex, or otherwise has additional dwelling units. A SPQ is required for all units. This SPQ is for ALL units (or ☐ only unit(s) _____).

1. **Disclosure Limitation:** The following are representations made by the Seller and are not the representations of the Agent(s), if any. This disclosure statement is not a warranty of any kind by the Seller or any agents(s) and is not a substitute for any inspections or warranties the principal(s) may wish to obtain. This disclosure is not intended to be part of the contract between Buyer and Seller. Unless otherwise specified in writing, Broker and any real estate licensee or other person working with or through Broker, has not verified information provided by Seller. A real estate broker is qualified to advise on real estate transactions. If Seller or Buyer desires legal advice, they should consult an attorney.

2. **Note to Seller, PURPOSE:** To tell the Buyer about known material or significant items affecting the value or desirability of the Property and help to eliminate misunderstandings about the condition of the Property.

- Answer based on actual knowledge and recollection at this time.
- Something that you do not consider material or significant may be perceived differently by a Buyer.
- Think about what you would want to know if you were buying the Property today.
- Read the questions carefully and take your time.
- If you do not understand how to answer a question, or what to disclose or how to make a disclosure in response to a question, whether on this form or a TDS, you should consult a real estate attorney in California of your choosing. A broker cannot answer the questions for you or advise you on the legal sufficiency of any answers or disclosures you provide.

3. **Note to Buyer, PURPOSE:** To give you more information about known material or significant items affecting the value or desirability of the Property and help to eliminate misunderstandings about the condition of the Property.

- Something that may be material or significant to you may not be perceived the same way by the Seller.
- If something is important to you, be sure to put your concerns and questions in writing (C.A.R. Form BMI).
- Sellers can only disclose what they actually know. Seller may not know about all material or significant items.
- Seller's disclosures are not a substitute for your own investigations, personal judgments, or common sense.

4. **SELLER AWARENESS:** For each statement below, answer the question "Are you (Seller) aware..." by checking either "Yes" or "No."

- A "Yes" answer is appropriate no matter how long ago the item being asked about happened or was documented unless otherwise specified.
- Explain any "Yes" answers in the space provided or attach additional comments and check **paragraph 19B** is checked and attach additional comments.

5. **DOCUMENTS:** Documents include any reports, inspections, disclosures, warranties, maintenance recommendations, estimates, studies, surveys, or other documents that pertain to:

- (i) the condition or repair of the Property;
- (ii) any improvement on this Property;
- (iii) easements, encroachments, or boundary disputes affecting the Property.

These documents include, but are not limited to, any document:

- (i) prepared in the past or present;
- (ii) provided during any previous transaction or from a previous owner;
- (iii) indicating the condition or proposing recommendations, whether or not Seller acted upon them; and
- (iv) whether or not it was provided to the Seller.

- A. Are you (Seller) aware of any Documents regarding the Property that were prepared before your ownership, whether in your possession or in the possession of others? ☒ Yes ☐ No
- B. Are you (Seller) aware of any Documents regarding the Property that were prepared for you during your ownership, whether in your possession or in the possession of others? ☒ Yes ☐ No
- C. Are you (Seller) aware of any Documents regarding the Property that were provided by others during your ownership (such as Documents obtained by potential buyers)? ☒ Yes ☐ No

Note: If yes to any, provide any such documents in your possession to Buyer. Receipt for Reports (C.A.R. Form RFR) may be used to list such documents and explanation can be given to provide context.

If Yes to any, provide explanation: Seller is a corporate entity. Documents in Seller's possession during ownership include work orders, inspection reports, renovation scopes, and third-party assessments. Seller will provide available details upon request.

6. **STATUTORILY OR CONTRACTUALLY REQUIRED OR RELATED:** **ARE YOU (SELLER) AWARE OF...**

- A. Within the last 3 years, the death of an occupant of the Property upon the Property ☐ Yes ☒ No
(Note to Seller: The manner of death may be a material fact to the Buyer, and should be disclosed, except for a death by HIV/AIDS.)
- B. An Order from a government health official identifying the Property as being contaminated by methamphetamine. (If yes, attach a copy of the Order.) ☐ Yes ☒ No



If this Property is a duplex, triplex, fourplex, or otherwise has additional dwelling units this SPQ is for unit # _____.

- C. The release of an illegal controlled substance on or beneath the Property ☐ Yes ☒ No
- D. Whether the Property is located in, or adjacent to, an "industrial use" zone ☐ Yes ☒ No
(In general, a zone or district allowing manufacturing, commercial or airport uses.)
- E. Whether the Property is affected by a nuisance created by an "industrial use" zone ☐ Yes ☒ No
- F. Whether the Property is located within 1 mile of a former federal or state ordnance location (In general, an area once used for military training purposes that may contain potentially explosive munitions.) ☐ Yes ☒ No
- G. Whether the Property is (i) a condominium or (ii) located in a planned unit development or (iii) other common interest subdivision (see **paragraph 14** for more disclosures)..... ☒ Yes ☐ No
- H. Insurance claims affecting the Property within the past 5 years ☒ Yes ☐ No
- I. Matters affecting title of the Property ☐ Yes ☒ No
- J. Plumbing fixtures on the Property that are non-compliant plumbing fixtures as defined by Civil Code § 1101.3 ☐ Yes ☒ No
- K. Any inspection reports on any exterior balconies, stairways, or other "Elevated Elements" on buildings with 3 or more units on the Property prepared within the last 6 years, or 9 years for condominiums ☐ Yes ☒ No
(See C.A.R. Form WBSA for more information)
- L. Material facts or defects affecting the Property not otherwise disclosed to Buyer ☐ Yes ☒ No

If Yes to any, provide explanation: _____

Seller has never occupied this property. Seller encourages Buyer to have their own inspections performed and verify all information relating to this property where applicable as noted.

7. REPAIRS AND ALTERATIONS:**ARE YOU (SELLER) AWARE OF...**

- A. Any alterations, modifications, replacements, improvements, remodeling, or material repairs on the Property (including those resulting from Home Warranty claims) ☐ Yes ☒ No
- B. Any alterations, modifications, replacements, improvements, remodeling, or material repairs to the Property done for the purpose of energy or water efficiency improvement or renewable energy? ☐ Yes ☒ No
- C. Ongoing or recurring maintenance on the Property (for example, drain or sewer clean-out, tree or pest control service) ☐ Yes ☒ No
- D. Any part of the Property being painted within the past 12 months ☐ Yes ☒ No
- E. Whether the Property was built before 1978 (if No, leave (1) and (2) blank)..... ☐ Yes ☒ No
(1) If yes, whether any renovations (i.e., sanding, cutting, demolition) of lead-based paint surfaces started or completed (if No, leave (2) blank) ☐ Yes ☒ No
(2) If yes to (1), whether such renovations were done in compliance with the Environmental Protection Agency Lead-Based Paint Renovation Rule ☐ Yes ☒ No
- F. Whether you acquired the property within 18 months of accepting an offer to sell it..... ☐ Yes ☒ No
If yes, have any room additions, structural modifications, or other alterations or repairs (collectively "Improvements") been performed by a contractor while you have owned the Property?..... ☐ Yes ☒ No

Note 1: If yes to F(1), Seller shall provide in the Explanation below: (i) a list of such Improvements and (ii) the name and contact information for each contractor who performed services of \$1,000 or more.

Note 2: If yes to F(1), Seller shall provide in the Explanation below (i) a list of those Improvements for which Seller has obtained permits, and Seller shall attach copies of those permits to this SPQ, and (ii) for those Improvements for which Seller does not have a permit, Seller shall include a statement identifying those Improvements stating that Seller was not provided permits by the third party making the Improvement, and providing the contact information for such third parties from whom the Buyer may obtain those permits.

If Yes to any, provide explanation: _____

8. STRUCTURAL, SYSTEMS AND APPLIANCES:**ARE YOU (SELLER) AWARE OF...**

- A. Defects in any of the following (including past defects that have been repaired): heating, air conditioning, electrical, plumbing (including the presence of polybutylene pipes), water, sewer, waste disposal or septic system, sump pumps, well, roof, gutters, chimney, fireplace, foundation, crawl space, attic, soil, grading, drainage, retaining walls, interior or exterior doors, windows, walls, ceilings, floors, or appliances ☐ Yes ☒ No
- B. The existence of a solar power system (if yes, Seller to provide C.A.R. Form SOLAR)..... ☒ Yes ☐ No
- C. The existence of a septic system, well, or propane tank (if yes, Seller to provide C.A.R. Form SWPI-Q)..... ☐ Yes ☒ No
- D. The leasing of any of the following on or serving the Property: water softener system, water purifier system, or alarm system ☐ Yes ☒ No
- E. Whether any structure on the Property other than the main improvement is used as a dwelling ☐ Yes ☒ No
(1) If Yes to E, whether there are separate utilities and meters for the dwelling..... ☐ Yes ☒ No
(2) If Yes to E, whether the dwelling received a permit or other government approval as an Accessory Dwelling Unit (ADU) ☐ Yes ☒ No

If Yes to any, provide explanation: _____

9. DISASTER RELIEF, INSURANCE OR CIVIL SETTLEMENT:**ARE YOU (SELLER) AWARE OF...**

- A. Financial relief or assistance, insurance or settlement, sought or received, from any federal, state, local or private agency, insurer or private party, by past or present owners of the Property, due to any actual or alleged damage to the Property arising from a flood, earthquake, fire, other disaster, or occurrence or defect, whether or not any money received was actually used to make repairs ☒ Yes ☐ No
If yes, was federal flood disaster assistance conditioned upon obtaining and maintaining flood insurance on the Property ☒ Yes ☐ No
(NOTE: If the assistance was conditioned upon maintaining flood insurance, Buyer is informed that federal law, 42 USC 5154a requires Buyer to maintain such insurance on the Property, and if such insurance is not maintained, and the Property is damaged by a flood disaster, Buyer may be required to reimburse the federal government for the disaster relief provided.)

Property Address: 2954 Rangpur Ct, Escondido, CA, 92027

If this Property is a duplex, triplex, fourplex, or otherwise has additional dwelling units this SPQ is for unit # _____.

- B. Receiving domestic water storage tank assistance pursuant to § 13194 of the Water Code or whether the real property ever received such assistance and the real property currently still has the domestic storage tank..... ☐ Yes ☒ No
- If yes, the following disclosure is made: (1) This property has a domestic water storage tank provided by a county, community water system, local public agency, or nonprofit organization, pursuant to § 13194 of the Water Code. (2) The domestic water storage tank was made available to households that had a private water well that had gone dry, or had been destroyed due to drought, wildfire, other natural disasters, or was otherwise nonfunctioning. (3) The domestic water storage tank provided pursuant to § 13194 of the Water Code might not convey with the real property. (4) Due to the water well issues that led to this property obtaining assistance pursuant to § 13194 of the Water Code, the buyer is advised to have an inspection of the water well and to have a professional evaluate the availability of water to the property to ensure it suits the purposes for which the buyer is purchasing the property.

If Yes to any, provide explanation: _____

A) Water leak from upstairs bathroom/Water leak in living room wall. Seller has never occupied this property. Seller encourages Buyer to have their own inspections performed and verify all information relating to this property where applicable as noted.

10. WATER-RELATED AND MOLD ISSUES:

ARE YOU (SELLER) AWARE OF...

- A. Water intrusion, whether past or present, into any part of any physical structure on the Property; leaks from or in any appliance, pipe, slab or roof; standing water, drainage, flooding, underground water, moisture, water-related soil settling or slippage, on or affecting the Property ☒ Yes ☐ No
- B. Any problem with or infestation of mold, mildew, fungus, or spores, past or present, on or affecting the Property.. ☐ Yes ☒ No
- C. Rivers, streams, flood channels, underground springs, high watertable, floods, or tides, on or affecting the Property or neighborhood ☐ Yes ☒ No

If Yes to any, provide explanation: _____

11. PETS, ANIMALS, AND PESTS:

ARE YOU (SELLER) AWARE OF...

- A. Past or present pets on or in the Property ☐ Yes ☒ No
- B. Past or present problems with livestock, wildlife, insects, or pests on or in the Property ☐ Yes ☒ No
- C. Past or present odors, urine, feces, discoloration, stains, spots or damage in the Property, due to any of the above ☐ Yes ☒ No
- D. Past or present treatment or eradication of pests or odors, or repair of damage due to any of the above ☐ Yes ☒ No

If so, when and by whom _____

If Yes to any, provide explanation: _____

12. BOUNDARIES, ACCESS, AND PROPERTY USE BY OTHERS:

ARE YOU (SELLER) AWARE OF...

- A. Surveys, easements, encroachments or boundary disputes ☐ Yes ☒ No
- B. Use or access to the Property, or any part of it, by anyone other than you, with or without permission, for any purpose, including but not limited to, using or maintaining roads, driveways, or other forms of ingress or egress or other travel or drainage..... ☐ Yes ☒ No
- C. Use of any neighboring property by you ☐ Yes ☒ No

If Yes to any, provide explanation: _____

13. LANDSCAPING, POOL AND SPA:

ARE YOU (SELLER) AWARE OF...

- A. Diseases or infestations affecting trees, plants, or vegetation on or near the Property ☐ Yes ☒ No
- B. Operational sprinklers on the Property ☒ Yes ☐ No
- (1) If yes, are they ☐ automatic or ☐ manually operated.
- (2) If yes, are there any areas with trees, plants, or vegetation not covered by the sprinkler system. ☐ Yes ☒ No
- C. A pool heater on the Property ☐ Yes ☒ No
- If yes, is it operational? ☐ Yes ☒ No
- D. A spa heater on the Property ☐ Yes ☒ No
- If yes, is it operational? ☐ Yes ☒ No
- E. Past or present defects, leaks, cracks, repairs, or other problems with the sprinklers, pool, spa, waterfall, pond, stream, drainage, or other water-related decor including any ancillary equipment, including pumps, filters, heaters and cleaning systems, even if repaired ☐ Yes ☒ No

If Yes to any, provide explanation: _____

14. CONDOMINIUMS, COMMON INTEREST DEVELOPMENTS AND OTHER SUBDIVISIONS (AND ANY OTHER PROPERTIES FOR WHICH ANY PARAGRAPH A-F APPLIES): (IF APPLICABLE)

ARE YOU (SELLER) AWARE OF...

- A. Property being: (i) a condominium; (ii) being located in a planned unit development or; (iii) being located in a common interest subdivision..... ☒ Yes ☐ No
- B. Any Homeowners' Association (HOA) which has any authority over the subject property..... ☒ Yes ☐ No
- C. Any "common area" (facilities such as pools, fitness centers, walkways, conference rooms, or other areas co-owned in undivided interest with others) ☐ Yes ☒ No
- D. CC&R's or other deed restrictions or obligations ☒ Yes ☐ No
- E. Any pending or proposed dues increases, special assessments, rules changes, insurance availability issues, or litigation by or against or fines or violations issued by a Homeowner Association or Architectural Committee affecting the Property ☐ Yes ☒ No
- F. CC&R's or other deed restrictions or obligations or any HOA Committee that has authority over improvements made on or to the Property ☒ Yes ☐ No

SPQ REVISED 6/26 (PAGE 3 OF 5)

Buyer's Initials _____ / _____

Seller's Initials BB / _____

SELLER PROPERTY QUESTIONNAIRE (SPQ PAGE 3 OF 5)

Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwolf.com



Property Address: 2954 Rangpur Ct, Escondido, CA, 92027

If this Property is a duplex, triplex, fourplex, or otherwise has additional dwelling units this SPQ is for unit # _____.

- (1) If Yes to F, any improvements made on or to the Property inconsistent with any declaration of restrictions or HOA Committee requirement ☐ Yes ☒ No
- (2) If Yes to F, any improvements made on or to the Property without the required approval of an HOA Committee ☐ Yes ☒ No

If Yes to any, provide explanation: _____

B) Property is part of HOA F) Contact HOA for specific guidelines and requirements. Seller has never occupied this property. Seller encourages Buyer to have their own inspections performed and verify all information relating to this property where applicable as noted.

15. TITLE, OWNERSHIP, LIENS, AND LEGAL CLAIMS:

ARE YOU (SELLER) AWARE OF...

- A. Other than the Seller signing this form, any other person or entity with an ownership interest ☐ Yes ☒ No
- B. Leases, options, or claims affecting or relating to title or use of the Property ☐ Yes ☒ No
- C. Past, present, pending or threatened lawsuits, settlements, mediations, arbitrations, tax liens, mechanics' liens, notice of default, bankruptcy or other court filings, or government hearings affecting or relating to the Property, Homeowner Association, or neighborhood ☐ Yes ☒ No
- D. Features of the property shared in common with adjoining landowners, such as walls, fences and driveways, whose use or responsibility for maintenance may have an effect on the subject property..... ☐ Yes ☒ No
- E. Any encroachments, easements, boundary disputes, or similar matters that may affect your interest in the subject property, whether in writing or not ☐ Yes ☒ No
- F. Any private transfer fees, triggered by a sale of the Property, in favor of private parties, charitable organizations, interest-based groups, or any other person or entity. ☒ Yes ☐ No
- G. Any PACE lien (such as HERO or SCEIP) or other lien on your Property securing a loan to pay for an alteration, modification, replacement, improvement, remodel, or material repair of the Property ☐ Yes ☒ No
- H. The cost of any alteration, modification, replacement, improvement, remodel, or material repair of the Property being paid by an assessment on the Property tax bill ☐ Yes ☒ No

If Yes to any, provide explanation: _____

16. NEIGHBORS/NEIGHBORHOOD:

ARE YOU (SELLER) AWARE OF...

- A. Neighborhood noise, nuisance, or other problems from sources such as, but not limited to, the following: Neighbors, traffic, parking congestion, airplanes, trains, light rail, subway, trucks, freeways, buses, schools, parks, refuse storage or landfill processing, agricultural operations, business, odor, recreational facilities, restaurants, entertainment complexes or facilities, parades, sporting events, fairs, neighborhood parties, litter, construction, air conditioning equipment, air compressors, generators, pool equipment or appliances, underground gas pipelines, cell phone towers, high voltage transmission lines, or wildlife ☐ Yes ☒ No
- B. Any past or present disputes or issues with a neighbor which might impact the use, development and enjoyment of the Property ☐ Yes ☒ No

If Yes to any, provide explanation: _____

A) The property is part of the Eureka Springs Homeowners' Association. The HOA fee is \$180.00 monthly. The HOA can be reached at 279-239-5416 or 800-689-5812 Ext: 703. The billing address is 380 Stevens Avenue, Ste. 311, Solana Beach, CA 92075.

17. GOVERNMENTAL:

ARE YOU (SELLER) AWARE OF...

- A. Ongoing or contemplated eminent domain, condemnation, annexation or change in zoning or general plan that applies to or could affect the Property ☐ Yes ☒ No
- B. Existence or pendency of any rent control, occupancy restrictions, improvement restrictions, or retrofit requirements that apply to or could affect the Property ☐ Yes ☒ No
- C. Existing or contemplated building or use moratoria that apply to or could affect the Property ☐ Yes ☒ No
- D. Any state or local requirements or restrictions relating to the future replacement of existing gas-powered appliances that are being transferred with the property. Gas-powered appliances include, but are not limited to, appliances fueled by natural gas or liquid propane ☐ Yes ☒ No
- E. Current or proposed bonds, assessments, or fees that do not appear on the Property tax bill that apply to or could affect the Property ☐ Yes ☒ No
- F. Proposed construction, reconfiguration, or closure of nearby Government facilities or amenities such as schools, parks, roadways, and traffic signals ☐ Yes ☒ No
- G. Existing or proposed Government requirements affecting the Property (i) that tall grass, brush or other vegetation be cleared; (ii) that restrict tree (or other landscaping) planting, removal, or cutting or (iii) that flammable materials be removed ☐ Yes ☒ No
- H. Any protected habitat for plants, trees, animals, or insects that apply to or could affect the Property..... ☐ Yes ☒ No
- I. Whether the Property is historically designated or falls within an existing or proposed Historic District ☐ Yes ☒ No
- J. Any water surcharges or penalties being imposed by a public or private water supplier, agency or utility; or restrictions or prohibitions on wells or other ground water supplies ☐ Yes ☒ No
- K. Any differences between the name of the city in the postal/mailling address and the city which has jurisdiction over the property ☐ Yes ☒ No

If Yes to any, provide explanation: _____

18. OTHER:

ARE YOU (SELLER) AWARE OF...

- A. Any occupant of the Property smoking or vaping any substance on or in the Property, whether past or present ☐ Yes ☒ No
- B. Any residue, which may be indicated by smell or test results, from smoking tobacco or nicotine products, which includes the use of an electronic cigarette or vape device..... ☐ Yes ☒ No
- C. Any use of the Property for, or any alterations, modifications, improvements, remodeling or material change to the Property due to, cannabis cultivation or growth ☐ Yes ☒ No
- D. Whether the Property was originally constructed as a Manufactured or Mobile home ☐ Yes ☒ No



Property Address: 2954 Rangpur Ct, Escondido, CA, 92027

If this Property is a duplex, triplex, fourplex, or otherwise has additional dwelling units this SPQ is for unit # _____.

- E. Whether the Property is tenant occupied ☐ Yes ☒ No
If Yes, do you have photographs from the beginning of the tenancy (if in your possession, provide along with any other move-in reports created at the beginning of the tenancy)..... ☐ Yes ☒ No
- F. Whether the Property was previously tenant occupied even if vacant now ☐ Yes ☒ No
If yes, disclose if you know the method or manner of how the tenancy ended. _____
If Yes to any, provide explanation: _____

19. MATERIAL FACTS:

- A. Any past or present known material facts or other significant items affecting the value or desirability of the Property not otherwise disclosed to Buyer ☐ Yes ☒ No
- B. ☐ (IF CHECKED) **ADDITIONAL COMMENTS:** The attached addendum contains an explanation or additional comments in response to specific questions answered "yes" above. Refer to line and question number in explanation.
If Yes to any, provide explanation: _____

Seller represents that Seller has provided the answers and, if any, explanations and comments on this form and any attached addenda and that such information is true and correct to the best of Seller's knowledge as of the date signed by Seller. Seller acknowledges (i) Seller's obligation to disclose information requested by this form is independent from any duty of disclosure that a real estate licensee may have in this transaction; and (ii) nothing that any such real estate licensee does or says to Seller relieves Seller from Seller's own duty of disclosure.

Seller	<u>Brad Bonney</u>	Authorized Signer on Behalf of	Date <u>07/31/2026</u>
Seller	_____	Opendoor Property J LLC	Date _____

By signing below, Buyer acknowledges that Buyer has read, understands and has received a copy of this Seller Property Questionnaire form.

Buyer	_____	Date	_____
Buyer	_____	Date	_____

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SPQ REVISED 6/26 (PAGE 5 OF 5)

SELLER PROPERTY QUESTIONNAIRE (SPQ PAGE 5 OF 5)

Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwolf.com



Required Statement of Fees - Demand (Required Civil Code Sec. 4525)**Eureka Springs Homeowners' Association****Southwest Association Management****Property Information:**

2954 Rangpur Ct

Escondido, CA 92027-5267

Seller: [REDACTED]

Buyer: Opendoor Property J LLC

Requestor:

OS National

Processing Team

678-282-2342

Estimated Closing Date: 07-27-2026

General Information

This information is good through	07-31-2026
Is this account in collections?	No
What is the current regular assessment against the unit?	180.00
What is the frequency of the assessment charge?	Monthly
The regular assessment is paid through:	07-31-2026
The regular assessment is next due:	08-01-2026
What day of the month are regular assessments due?	1st
How many days after the due date is the regular assessment considered delinquent?	15
The penalty for delinquent assessments is:	10% or \$10.00, whichever is greater

Specific Fees Due To Eureka Springs Homeowners' Association

Closing agent is required to collect the following number of additional regular assessments at closing:	1
Are there any current special assessments or governing body approved special assessments, against units within the association? If yes, a comment is provided.	No
Owner's current balance due (you may total the owners balance due using the breakdown below):	\$0.00

General Association Information

Are there any violations against this unit?	No
Is the association or the developer (if the project has not been turned over to the homeowners association) involved in any current or pending litigation? If yes, a comment is required. (Do not include neighbor disputes or rights of quiet enjoyment, litigation where the claim amount is known and the insurance carrier will provide defense and coverage, or where the HOA is named as a plaintiff in a foreclosure action or to collect past due assessments).	No
Is there a restriction in the governing documents limiting the occupancy, residency, or use of a separate interest on the basis of age in a manner different from that provided in California Civil Code Section 51.3? If yes, please comment	No
Is there a provision in the governing documents that prohibits the rental or leasing of any of the separate interests in the common interest development to a renter, lessee or tenant? If yes, please comment	No

Comments: Refer to the attached rental restrictions excerpt from the CC&Rs.

Required Statement of Fees - Demand (Required Civil Code Sec. 4525)

Eureka Springs Homeowners' Association

Southwest Association Management

Property Information:

2954 Rangpur Ct

Escondido, CA 92027-5267

Seller: [REDACTED]

Buyer: Opendoor Property J LLC

Requestor:

OS National

Processing Team

678-282-2342

Estimated Closing Date: 07-27-2026

Does a preliminary list of defects exist pursuant to Section 6000 of the Davis Stirling Act? If yes, please comment and provide the list. No

Does a Settlement Notice regarding common area defects exist pursuant to Section 6100 of the Davis Stirling Act? If yes, please comment and provide the list. No

Insurance Information

Insurance broker's or agent's company name:

LaBarre/Oksnee

Identify the insurance agent's name:

Leslie Hychko

Insurance agent's phone number:

(800) 698-0711

Insurance agent's fax number:

(949) 588-1275

Insurance agent's email address:

proof@hoa-
insurance.com

Amy Lehrer

Amy Lehrer, Escrow/Lender Department Director

Date: 07-17-2026

Southwest Association Management

Phone: 279-239-5416

Required Statement of Fees - Demand (Required Civil Code Sec. 4525)

Eureka Springs Homeowners' Association

Southwest Association Management

Property Information:

2954 Rangpur Ct

Escondido, CA 92027-5267

Seller: [REDACTED]

Buyer: Opendoor Property J LLC

Requestor:

OS National

Processing Team

678-282-2342

Estimated Closing Date: 07-27-2026

Comments:

The manager requires the attached new owner occupant information form be completed and submitted to Southwest Association Management.

The manager also requires a copy of the recorded grant deed upon the closing of escrow.

Be sure to open the attached document called important closing documents.

Required Statement of Fees - Demand (Required Civil Code Sec. 4525)

Eureka Springs Homeowners' Association

Southwest Association Management

Property Information:

2954 Rangpur Ct

Escondido, CA 92027-5267

Seller: [REDACTED]

Buyer: Opendoor Property J LLC

Requestor:

OS National

Processing Team

678-282-2342

Estimated Closing Date: 07-27-2026

Fee Summary**Amounts Prepaid**

Closing Statement of Fees, Association Documents and Minutes (Required Civil Code Sec. 4525)	\$500.00
---	----------

Insurance Dec Page (Non Required Civil Code Sec. 4525)	\$35.00
--	---------

Convenience Fee	\$9.95
-----------------	--------

Total	\$544.95
--------------	-----------------

Fees Due to Southwest Association Management

Transfer Fee	\$350.00
--------------	----------

Total	\$350.00
--------------	-----------------

Fees Due to Eureka Springs Homeowners' Association

Prepaid Assessments	\$180.00
---------------------	----------

Total	\$180.00
--------------	-----------------

Required Statement of Fees - Demand (Required Civil Code Sec. 4525)

Eureka Springs Homeowners' Association

Southwest Association Management

Property Information:

2954 Rangpur Ct

Escondido, CA 92027-5267

Seller: [REDACTED]

Buyer: Opendoor Property J LLC

Requestor:

OS National

Processing Team

678-282-2342

Estimated Closing Date: 07-27-2026

PLEASE RETURN THIS FORM WITH YOUR CHECK AND CERTIFIED COPIES OF THE CLOSING DISCLOSURE FORM (FORMERLY THE HUD-1 FORM) AND THE GRANT OR WARRANTY DEED. PLEASE INDICATE CONFIRMATION NUMBER B9NT2FQ3V ON THE CHECK TO ENSURE PAYMENT IS CREDITED PROPERLY.

Fees Due to Southwest Association Management

Transfer Fee \$350.00

Total \$350.00

Fees Due to Eureka Springs Homeowners' Association

Prepaid Assessments \$180.00

Total \$180.00

Include this confirmation number B9NT2FQ3V on the check for \$350.00 payable to and send to the address below.

Southwest Association Management

380 Stevens Avenue, Ste. 311

Solana Beach, CA 92075

Include this confirmation number B9NT2FQ3V on the check for \$180.00 payable to and send to the address below.

Eureka Springs Homeowners' Association

380 Stevens Avenue, Ste. 311

Solana Beach, CA 92075

Required Statement of Fees - Demand (Required Civil Code Sec. 4525)

Eureka Springs Homeowners' Association

Southwest Association Management

Property Information:

2954 Rangpur Ct
Escondido, CA 92027-5267
Seller: [REDACTED]
Buyer: Opendoor Property J LLC

Requestor:

OS National
Processing Team
3097 Satellite Blvd, Suite 500
Duluth , GA 30096
678-282-2342
souprocessing@osnational.com

Closing Information

File/Escrow Number: CA110841
Estimated Close Date: 07-27-2026
HomeWiseDocs Confirmation #: B9NT2FQ3V

Sales Price: \$1,012,900
Closing Date:
Is buyer occupant? No

Status Information

Date of Order: 07-08-2026
Board Approval Date:
Order Completion Date: 07-17-2026
Date Paid: 07-08-2026

Order Retrieved Date:
Inspection Date:

Community Manager Information

Company: Southwest Association Management
Completed By: Amy Lehrer
Primary Contact: Amy Lehrer
Address:
380 Stevens Avenue, Ste. 311
Solana Beach, CA 92075
Phone: 279-239-5416
Fax:
Email: Amy.Lehrer@southwestep.com

Office & Showroom

4870 Viewridge Ave., Suite 200
 San Diego, Ca 92123
 License 513115



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PROPOSAL PV SOLAR SYSTEM - OFFSET POWER USAGE TIERS 1 and 2

Date: **2/20/2017**

Name: [REDACTED]

Address: **2954 Rangpur Court**City/State/Zip: **Escondido, CA 92027**Phone: **858-776-0718**

E-mail: [REDACTED]

ASI Hastings Advisor: **Emily Tarpley**

You Can Trust the White Glove Guys

ENERGY USAGE AND SYSTEM SIZING

Offset power usage Tiers 1 and 2

> Total Annual Consumption - Kilowatt-hours (50,571 kWh since 04/2010)	7,488
Tier 1 Annual Consumption - Kilowatt-hours	3,600
Tier 2 Annual Consumption - Kilowatt-hours	6,500
> Total Solar Panels Proposed	25
> Size of proposed Solar System to offset your current power usage	7,125
> Estimated year 1 Solar System Production (Kilowatt hours)	10,100
> Amount of KW-hr Offset By Your Solar System	134.88%
> Percentage of Dollars Offset By Your Solar System	100.00%

YOUR SYSTEM DESCRIPTION & SPECIFICATIONS

Installation of a Suniva Manufactured Solar system; the solar panels are to be rooftop mounted. We will complete all necessary paperwork to obtain your tax credits and rebate (if applicable), building permit and new net meter.

ASI Hastings is an 8 Time Winner & Finalist of the BBB Torch Award for Business Ethics.



OFFSET ANNUAL CONSUMPTION TIERS 1 and 2		
Qty	Description	Extended Cost
25	Suniva 285 WATT MONO PV SOLAR PANEL, 25YR, UL, CEC Cert	INCLUDED
25	Enphase M250 Micro Inverters	INCLUDED
1	RACKING, Disconnects, Conduit, Wire, Ancillary Items	INCLUDED
1	Engineering / Solar Electrical Drawings / Documentation: Rebate, Permit and Interconnect	INCLUDED
1	Installation of System, Complete, Turnkey through permit sign-off	INCLUDED
1	Sales Tax (Equipment Only)	INCLUDED
1	SDG&E Connection Fee for Net Metering	INCLUDED
1	Lifetime Homeowner Monitoring	INCLUDED
Managers' Promotional Pricing - \$2.97 per watt		

Disabled Veteran Discount - Thank You For Your Service.

INVESTMENT TOTALS	
Total investment before incentives and tax credits <i>(amount you pay us)</i>	\$18,220.00
Less Federal Tax Credit *****Estimated amount. Actual amount may vary.*****	\$5,466.00
	\$0.00
	\$0.00
TOTAL NET INVESTMENT AFTER DISCOUNTS REBATES & TAX CREDITS	\$12,754.00
Note: ASI Hastings recommends that you consult with your accountant, tax advisor or the IRS to verify Federal tax credits.	

PROPOSED PAYMENT OPTIONS	
Cash or Check - 10% OR \$1000 Deposit, 40% upon commencement of labor and delivery of equipment, 40% upon completion of installation; balance paid after permit is signed off and system startup.	
10% or \$1000 deposit whichever is less <i>(This amount may be applied toward drawing & permits)</i>	\$1,000.00
40% Upon delivery of materials	\$7,288.00
40% Upon Installation of Equipment	\$7,288.00
Balance paid upon completion - Permit & utility approval and system start up	\$2,644.00
100% financing available on approved credit. Estimated financed amount	\$18,220.00

YOUR WARRANTY

25 Year Panel Performance Guarantee - Suniva guarantees that your solar system will produce power up to 90% of panel design for 12 years and 80% in 25 years from the date of installation.

Solar Panel Warranty (10 year) - Suniva guarantees PV solar panels to be free from manufacturer defects (parts only) for 10 years from the date of installation.

Inverter Warranty (25 year) - Enphase guarantees the inverters to be free from manufacturer defects (parts only) for 25 years from the date of installation.

10 Year Labor Warranty - ASI Hastings guarantees all labor and materials to be free from defects for 10 years from the date of your installation.

NOTES TO CLIENT

- () Stucco patching **may not** match original finish. ASI is not responsible for matching finish or painting.

- () Projects that have a central inverter: the location of the inverter will be agreed upon at the signing of the proposal. If the location is changed by the homeowner after the permit is obtained, the project will require a plan change with the jurisdiction. This may delay the start up of your solar system and the cost to revise plans and have permit reissued by the jurisdiction will be \$500 to the homeowner. By initialing homeowner agrees to this condition.

- () Your roof tiles are manufactured of a delicate material that may be subject to damage during the normal course of your solar installation. The repair/replacement of the damaged tiles will be completed by ASI. Replacement tile may have color and style variations.

DS
ASI Hastings must have a functional wireless (Wi-Fi) internet connection in order to connect your new solar system to the monitoring website. ASI CANNOT guarantee signal strength of your wireless router. Any upgrades needed for internet access will be at customers sole expense. Once monitoring is established by ASI it is the customers' responsibility to maintain.

- () Rock Clause: When footings or trenches are dug, any rock, granite, boulders, concrete or other solid material which make it necessary to use a jackhammer will be an extra charge to the customer. This work will be charged at \$250 per hour. Any irrigation lines, drain lines, utilities or otherwise that are damaged or destroyed will be repaired on a time and material basis. Price does not include landscaping or concrete restoration.

- () Any changes in drainage, grade elevations or slope as a result of foundation support systems for a ground mounted system will be charged at a "Time and Material" Basis.

All material is guaranteed to be as specified. All work is to be completed in a workman like manner according the standard practices. Any alteration or deviation from the above specifications involving extra costs will be executed upon written orders, and will become an extra charge over and above the estimate.

All agreements are contingent upon strikes, accidents or delays beyond our control. Owner to carry fire and other necessary insurance. Our workers are fully covered by workers compensation insurance.

AUTHORIZED SIGNATURE:

This proposal may be withdrawn by ASI if not accepted in writing within 30 days.

Date of Acceptance: 2/20/2017

Signature:

38A88DF12C01434...

The above prices, specifications and conditions are satisfactory and hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above. Customer agrees to all notes to client referenced above.

THANK YOU!

FW: Suniva Warranty Inquiry

From: [REDACTED]

To: [REDACTED]

Date: Tuesday, December 12, 2023 at 01:33 PM PST

Suzanne,

I received this email today. I know this is not the answer we were hoping for.

From: Matt Card <mcard@suniva.com>**Sent:** Tuesday, December 12, 2023 1:23 PM**To:** [REDACTED]**Subject:** RE: Suniva Warranty Inquiry [EXTERNAL EMAIL]

[REDACTED]

Your warranty claim inquiry below made it to my attention, and I wanted to reach out personally.

As you may be aware, Suniva entered bankruptcy reorganization in May, 2017. As a condition of the bankruptcy court legal regulations/terms, Suniva is not allowed to offer support on any warranty claims made after the bankruptcy filing in May, 2017.

Beyond the court regulations, the company divested its module assembly operations as part of its court-approved restructuring plans, and therefore is no longer making solar modules. Our cell factory is not yet restarted and operational.

While I know this is not the answer you are looking for, I did want to give you the respect of a personal reply. I wish I could be of more assistance.

Best Regards

Matt Card

President and Chief Operating Officer

Suniva Inc.

5765 Peachtree Industrial Blvd.

Norcross, GA 30092 USA



Green is not just a color, it's a commitment. Please do not print this e-mail unless it is absolutely necessary. Go Green!!

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Name	Kassandra
Last	Moreland
Company	ASI Hastings
Email	
Message	We have a client that needs to submit a panel warranty claim, and this is the first time I have needed to do so with your company. Could you please direct me to the correct process? Thank you

**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.

Restrictive Covenant Modification

Under current state law, including AB1466 effective January 1, 2022, homeowners can request to modify property documents that contain unlawful discriminatory covenants. Government Code Section 12956.2 allows a person who holds an ownership interest of record in property that the person believes is the subject of an unlawfully restrictive covenant to record a Restrictive Covenant Modification document to have the illegal language stricken. Unlawful restrictions include those restrictions based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, national origin, source of income as defined in Government Code Section 12955 subdivision (p), ancestry, or genetic information.

To Record a Restrictive Covenant Modification, you must:

- Complete a Restrictive Covenant Modification Form; this must be signed in front of a notary public.
- Attach a copy of the original document containing the unlawful restrictive language with the unlawful language stricken.
- Submit the completed document to the County Recorder.

This document requires the following:

1. Name(s) of current owner(s)
2. Identification of document page number and language in violation
3. Recording reference of document with unlawful restrictive covenant
4. Copy of referenced document attached complete with unlawful restrictive language stricken out
5. Signature(s) of owner(s)
6. Signature(s) acknowledged
7. Approval by County Counsel provided to County Recorder

Upon receipt, the Recorder's office will submit the document to County Counsel who will determine whether the original document contains any unlawful restrictions, as defined in Government Code Section 12956.2 subdivision (b). Only those determined to be in violation of the law will be recorded and those that are not, will be returned to the submitter unrecorded.

Please note that the County Recorder is not liable for modification not authorized by law. This is the sole responsibility of the holder of ownership interest who caused the modified recordation per Government Code Section 12956.2 subdivision (f).

Pursuant to the requirements of AB1466, and no later than July 1, 2022, the Assessor-County Clerk-Recorder will post an implementation plan outlining our strategy to identify records with discriminatory restrictions.

DOC # 2006-0599807



AUG 22, 2006 4:01 PM

OFFICIAL RECORDS
SAN DIEGO COUNTY RECORDER'S OFFICE
GREGORY J. SMITH, COUNTY RECORDER
FEES: 551.00 WAYS: 2
PAGES: 180



2006-0599807

RECORDING REQUESTED BY:

NORTH AMERICAN TITLE COMPANY

16287

WHEN RECORDED RETURN TO:

Lennar Corporate – Western Region DRE
Attn: Ms. Trudie Wilson
25 Enterprise, Suite 300
Aliso Viejo, CA 92656

FB
180 P
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**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS**

FOR

EUREKA SPRINGS

A Residential Planned Development

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SUBORDINATION AGREEMENT

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EXHIBIT "B" ANNEXABLE PROPERTY

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16292

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EXHIBIT "WQMR" WATER QUALITY MAINTENANCE REQUIREMENTS

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS AND RESERVATION OF EASEMENTS
FOR
EUREKA SPRINGS**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR EUREKA SPRINGS ("**Declaration**") is made by EUREKA ESCONDIDO, LLC, a Delaware limited liability company ("**Declarant**"), being the owner of that certain real property subject to this Declaration, and hereinafter more particularly described.

WITNESSETH:

WHEREAS, Declarant is the owner of the following real property located in the City of Escondido, County of San Diego, State of California ("**Properties**"), more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference; and

The development of the Properties is the first phase of a proposed multi-phase planned development. There is no guarantee that all proposed phases will be completed, or that the number of Lots or the Common Area facilities and amenities will be developed as described above.

WHEREAS, it is the desire and intention of Declarant to sell and convey residential Lots within the Properties to various individuals subject to certain basic protective restrictions, limitations, easements, covenants, reservations, liens and charges between it and the purchasers or users of said Properties, as hereinafter set forth.

NOW, THEREFORE, Declarant hereby declares that all of the real property described above, is, and shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the Properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof. The provisions of this Declaration shall be enforceable by any of the Owners of an interest in the real property above described, against any other Owner or Owners thereof, and shall also be enforceable by the Board of Directors of the Association, which shall be created for the purpose of governing this Community.

**ARTICLE 1
DEFINITIONS**

Section 1.1. Terms. Whenever used in this Declaration, the following terms shall have the following meanings:

1.1.1 **404 Permit** shall mean that certain Permit No. 400401002-KJC, issued on June 3, 2005, by the ACOE pursuant to Section 404 of the Federal Clean Water Act and any amendments thereto.

1.1.2 **Annexation** shall mean the addition of real property and all improvements thereto into the scheme created by this Declaration. Upon such annexation, the annexed property shall be governed by, and subject to each and every provision of this Declaration and any amendments thereto. The procedures for annexation of property are set forth in Article 15.

1.1.3 **Annexable Property** shall mean and refer to the real property which may be annexed to the Community by Declarant without the consent of the Association, in accordance with the provisions of Section 15.1 hereof. The Annexable Property is that certain real property described in Exhibit "B" attached hereto and incorporated herein by this reference.

1.1.4 **Articles** shall mean and refer to the Articles of Incorporation of the Association as the same may be amended from time to time.

1.1.5 **Association** shall mean and refer to EUREKA SPRINGS HOMEOWNERS' ASSOCIATION, a California nonprofit mutual benefit corporation, its successors and assigns.

1.1.6 **Best Management Practices** or **BMPs** shall mean and refer to storm water drainage and pollution control structures, devices, facilities and improvements, and procedures and practices related thereto for the use, management and maintenance thereof, as required by the City's Storm Water Management Requirements and Local Standard Urban Storm Water Mitigation Plan, adopted by Resolution 2002-268, and the regulations of the California Regional Water Quality Control Board, and for the prevention of water pollution by the Owners and occupants of the Community as further provided in Section 10.6 below.

1.1.7 **Board** or **Board of Directors** shall mean and refer to the governing body of said Association.

1.1.8 **Budget** shall mean and refer to the annual pro forma operating statement for the Master Association described in Section 6.2 hereof, and shall consist of a Base Budget and (if any Cost Center(s) are then part of the Community) a separate Cost Center Budget. The Base Budget shall be applicable to all Lots within the Properties and shall contain the financial information required by Section 6.2, except financial information related to the Cost Center. The Cost Center Budget shall be applicable only to Lots subject to assessment for the cost of operation, maintenance, repair and/or replacement of Cost Center improvements or maintenance areas and shall contain the same categories of financial information but only with respect to the Cost Center(s).

1.1.9 **Bylaws** shall mean the duly adopted Bylaws of the Association as the same may be amended from time to time.

1.1.10 **City** shall mean and refer to the City of Escondido.

1.1.11 **Common Area** shall mean all real property (including improvements thereon) owned by the Association for the common use and enjoyment of the Owners, and/or for maintenance. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described on Exhibit "A" hereto. The Common Area improvements may include, without limitation, all the structures, facilities, private utilities, recreation areas, trees, shrubbery, plants and grass, monuments, common open space areas, slopes, private parks, tot lot(s), private walks, trail system, fences and walls, stormwater detention and filtering basins and private drains therefrom to the Escondido Creek Channel, drainage swales, lighting systems along all walkways, and access gates, and the improvements in the Onsite Drainage Conservation Property.

1.1.12 **Community** shall mean the Properties and all improvements thereon.

1.1.13 **Conservation Easements** shall collectively mean and refer to the following documents recorded on the Properties: (a) **Conservation Easement (Eureka Ranch – Onsite Drainage)** recorded on January 6, 2006, as Instrument No. 2006-0012340, in the Official Records of San Diego County pursuant to the 404 Permit, and as such Conservation Easement may be amended and supplemented from time to time in accordance with its terms; (b) **Conservation Easement Deed (Uplands)** recorded on January 30, 2006, as Instrument No. 2006-0066646, in the Official Records of San Diego County.

1.1.14 **Cost Center** shall mean and refer to one (1) or more improvements or maintenance areas located on a portion of the Common Area, which directly confer a special benefit on some but not all of the Owners of Lots within the Community, and for which the cost of operation, maintenance, repair and/or replacement are to be wholly or primarily borne solely or disproportionately by such specified Owners through the use of a procedure for regular assessments on the benefited Lots, based upon a Cost Center Budget. Cost Centers may be established for any future Phase or Phases, by Declarant, in the Notice of Annexation recorded for such Phase prior to the first sale of a Lot in such Phase, or may be established by resolution of the Board. Such Notice of Annexation shall clearly identify the Cost Center improvements or maintenance area being established.

1.1.15 **County** shall mean and refer to the County of San Diego, State of California.

1.1.16 **Declarant** shall mean and refer to EUREKA ESCONDIDO, LLC, a Delaware limited liability company, its successors and assigns, if such successors or assigns should acquire more than one (1) undeveloped Lot from Declarant for the purpose of development and are designated by Declarant as the Declarant for the purpose hereof by a duly recorded written instrument, or successors of Declarant by operation of law or by exercise of the remedies under a mortgage, deed of trust or deed in lieu of foreclosure, and who expressly elects to assume the rights and duties of Declarant with respect to the acquired real property.

1.1.17 **Declarant Party** shall mean and refer to any director, officer, partner, member, employer, contractor, design professional, consultant, subcontractor or agent of Declarant.

1.1.18 **Declaration** shall mean and refer to this enabling Declaration of Establishment of Conditions, Covenants and Restrictions, as the same may be amended, changed or modified,

from time to time.

1.1.19 **Design Review Guidelines** shall mean and refer to guidelines and restrictions, if any, that are adopted by the Board for the governance of the Community that are not inconsistent with the provisions of this Declaration.

1.1.20 **Emergency Evacuation Route** shall mean and refer to the evacuation routes approved by the City for use by the residents of the Community in the event of the failure of the Lake Wohlford Dam, located to the north of the Community, and/or Dixon Lake and the Escondido Vista Water Treatment Plant, and potential flooding in the Community. The approved evacuation routes are shown on **Exhibit "EER"** attached hereto and incorporated herein by this reference. Each buyer of a Lot in the Community shall receive a written disclosure showing the Emergency Evacuation Route and is required to provide a copy of such disclosure to any subsequent buyer of such Lot.

1.1.21 **Fire Protection Plan** shall mean and refer to that certain Fire Protection Plan For Eureka Ranch Development, City of Escondido Fire Department, dated May 4, 2005, and approved for the Community by the City of Escondido, textual portions of which are attached hereto as **Exhibit "FPP"**, and incorporated herein by this reference.

1.1.22 **Fuel Modification Zone** or **FMZ** shall mean and refer to those certain portions of the Community, including both Common Areas and portions of private Lots, located within the Fuel Modification Zone established pursuant to the Fire Protection Plan adopted by the City in accordance with the requirements and ordinances of the City. Each Owner of a Lot containing a portion of the Fuel Modification Zones shall be responsible for the required maintenance and fuel treatment of such area in accordance with the Fire Protection Plan, and the Association shall be responsible for enforcement of such obligations. The Association shall be responsible for the required maintenance and fuel treatment of all Common Areas within the Fuel Modification Zones in accordance with the Fire Protection Plan, on a Phase by Phase basis as such real property is annexed to the Community. Textual portions of the Fire Protection Plan are attached hereto as **Exhibit "FMZ"**, and incorporated herein by this reference.

1.1.23 **Institutional Lender** shall mean a Mortgagee which is a bank, savings and loan association, established mortgage company, or other entity chartered under federal or state laws, any corporation or insurance company, or any federal or state agency.

1.1.24 **Landscape Maintenance District** or **LMD** shall mean and refer to such special districts as may be established by or in conjunction with the City, to be responsible for the maintenance, repair and/or administration of landscaping and/or irrigation or other related improvements within certain portions of the Properties, and the costs of which are funded through assessments, fees or charges levied by such district upon the residential real property within the boundaries of such district.

1.1.25 **LMD Areas** shall mean and refer to those areas within the Properties which are or will be maintained by a Landscape Maintenance District. LMD Areas may include all or any portion of the Common Areas if the LMD agrees to assume maintenance responsibility therefor. LMD Areas within the Properties, if any, are shown on **Exhibit "LMD"** hereto. Prior to

acceptance thereof by the LMD for maintenance, and, to the extent that the LMD at any time ceases or fails to maintain the LMD Areas, such maintenance shall be the responsibility of the Association, and such areas and the improvements therein shall be maintained by the Association in accordance with the first-class standard of maintenance applicable to the Common Areas as provided in Section 8.2.24 below. Additional LMD Areas, or changes in LMD Areas, may be shown and described in Notices of Annexation recorded with respect to the Annexable Property, or other appropriate recorded document.

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

1.1.27 **Member** shall mean an Owner with a membership in the Association.

1.1.28 **Mortgage** shall mean and refer to a deed of trust as well as a Mortgage.

1.1.29 **Mortgagee** shall mean a person or entity to whom a Mortgage is made, and shall include the beneficiary of a deed of trust.

1.1.30 **Mortgagor** shall mean a person or entity who mortgages his, her or its property to another, i.e., the maker of a Mortgage, and shall include the trustor of a deed of trust.

1.1.31 **Off-Site Maintenance Areas** shall mean and refer to those certain improvements and areas located outside of the Properties, for which the Association shall have maintenance responsibility, and may include, without limitation, open space areas, slopes, landscaped areas, irrigation improvements, parkway landscaping including irrigation, turf and street trees, landscaping including irrigation, turf and street trees, medians, monumentation, fences and walls, post and rail fence in the Escondido Creek Channel right of way, public trail including post and rail fencing and signage for the trail within open space Lot "B" of Escondido Tract No. 839, in the County of San Diego, according to Map thereof No. 15263, filed on February 15, 2006, as File No. 2006-0108957, storm drain improvements, curb drainage inlets with filters, private drains that drain into the Escondido Creek Channel, and public park areas, and conservation areas with restricted access, and any additional off-site areas that the City or other public entity having jurisdiction may require the Association to maintain. The Off-Site Maintenance Areas and improvements to be maintained by the Association are shown on Exhibit "OSMA" attached hereto and incorporated herein by this reference, and on portions of Exhibit "CLF" and Exhibit "PRF" hereto.

1.1.32 **Onsite Drainage Conservation Property** shall mean and refer to those certain drainage areas within the Community described on Exhibit "CO" hereto, that are subject to the Conservation Easements pursuant to the 404 Permit, and as provided in Article 20 below.

1.1.33 **Owner** shall mean and refer to the record Owners, whether one (1) or more persons or entities, of fee simple title to any Lot which is part of the Properties, including contract sellers, but excluding those having such interests merely as security for the performance of an obligation.

1.1.34 **Phase** shall mean one of the proposed phases of development of this residential

planned development for which a separate Final Subdivision Public Report is issued by the California Department of Real Estate. Declarant intends to construct certain residential dwelling units and Common Area improvements according to a general plan of development submitted to the California Department of Real Estate.

1.1.35 **Properties** shall mean and refer to that certain real property located in San Diego County, California, hereinbefore described and such additions thereto as may hereafter be brought within the jurisdiction of the Association through the annexation procedures set forth in Article 15.

1.1.36 **Residence** shall mean and refer to the single family dwelling structure located within a residential Lot.

1.1.37 **Rules and Regulations** shall mean and refer to rules and regulations adopted by the Board for the governance of the Community that are not inconsistent with the provisions of this Declaration and that are subject to Civil Code Sections 1357.100 *et seq.* regarding "operating rules."

1.1.38 **Side Yard Easement Areas** shall mean and refer to those certain side yard areas of private residential Lots within the Community for which the Association shall have maintenance responsibility. The proposed Side Yard Easement Areas for the Community are shown and/or described on Exhibit "SEA", attached hereto and incorporated herein by this reference. Additional Side Yard Easement Areas, or alterations of the boundaries of Side Yard Easement Areas in the Community, may be described in Notices of Annexation recorded with respect to the Annexable Property for such Phases, or other appropriate recorded document.

1.1.39 **ACOE** shall mean the United States Army Corps of Engineers.

1.1.40 **Uplands Conservation Property** shall mean and refer to that certain real property located outside of the boundaries of the Community described on Exhibit "CP" hereto, that is required to be preserved and protected in its natural state and is restricted pursuant to and as further provided in Article 20 below and in that certain "Conservation Easement Deed (Uplands)", by and between Declarant and the City of Escondido, recorded January 30, 2006, as Instrument No. 2006-0066646, in the Official Records of San Diego County.

Section 1.2. Applicability of Terms. The aforesaid definitions shall be applicable to this Declaration and to any supplements or amendments thereto (unless the context shall prohibit) recorded pursuant to the provisions of this Declaration.

ARTICLE 2 PROPERTY RIGHTS IN COMMON AREA

Section 2.1. Title to the Common Area.

2.1.1 Declarant hereby covenants for itself, its successors and assigns, that it will convey fee title or appropriate easements or other rights to the Common Area to the Association, free and clear of all encumbrances and liens, except easements, covenants, conditions and

reservations then of record, including those set forth in this Declaration. Said conveyance for each Phase annexed to the Properties shall be made to the Association prior to the close of escrow for the conveyance of the first residential Lot in such Phase to an Owner.

2.1.2 The Association's responsibility to maintain the Common Area conveyed to the Association shall commence concurrently with the recordation of the deed conveying the Common Area to be maintained. Notwithstanding the foregoing, if the contractors or subcontractors of Declarant are contractually obligated to maintain or warrant the landscaping or other improvements on the Common Area for a specified period in which said contractors or subcontractors shall perform such maintenance, the Association shall not interfere with the performance of such warranty or other contractual maintenance obligations. Maintenance performed by such contractors or subcontractors shall not serve to postpone the commencement of assessments pursuant to this Declaration, nor entitle an Owner to claim any offset or reduction in the amount of such assessments.

2.1.3 The nature, design, quality and quantity of all improvements in the Common Area shall be determined by Declarant in its sole discretion, in conjunction with development plan for the Community approved by the City of Escondido. The Association shall be obligated to accept title to or easements over the Common Area, and shall assume and undertake all maintenance responsibilities for the Common Area when it is conveyed and/or maintenance responsibilities are tendered by Declarant pursuant to subparagraphs 2.1.1 and 2.1.2 above.

2.1.4 So long as any Common Areas, landscaping or other improvements are secured by a performance bond for the benefit of the City or the Association, on which Declarant is an obligor, the Association shall not, without the prior written consent of Declarant, make any substantial changes or alterations in any such Common Areas, landscaping or other improvements for which the Association has maintenance responsibility, or otherwise fail to adequately maintain and preserve such Common Areas, landscaping and other improvements, that would in any manner negatively affect the ability of Declarant to obtain exoneration of any such bond in a timely manner. In the event that the Association makes any such alterations, or otherwise fails to maintain such Common Areas, landscaping or improvements for which it is responsible, and Declarant reasonably believes that such acts or failure to act will hinder or delay exoneration of the applicable performance bond, Declarant shall have the right to enter such property, restore such landscaping or improvements to the same condition as when they were turned over to the Association, and to be reimbursed by the Association for all costs and expenses of performing such remedial work.

2.1.5 In the event that a dispute arises between Declarant and the Association with respect to the nature, design, quality or quantity of the improvements in the Common Area, or the acceptance of maintenance responsibilities therefor, the Association shall be obligated to accept title to or easements over the Common Area and to assume and undertake maintenance responsibilities pending resolution of the dispute, in accordance with the provisions set forth in the Article herein entitled "Dispute Mechanism."

Section 2.2. Easements. The ownership interests in the Lots and Common Area are subject to the easements granted and reserved in this Declaration. Each of the easements reserved or granted herein shall be deemed to be established upon the recordation of this Declaration and

shall henceforth be deemed to be covenants running with the land for the use and benefit of the Owners and their Lots, the Association, the Common Area, the Declarant, and the owner thereof, and each of their respective properties, superior to all other encumbrances applied against or in favor of any portion of the Community. Individual grant deeds to Lots and Common Area may, but shall not be required to, set forth the easements specified in this Article or elsewhere in this Declaration.

Section 2.3. Owner's Easements of Enjoyment. Every Owner of a Lot shall have a right and easement of ingress, egress and of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every such Lot, subject to the following provisions:

(a) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against such Owner's Lot remains unpaid; and for a period not to exceed thirty (30) days for any infraction of its Rules and Regulations after reasonable written notice and an opportunity for a hearing before the Board as set forth in the Bylaws, which notice satisfies the minimum requirements of Section 7341 of the California Corporations Code;

(b) The right of the Association to dedicate or transfer all or substantially all of its assets, including all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. Notwithstanding any contrary provision in the Articles or Bylaws, so long as there is any Lot for which the Association is obligated to provide management, maintenance, preservation, or control, no such dedication or transfer shall be effective unless approved by the vote or written assent of sixty-six and two-thirds percent (66-2/3%) of both classes of Members of the Association, or following the conversion of Class B to Class A members, by the vote or written assent of sixty-six and two-thirds (66-2/3%) of the members of the Association, other than Declarant, and an instrument executed by both the President and Secretary of the Association affecting such dedication or transfer, has been recorded;

(c) The right of the Association, in accordance with its Articles of Incorporation and Bylaws, to borrow money for the purpose of improving the Common Area and in aid thereof, and with the assent of two-thirds (2/3) of each class of Members, to hypothecate any or all real or personal property owned by the Association. After conversion of the Class B membership to Class A membership, the action herein requiring membership approval shall require the vote or written consent of (i) two-thirds (2/3) of the voting power of members of the Association and (ii) for so long only as the Declarant holds or directly controls twenty-five percent (25%) or more of the voting power of Members of the Association, two-thirds (2/3) or more of the voting power of the Members of the Association other than Declarant;

(d) Subject to a concomitant obligation to restore, Declarant and its agents shall have:

(i) A nonexclusive easement over the Common Area for the purpose of making repairs to the Common Area or to the residences provided access thereto is otherwise not reasonably available;

(ii) The right to the nonexclusive use of the Common Area for the purpose of maintaining model homes, sales offices and signs reasonably necessary to market the Lots, for a period of not more than three (3) years after conveyance of the Common Area to the Association, or the sale of all residential Lots within the Properties, whichever is first to occur. The use of the Common Area by Declarant and its agents shall not unreasonably interfere with the use thereof by the Class A Members of the Association.

(e) Notwithstanding any other provision of this Declaration to the contrary, Owners shall not be permitted to enter upon the Common Areas or other areas maintained by the Association and install their own plants, landscaping or other improvements, or in any manner alter or interfere with the landscaping installed thereon by Declarant or the Association. No Owner shall be permitted to install any gate in the fences separating a Lot from the Common Area or other Association maintained areas, or otherwise alter any such fence in a manner to permit a means of access to the Common Area not intended by Declarant installing such fence. Landscaped open space and sloped areas, detention basins and sewer maintenance easement areas within the Common Areas are not for recreational use by Owners. Only the public trails and any specific recreational facilities installed by Declarant are for recreational use. Only use of non-motorized vehicles, emergency vehicles and maintenance vehicles are permitted on the public trail, and all dogs on the trail and outside of Owner's privately fenced yard areas are required to be held on a leash.

(f) Owners and occupants of the Community have no rights to access or use the Onsite Drainage Conservation Property, the Offsite Maintenance Area, the preserve areas, natural open space areas, or oak tree mitigation areas, located outside of the boundaries of the Community.

Section 2.4. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws of the Association, such Owner's rights of enjoyment to the Common Area and facilities to the members of such Owner's family, tenants or contract purchasers who reside on such Owner's Lot.

Section 2.5. Reciprocal Easements. Upon the annexation of additional land and improvements into the Community, as provided in Article 15, the Owners of Lots in the annexed areas shall have nonexclusive easements for ingress, egress, and recreational use over the Common Areas within the Community. Similarly, the Owners of Lots within the original scheme of this Declaration, including previously annexed areas, shall have nonexclusive easements for ingress, egress, and recreational use over the Common Areas of the newly annexed areas.

Section 2.6. Utility Easements. Declarant hereby grants, reserves, and establishes nonexclusive easements over, under, and through each and every Lot and the Common Area within the Community ("**Special Easement Area**") as necessary for the installation, operation and maintenance of underground utility conduits and lines for the sole purpose of providing utilities to such Lots.

2.6.1 Each Lot which obtains electrical power or other utilities through an underground utility conduit located within a Special Easement Area of another Lot or Lots, is hereby granted and shall have the benefit of a nonexclusive easement through and under such Lot or Lots for the

installation, operation and maintenance of such conduit, and the utility lines therein, subject to the restrictions hereinafter set forth.

2.6.2 Each Lot containing a Special Easement Area within which there lies an underground utility conduit and utility lines is hereby declared to be, and shall be conveyed subject to, a nonexclusive easement by reservation for the benefit of the Lot or Lots serviced by such conduit, and the utility lines therein, subject to the restrictions hereinafter set forth.

2.6.3 Said easements granted and reserved shall include incidental rights of installation, operation and maintenance subject to the following limitations:

(a) Repair and replacement of the utility lines within any such conduit shall be performed only at either end of the conduit;

(b) Excavation of any such conduit for any purpose is expressly prohibited except at either end thereof.

2.6.4 The easements hereinabove described shall bind and inure to the benefit of Declarant's heirs, personal representatives, successors and assigns.

2.6.5 Subject easements shall be construed as covenants running with the land, or equitable servitudes as necessary to achieve Declarant's intent. Declarant hereby acknowledges that it is its express intent to subject each Lot within the Community which contains an underground utility conduit, as described hereinabove, to such restrictions, covenants, easements, and servitudes as are necessary to provide for the continued operation and existence of such utility conduit and utility lines.

Section 2.7. Fuel Modification Zone Easements and Maintenance Requirements. Declarant hereby reserve for the benefit of the Association, and hereby grant to the Association, easements of access, ingress and egress for the purpose of inspecting, maintaining, repairing and replacing the landscaping and any and all improvements located within the Fuel Modification Zone portions of Lots in the Community to the extent that the Owners of such Lots fail to perform such required maintenance. The areas subject to this easement are shown and/or described in Exhibit "FMZ" hereto. Use of the FMZ located within any Lots by the Owners thereof, their family, employees, agents, guests and invitees may be limited or restricted by the Board in the Rules and Regulations, consistent with the requirements and restrictions of the City. The Owners of the respective Lots containing portions of the Fuel Modification Zones shall have the right and duty to maintain those portions of the Lots within the FMZ, and to maintain "Firewise" landscaping, as defined in the Fire Protection Plan and listed on the Plant List attached hereto as Exhibit "PL", and incorporated herein by this reference, on their respective Lots where required, all in accordance with the requirements of the Fire Protection Plan attached hereto as Exhibit "FPP", and the Association shall enforce such obligations. The Association shall have reasonable rights of access, ingress and egress over the Lots, excluding the Residences thereon, for all such purposes. In addition, the Fire Protection Plan requires that certain Lots include access gates in their rear fences for dedicated firefighter and maintenance worker access from the street, through the yard, and out the back gate to the FMZ, as necessary. Non-exclusive easements for such purposes are hereby reserved on, over, across and through each Lot where

such an access gate is installed for such purposes. Owners and occupants of Lots having such access gates are prohibited from removing or locking such gates or blocking or impeding such access in any manner, including installation of landscaping. Such maintenance shall include installation and replacement of "Firewise" landscaping where required, brush clearance and weed abatement, and keeping the FMZ in a good, safe condition, at all times in compliance with the Fire Protection Plan, as such standards as may be amended by the City from time to time. In addition, the City, and its agents and employees, shall have the right of access, ingress and egress, for the purpose of providing such fuel treatment measures in the event that the Owners and/or the Association fails to perform such maintenance in accordance with such standards. No structures are permitted to be constructed or installed within the FMZ.

Section 2.8. Side Yard Easement Area Easements. Declarant and the Neighborhood Builders hereby reserve for the benefit of the Association, and hereby grant to the Association, easements of access, ingress and egress for the purpose of maintaining, repairing and replacing the side yard areas located within certain Lots, including any and all improvements located within such areas. The areas proposed to be subject to this easement are shown and described in Exhibit "SEA" hereto. Additional Side Yard Easement Areas, and/or alterations in the boundaries of Side Yard Easement Areas may be described in future Notices of Annexation recorded with respect to the Annexable Property or other appropriate recorded document. The Association shall have the exclusive right and duty to maintain those portions of Lots within the Side Yard Easement Areas, and to maintain, repair and replace all improvements located therein, including the irrigation systems, landscaping, drainage improvements, slope stabilization improvements, excluding any walls and/or fences separating the Side Yard Easement Areas from the portions of Lots outside of the Side Yard Easement Areas which shall be the responsibility of the individual Owners to maintain, unless any such walls and/or fences are shown in Exhibit "SEA" to be the responsibility of the Association. Such maintenance shall include slope maintenance, brush clearance and weed abatement, and keeping the Side Yard Easement Areas in a good, safe condition, at all times. Owners, their family, employees, agents, guests and invitees are prohibited from altering the grade or irrigation of the Side Yard Easement Areas located within their Lots or any other Lots in the Community.

Section 2.9. Off-Site Maintenance Areas. Subject to the grant of appropriate easements and/or encroachment permits for such purposes to the Association by the owner(s) thereof, the Association shall have the responsibility to maintain the open space areas, slopes, landscaped areas, irrigation improvements, Fuel Modification Zones, parkway landscaping including irrigation, turf and street trees, medians, monumentation, fences and walls including chain link fencing along Escondido Creek and post and rail fence in the Escondido Creek Channel right of way, public trail including post and rail fencing and related signage along Lot "B" of Escondido Tract No. 839,, storm drain improvements, curb drainage inlets with filters, and/or public park areas within the Off-Site Maintenance Areas. The location of the post and rail fencing to be maintained within the Off-Site Maintenance Areas is shown on Exhibit "PRF" attached hereto and incorporated herein by this reference, and the location of the chain link fencing to be maintained within the Off-Site Maintenance Areas is shown on Exhibit "CLF" attached hereto and incorporated herein by this reference. The Off-Site Maintenance Areas and improvements to be maintained by the Association are shown on Exhibit "OSMA" hereto, and are located outside of the boundaries of the Properties. The responsibility of the Association for maintenance of

specific portions of the Off-Site Maintenance Areas, and the various improvements therein, shall commence upon the close of escrow for the sale of the first Lot in the particular Phase for which the Budget prepared by Declarant and reviewed by the Department of Real Estate includes such areas and/or improvements and the costs of maintenance thereof.

Section 2.10. Access Easement for Onsite Drainage Conservation Property. Declarant hereby reserves for itself and its designees, successors and assigns a non-exclusive easement over the Onsite Drainage Conservation Property to perform any inspections, maintenance, repair, improvements or any other actions in conformance with the terms of the Conservation Easement.

Section 2.11. Right of Declarant to Modify Plan of Development. Declarant hereby reserves the right to modify, amend, change, or eliminate altogether, the multi-phase plan of development hereinbefore described, subject to approval by the City. Such right shall include, without limitation, the right to delete any and all subsequent Phases of development, and to divide the subsequent Phases into additional Phases. There is no guarantee by, or obligation of, Declarant to complete all proposed Phases of development or to annex same into the Properties. Any change or modification of the general plan of development shall, however, require the prior approval of the Department of Real Estate.

ARTICLE 3

MEMBERSHIP AND VOTING RIGHTS IN HOMEOWNERS' ASSOCIATION

Section 3.1. Formation. Declarant has, at its sole expense, formed an incorporated homeowners' association known as the Eureka Springs Homeowners' Association, a California nonprofit mutual benefit corporation. The Association shall be primarily responsible for the management and maintenance of the Common Area and for the maintenance of the landscaping and other items as set forth in this Declaration.

Section 3.2. Membership. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 3.3. Voting Rights. The Association shall have three (3) classes of voting membership:

Class A. Class A Members shall be all Owners, with the exception of Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. Class B Member shall be Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of the earliest of the following to occur:

- (a) Two (2) years from the date of the first conveyance of a subdivision

interest in the most recent Phase of the overall development; or

(b) Four (4) years from the date of the first conveyance of a subdivision interest in the first Phase of the overall development.

Class C. The Class C Member shall be Declarant (whether or not Declarant is an Owner). The Class C membership shall not be considered a part of the voting power of the Association and Declarant shall not be entitled to exercise any Class C votes except for the purpose of electing a majority of the members of the Board of Directors pursuant to the provisions set forth below. The Class C Member shall be solely entitled to elect a majority of the members of the Board of Directors of the Association until the day after the first annual meeting of the Members of the Association as further provided in the Bylaws; provided that during the initial two-year terms of the Board members elected/appointed by the Class C Member, the Class C Member shall be entitled to replace any Member of the Board initially elected/appointed by Declarant using its Class C membership upon the death, resignation or removal of any such Board member.

Any provision in the Articles, Bylaws, or this Declaration calling for membership approval of action to be taken by the Association, except provisions with respect to the action to enforce the obligations of the Declarant under any completion bond, shall expressly require the vote or written assent of the prescribed percentage of each class of membership during the time that there are two outstanding classes of membership. Any requirement elsewhere in the Articles of Incorporation, Bylaws, and Declaration, except provisions with respect to the action to enforce the obligations of Declarant under any completion bond, that the vote of Declarant shall be excluded in any such determination, shall be applicable only if there has been a conversion of Class B Members to Class A Members, and the same shall be read as requiring the vote of the prescribed percentage of the Class A members and the vote of the prescribed percentage of the Class A Members other than Declarant. The voting rights attributed to any given Lot in the Community as provided for herein, shall not vest until the assessments provided for hereinbelow have been levied by the Association as against said Lot.

ARTICLE 4 POWERS OF THE ASSOCIATION AND MEMBERSHIP MEETINGS

Section 4.1. Powers of the Association. The management and control of the Association's affairs and the Community itself will be the responsibility of the Board of Directors, which is to consist of Members of the Association who will be elected by the total Membership. The Association, in its sole and absolute discretion, and as more fully set forth in its Bylaws, shall have the power to perform the following acts:

4.1.1 The Association shall have the sole and exclusive right and duty to manage, operate, control, repair, replace, or restore the Common Area, including, without limitation, all the improvements, structures, facilities, private utilities, recreation areas, trees, shrubbery, plants and grass, monuments, common open space areas, slopes, private parks, tot lot(s), private walks, trail system, fences and walls, stormwater detention and filtering basins and private drains therefrom to the Escondido Creek Channel, drainage swales, lighting systems along all

walkways, and access gates within the Common Area, and the public trail including post and rail fencing and signage for the trail within Lot "A" of Escondido Tract No. 839, Eureka Ranch Unit No. 5, according to Map thereof No. 15367, filed in the Office of the County Recorder of said County, on June 26, 2006, as File No. 2006-0449805, and the improvements within the Onsite Drainage Conservation Property,

4.1.2 Without limiting the foregoing, the Association shall have the power and obligation to accept the conveyance of fee title to the Onsite Drainage Conservation Property and to preserve, maintain, manage and insure all the Onsite Drainage Conservation Property in accordance with the Conservation Easements.

4.1.3 The Association shall also be responsible for maintenance of the Side Yard Easement Areas within private Lots, and the Fuel Modification Zones located within the Community, as provided in Sections 2.7 and 2.8 above.

4.1.4 The Association shall also be responsible for the maintenance of the Off-Site Maintenance Areas located outside of the Community, including post and rail fence in the Escondido Creek Channel right of way, public trail and related post and rail fencing and signage for the trail within open space Lot "B" of Escondido Tract No. 839, in the County of San Diego, according to Map thereof No. 15263, filed on February 15, 2006, as File No. 2006-0108957, sound walls, and entry monumentation, as provided in Section 2.10, and all detention basins, water features, and the stormwater drainage system for the Community, including all related improvements and equipment, private drains that drain into the Escondido Creek Channel, and public park areas. In addition, the Association shall maintain all landscaping within public rights-of-way within or abutting the Community in accordance with the requirements of the City. Such maintenance responsibilities shall commence upon the close of escrow for the sale of the first Lot in the particular Phase for which the Budget includes such areas and/or improvements and the costs of maintenance thereof.

4.1.5 The Association shall maintain the MBPs as provided in Section 10.6 below, and shall levy assessments adequate to pay the costs and expenses thereof.

4.1.6 The Association shall have the right and power to levy and collect assessments.

4.1.7 The Association shall pay the taxes and assessments, if any, which may be levied by any governmental authority on the Common Area of the Community or any part thereof.

4.1.8 The Association shall maintain a bank account or accounts for funds coming under the control of the Association.

4.1.9 The Association shall maintain a reserve, as provided in Section 20.3 below, for the performance of its obligations with respect to the Onsite Drainage Conservation Property.

4.1.10 The Association shall have the right and power to adopt and enforce Design Review Guidelines for the Community.

4.1.11 The Association shall have the power to adopt Rules and Regulations for the Community that are not inconsistent with the provisions of this Declaration and that are subject to Civil Code Sections 1357.100 *et seq.* regarding "operating rules." The Rules and Regulations shall include but not be limited to the use of the Common Area and of the Community. The Association shall have the right to regulate, and to limit, on a reasonable basis, the hours of use, and the number of guests and tenants of the Owners using the recreational and other facilities situated within the Common Area. Any such limitation or restrictions shall be set forth in the Rules and Regulations.

4.1.12 The Association shall have the right and power to enforce the provisions of this Declaration, and the Bylaws, Articles of Incorporation and Rules and Regulations of the Association; provided, however, nothing contained in this Section shall be construed to prohibit enforcement of same by any Owner.

4.1.13 The Association has the right and power to contract for and maintain fire, casualty, liability, worker's compensation, medical, hospital, and other insurance insuring Owners, members of the Board, and other persons.

4.1.14 The Association has the right and power to contract, provide and pay for (i) maintenance, utility, gardening and other services benefiting the Community; (ii) payment of persons necessary to accomplish the obligations of the Association; and (iii) legal and accounting services.

4.1.15 The Association shall be responsible for the costs of repair and/or replacement of any City utility lines or improvements that the Association may damage.

4.1.16 Notwithstanding any of the foregoing, the Association, acting through its Board, may not enter into any contract binding for a term longer than one (1) year from the effective date thereof without the vote or written consent of a majority of the voting power of the Members of the Association other than the Declarant, except as specifically authorized herein or in the Articles or Bylaws.

4.1.17 The Association has the right and power to contract for the purchase of tools, equipment, materials, supplies and other personal property and services for the maintenance and repair of the facilities and improvements of the Community.

4.1.18 The Association has the right and power to contract for and pay for reconstruction of any portion or portions of the Community damaged or destroyed. The Association shall have the right and power to establish and maintain a Community website for the Owners of Lots in the Community.

4.1.19 The Association has the right and power to delegate its powers to others where such delegation is proper.

4.1.20 The Association has the right and power to prosecute or defend, and to perform any act reasonably necessary to resolve by alternative dispute resolution proceedings, under the name of the Association, any action affecting or relating to the Community or the personal

property thereon, or any action in which all of the Owners have an interest in the subject matter of the action.

4.1.21 Subject to the vote or written consent therefor from sixty-six and two-thirds percent (66-2/3%) of the voting power of the membership, excluding the vote of the Declarant, the Association may borrow money, and may mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

4.1.22 The Association may do any and all things that a nonprofit mutual benefit corporation organized under the laws of the State of California may lawfully do, and generally may do and perform any and all other acts which may be either necessary for, or incidental to, the exercise of any of the foregoing powers, and any other such powers as are granted to a corporation by the provisions of the laws of the State of California.

4.1.23 The Association may acquire by gift, purchase or otherwise own, hold, enjoy, lease, operate, maintain, convey, sell, transfer, mortgage, or otherwise encumber, dedicate for public use, or otherwise dispose of real and/or personal property in connection with the business of the Association; provided, however, that the Association shall not acquire or sell any real or personal property having an individual or aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year by purchase or lease without first obtaining the vote or written consent therefor from a majority of the voting power of the membership, excluding the vote of the Declarant, except as is provided pursuant to the annexation of subsequent phases to this Community.

4.1.24 The Association shall have the right and power to suspend a Member's voting rights and the right to use the recreational facilities for any period during which any assessment against such Member's Lot remains unpaid and delinquent; and for a period not to exceed thirty (30) days for any single infraction of the Rules and Regulations of the Association, provided that any suspension of such voting rights or right to use the recreational facilities, except for failure to pay assessments, shall be made only by the Association or a duly appointed committee thereof, after notice and hearing given and held in accordance with the Bylaws of the Association.

4.1.24.1. The Association may not cause a forfeiture of an Owner's right to use and enjoy such Owner's Lot for failure of such Owner to comply with the provisions of this Declaration, or the Bylaws of the Association or the Rules and Regulations of the Association, except (1) by judgment of a court or decision arising out of arbitration, or (2) on account of a foreclosure or sale under a power of sale for failure of the Owner to pay assessments duly levied by the Association, as set forth in Article 5 hereof.

4.1.25 The Association may take any and all lawful action which may be advisable, proper, authorized or permitted by the Association under and by virtue of any condition, covenant, restriction, reservation, charge or assessment affecting the Community, or any portion thereof, and to do and perform any and all acts which may be either necessary for or incidental to the exercise of any of the foregoing powers, or for the peace, health, comfort, safety or general welfare of its Members.

4.1.26 The Association may impose monetary penalties upon Owners as a disciplinary measure (1) for failure of an Owner to comply with the Bylaws, the Declaration or the Rules and Regulations of the Association, or (2) as a means of reimbursing the Association for costs incurred by the Association in the repair of damages to the Common Areas and facilities thereon for which the Owner is allegedly responsible, or (3) to bring an Owner or its Lot into compliance with the Declaration, Bylaws, or Rules and Regulations of the Association.

4.1.27 In order to assure consistent landscaping and/or maintenance of the attractive appearance of landscaping throughout the Community, the Association shall have the right and power to assume responsibility for the installation, repair, replacement and/or maintenance of the landscaping within all or any portion of any Lot(s), and the costs thereof, subject to the written consent of the Owner thereof and to the granting to the Association of the necessary license(s) or easement(s) for such purposes. Assumption of such responsibilities by the Association shall not bar the later return of such responsibilities to the Owner(s) of such Lot(s), regardless of such Owner(s) consent.

4.1.28 The Association shall adopt rules, in accordance with Civil Code Section 1363.03 regarding the election of candidates for the Board of the Association. Among other things, such rules must ensure equal access to Association media and Association Common Area meeting spaces for all candidates, specify qualifications for candidates and qualification for voting powers of the Members and proxies, and set forth the procedure for nomination of candidates and voting periods. Votes concerning assessments, selection of the Board of directors, amendments to the governing documents, and grant of Exclusive Use Common Area shall be held by secret ballot. Such rules shall also provide for the selection of independent third party inspectors of elections, whose number, qualifications, duties and standard of performance shall comply with Civil Code Section 1363.03(d). The Association shall comply with Civil Code Section 1363.03(e) through (j) as to voting procedures, including distribution of ballots, tabulation, reporting, recordation, custody and storage of votes. The Association is prohibited from using any Association funds for any campaign purposes as set forth in Civil Code Section 1363.04.

Section 4.2. Fidelity Bond. The Association shall maintain a fidelity bond or insurance in an amount at least equal to the sum of three months' assessments on all Lots in the Community, which names the Association as obligee and insures against loss by reason of acts of members of the Board of Directors, officers and employees of the Association and any management agent and its employees, whether or not such persons are compensated for their services.

Section 4.3. Membership Meetings.

4.3.1 Meetings of the membership of the Association shall be conducted in accordance with a recognized system of parliamentary procedure or such parliamentary procedures as the Association may adopt. Notwithstanding any other provision of law, notice of meetings of the Members shall specify those matters the Board intends to present for action by the Members but, except as otherwise provided by Law, any proper matter may be presented at the meeting for action. Members of the Association shall have access to Association records in accordance with Article 3 (commencing with Section 8330) of Chapter 13 of Part 3 of Division 2 of Title 1 of the Corporations Code. Any Member of the Association may attend meetings of the Board of

Directors of the Association, except when the Board adjourns to executive session to consider litigation, matters that relate to the formation of contracts with third parties, Member discipline or personnel matters. Any matter discussed in executive session shall be generally noted in the minutes of the Board of Directors. In any matter relating to the discipline of a Member, the Board of Directors shall meet in executive session if requested by that Member, and the Member shall be entitled to attend the executive session. For a period of ten (10) years after the close of escrow for the sale of the last Lot in the Community covered by a Final Subdivision Public Report, in addition to Declarant's rights as an Owner and a Member, Declarant shall be entitled to access to the Association books and records, including maintenance records, and to attend and speak at meetings of the Board of Directors and meetings of the Members. Any comments made by Declarant at any meeting shall be accurately noted in the minutes prepared for such meetings.

4.3.2 The minutes, minutes proposed for adoption that are marked to indicate draft status or a summary of the minutes, of any meeting of the Board of Directors of the Association, other than an executive session, shall be available to Members within thirty (30) days of the meeting. The minutes, proposed minutes, or summary minutes shall be distributed to any Member of the Association upon request and upon reimbursement of the Association's costs in making that distribution. For a period of ten (10) years after the close of escrow for the sale of the last Lot in the Community covered by a Final Subdivision Public Report, Declarant shall have the right to receive all distributions of minutes, proposed minutes or summary minutes upon request and reimbursement of the Association's actual copying and mailing costs for making the distribution to Declarant.

4.3.3 Members of the Association shall be notified in writing at the time that the Budget required in Section 6.2 below is distributed or at the time of any general mailing to the entire membership of the Association of their right to have copies of the minutes of meetings of the Board of Directors and how and where those minutes may be obtained, and the cost of obtaining such copies. For a period of ten (10) years after the close of escrow for the sale of the last Lot in the Community covered by a Final Subdivision Public Report, Declarant shall also receive notice of its right to have copies of the minutes of meetings and how to obtain such minutes.

ARTICLE 5 ASSESSMENTS

Section 5.1. Creation of Lien and Personal Obligation of Assessments. Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of a Lot by acceptance of a grant deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay to the Association: (a) annual assessments or charges, which shall include an adequate reserve fund for the periodic maintenance, repair and replacement of the Common Area and (b) special assessments as provided in Section 5.4 below, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made, the lien to be effective upon recordation of a Notice of Delinquent Assessment. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal

obligation for the delinquent assessments shall not pass to an Owner's successors in title, unless expressly assumed by them.

Section 5.2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties, for the improvement and maintenance of the Common Area and the homes situated upon the Lots, and such other purposes as set forth in this Declaration and the Bylaws. The portion of assessments levied to pay the costs related to Cost Center(s) shall be used exclusively for the purposes for which they were levied.

Section 5.3. Maximum Annual Assessment. Until the first day of the fiscal year immediately following the conveyance of the first Lot to an Owner, or until the first day of the month following an earlier sale of the first Lot in a new Phase of the Community, the maximum annual assessment for each Lot in the Community shall be as provided for in the budget approved by the California Department of Real Estate and disclosed in the Final Subdivision Public Report, for the particular Phase of the Community in which such sale occurred, and any amendments thereto. Thus, notwithstanding the limitation on increases in the maximum annual assessments and related time periods contained in this Article, whenever a new Phase is annexed to the Properties, upon the first closing of a sale in such new Phase the amount of the maximum annual assessment for all Lots in the Properties will increase or decrease to the amount stated in the budget approved by the California Department of Real Estate for such new Phase. The Association shall maintain an adequate reserve fund for maintenance, repairs and replacement of those elements of the Common Area that must be replaced on a periodic basis, and such reserve shall be funded by annual assessments. In addition, the Association shall maintain adequate Cost Center reserve funds, with a separate fund for each identified Cost Center, for the maintenance, repairs and replacement of the Cost Centers, and such reserve shall be funded by annual Cost Center assessments levied only against Lots having special benefit from the respective Cost Centers within the Community, in accordance with the amounts therefor contained in the approved Cost Center Budgets.

5.3.1 From and after the first day of the fiscal year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased effective the first day of each fiscal year by the Board without a vote of the membership, provided that (i) any such increase shall not be more than twenty percent (20%) of the previous year's most recent assessment level (including any increase in such assessment resulting from new Phases being annexed to the Properties during such year), and (ii) the Board of Directors has complied with Section 6.2 below with respect to that fiscal year, including, but not limited to, the preparation and distribution of a pro forma operating budget to all members of the Association as provided in Section 6.2 below, or has obtained the approval of Owners, constituting a quorum, casting a majority of the votes at a meeting or election of the Association conducted in accordance with Chapter 5 (commencing with Section 7510) of Part 3 of Division 2 of Title 1 of the Corporations Code and Section 7613 of the Corporations Code. Such annual assessment shall continue in effect for the following twelve (12) calendar months, which period shall be deemed to be the assessment period.

The restrictions on increases in assessments contained in this Section 5.3 shall be applied separately to the annual assessments applicable to all Lots, and to each of the separate Cost Centers applicable only to a particular group of Lots subject to Cost Center assessments. Increases in the Cost Center assessments, for each separate Cost Center, above the stated limits shall require the approving vote or written consent of a majority of a quorum of the Members subject to Cost Center assessments for the particular Cost Center for which an increase is proposed, in accordance with the procedures of this Article as applied to such Members.

5.3.2 From and after the first day of the fiscal year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above the amount provided in subparagraph 5.3.1 by the vote or written assent of at least a majority of Owners in the Association constituting a quorum (as defined below), provided that the Board of Directors has prepared and distributed a pro forma operating budget to all members of the Association as provided in Section 6.2 below. For purposes of this Article 5, "quorum" means more than fifty percent (50%) of the Owners of the Association. The Association shall provide notice by first-class mail to each Owner of any increase in the regular assessments of the Association, not less than thirty (30) nor more than sixty (60) days prior to the increased assessment becoming due.

5.3.3 Said maximum assessment may be reduced by maintenance or subsidy agreements approved by the California Department of Real Estate and reflected in the Final Subdivision Public Report.

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

Section 5.4. Range of Assessments. It is contemplated that the Community will be developed in a number of Phases, and, as each Phase is annexed to the Community, the regular annual assessments necessary to pay all of the Association's costs and expenses for the performance of its duties and obligations as set forth in this Declaration and in the approved Budgets will vary with the actual number of Lots and the Common Area in the Community. Declarant has prepared a series of Budgets for each Phase of development of the Community. Notwithstanding any other provision of this Declaration to the contrary, the Budget applicable to the Community for each Phase shall be that Budget which corresponds to the number of residential Lots then comprising the Community. It is therefore acknowledged that during the development of the Community the applicable Budget will vary from time to time as Phases are annexed to the Community and the regular annual assessments to be paid by each Owner will be based upon the applicable Budget and will vary within the range of assessments set forth in the approved Budgets for the Community.

Section 5.5. Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, or otherwise, provided that any such assessment for capital improvements to the Common Area which total more than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year shall have the vote or written assent of a

majority of the Owners constituting a quorum; and, further provided, that any such assessment for capital improvements to a Cost Center, which total more than five percent (5%) of the budgeted gross expenses of the Association with respect to such Cost Center for that fiscal year, shall have the vote or written assent of a majority of the Owners subject to assessments for such Cost Center constituting a quorum. The Association may also levy a special assessment against any Member to reimburse the Association for costs incurred in bringing the Member and such Member's Lot into compliance with the provisions of the Declaration, any amendments thereto, the Articles, the Bylaws, and the Rules and Regulations, which special assessment may be levied upon the vote of the Board after notice and an opportunity for a hearing which satisfy the requirements of Section 7341 of the California Corporations Code, as set forth in the Bylaws. The above provisions requiring the requisite vote of the membership with respect to special assessments do not apply in the case where a monetary penalty is imposed against an Owner as a disciplinary measure by the Association for the following reasons: (1) for failure of an Owner to comply with the Declaration, Bylaws or Rules and Regulations, or (2) as a means of reimbursing the Association for costs incurred by the Association in the mitigation, remediation and/or repair of damages to Common Areas and facilities for which the Owner is allegedly responsible, or (3) to bring an Owner or its Lot into compliance with provisions of this Declaration, Articles of Incorporation, Bylaws, Rules and Regulations and any amendments thereto. The Association shall provide notice by first-class mail to each Owner of any increase in the special assessments of the Association, not less than thirty (30) nor more than sixty (60) days prior to the increased assessment becoming due.

Section 5.6. Notice and Quorum for Any Action Authorized Under Sections 5.3 and 5.4. Any action authorized under Sections 5.3 and 5.4 shall be taken at a meeting called for that purpose, written notice of which shall be sent to all Members not less than ten (10) nor more than ninety (90) days in advance of the meeting. A quorum for such meeting shall be fifty-one percent (51%) of each class of Members entitled to vote on such action. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum for the preceding meeting. If the proposed action is favored by a majority of the votes cast at such meeting but such vote is less than the requisite fifty-one percent (51%) of each class of Members, Members who were not present in person or by proxy may give their assent in writing, provided the same is obtained by the appropriate officer of the Association not later than thirty (30) days from the date of such meeting.

Section 5.7. Uniform Rate of Assessment. Both annual and special assessments, except as may be otherwise provided in Sections 5.5 and 12.3, shall be fixed at a uniform rate for all Lots and shall be collected on a monthly basis. Notwithstanding the foregoing, those Lots that receive special benefit from a Cost Center, as designated in a Notice of Annexation, shall also be subject to Cost Center assessments to reimburse the Association for the cost of periodic inspection, maintenance, replacement and repair, and accumulation of reserves, for the applicable Cost Center(s), in accordance with the amounts stated for such costs in the approved Cost Center Budgets.

Section 5.8. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Lots in a Phase on the first day of the

month following the conveyance of the first Lot in such Phase to an Owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, and such amount is subject to change upon closing of the sale of the first Lot within any newly annexed Phase in accordance with the approved budget for such Phase. Written notice of the annual assessment shall be sent to the Owner of each Lot within the Community. All Lots within the real property annexed into the Community under the procedure hereinafter set forth in Article 15 shall be obligated to pay annual assessments to the Association as hereinbefore provided. The annual assessments shall automatically commence as to all Lots within the annexed areas on the first day of the first month following the conveyance of the first Lot within such annexed area to an Owner. The due dates for assessments shall be established by the Board of Directors. If any payment of an assessment installment is less than the amount assessed and the payment does not specify the assessment fund or account into which it is to be deposited, it shall first be applied to pay Association regular annual assessments until the amount due therefor is satisfied, then to pay the Cost Center assessments (if any) due from such Owner until the amount due therefor is satisfied.

Notwithstanding any other provision of this Declaration, conveyance of a Lot which is being used by Declarant for model home, sales office, design center, construction office or similar purposes (any of which uses are referred to herein as "Model Home") shall not commence the annual assessments against such Lot or the other Lots within the same Phase of development until discontinuance of such use of such Lot as a Model Home, or conveyance of any other Lot in such Phase not being used as a Model Home to a member of the general public, whichever occurs first. During the period of time commencing on the first day of the calendar month following the sale of a Lot being used by Declarant as a Model Home, and ending on the date annual assessments commence against such Lot, Declarant shall be responsible for the maintenance of all portions of such Phase of development in which such Model Home Lot is located.

Section 5.9. Effect of Non-Payment of Assessments; Remedies of the Association. Any assessment made in accordance with this Declaration shall be a debt of the Owner of a Lot from the time the assessment is levied. With respect to each assessment not received by the Association within fifteen (15) days after its due date, the Board may, at its election, require the Owner to pay a late charge in a sum to be determined by the Board, but not to exceed ten percent (10%) or Ten Dollars (\$10.00), whichever is greater. A late charge may not be imposed more than once on any delinquent assessment, but it shall not eliminate or supersede any charges imposed on prior delinquent assessments. If any such assessment is not paid within thirty (30) days after the date said assessment is due, the assessment shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay same, and in addition thereto, or in lieu thereof, after the expiration of thirty (30) days following recordation thereof, may foreclose the lien provided herein below against the Lot.

5.9.1 Any assessment not received by the Association within fifteen (15) days after the due date shall be delinquent. At least thirty (30) days before the Association may place a lien upon the Lot of an Owner as provided herein, the Association shall notify such Owner in writing

by certified mail of the fee and penalty procedures of the Association, provide an itemized statement which indicates the principal amount owed, any late charges and the method of calculation, any attorney's fees, and the collection practices used by the Association, including the right of the Association to the reasonable costs of collection. The amount of any such delinquent assessment or installment, together with any accompanying late charges, interest, costs (including reasonable attorneys' fees), and penalties, as provided for in this Declaration, shall be and become a lien on the Lot against which the assessment is levied when the Association causes to be recorded a Notice of Delinquent Assessment (herein the "Notice") in the office of the County Recorder of the County in which the Lot is located. The Notice shall describe the amount of such delinquent assessment or installment and such other charges thereon as may be authorized by this Declaration, a legal description of the Lot against which the same has been assessed, the name of the Owner, and, if the lien is to be enforced by the power of sale under nonjudicial foreclosure proceedings, the name and address of the trustee authorized by the Association to enforce the lien by sale. Such Notice shall be signed by the president or vice-president, and the secretary or assistant secretary of the Association or any employee or agent of the Association authorized to do so by the Board and shall be mailed in the manner set forth in Civil Code Section 2924b to all record owners of the Owner's interest in the Lot no later than ten (10) calendar days after recordation. Said Notice shall be recorded along with a legal description of the Lot against which said assessment is levied and the name of the record Owner of said Lot. Unless the Board considers the immediate recording of the Notice to be in the best interests of the Association, the Notice shall not be recorded until fifteen (15) calendar days after the Association has delivered the above-described required written notice of default. Any payments received by the Association on account of such a debt shall first be applied to the principal amount owed, and only after the principal amount owed is paid in full shall such payments be applied to interest or collection expenses. If the delinquent assessment or installment and related charges are paid or otherwise satisfied, the Association shall record a notice of satisfaction and release of lien. Notwithstanding anything to the contrary herein, and in accordance with California Civil Code Sections 1365.1, 1367.1 and 1367.4, an Owner may dispute an assessment debt by submitting to the Board a written request for dispute resolution, and in the event such a request is made, the Association may not initiate foreclosure without participation in an alternative dispute resolution proceeding. In no event shall the Association proceed with judicial or non-judicial foreclosure to enforce any lien if the amount of the delinquent assessments, exclusive of any interest, cost of collection, late fees and other charges, is less than eighteen hundred dollars (\$1,800.00), until such debt has been delinquent for more than twelve (12) months. The decision to record a lien for delinquent assessments shall be made only by a majority vote of the Board in an executive session, held at least thirty (30) days prior to any public sale. The Board shall record the vote in the minutes of the next meeting of the Board open to all Members.

5.9.2 The Board may, after the expiration of thirty (30) days following recordation thereof, enforce any assessment lien which is in excess of eighteen hundred dollars (\$1,800.00), or more than twelve (12) months delinquent, provided for in Section 5.9 hereinabove, by filing an action for judicial foreclosure or, if the Notice contained the name and address of the trustee authorized by the Association to enforce the lien by nonjudicial foreclosure, by recording a notice of default in the form described in Civil Code Section 2924c(b)(1) to commence a nonjudicial foreclosure. Any nonjudicial foreclosure shall be conducted in accordance with the

requirements of Civil Code Sections 2924, 2924b, 2924c, 2924f, 2924g, and 2924h that apply to nonjudicial foreclosures of Mortgages or deeds of trust. The sale shall be conducted by the trustee named in the Notice of Delinquent Assessment or by a trustee substituted in accordance with the provisions of the California Civil Code. The Association may bid on the Lot at the sale, and may hold, lease, mortgage, and convey the acquired Lot. If the default is cured before the sale, or before completing a judicial foreclosure, including payment of all costs and expenses incurred by the Association, the Association shall record a Notice of Satisfaction and Release of Lien, and on receipt of a written request by the Owner, a Notice of Rescission of the Declaration of Default and Demand for Sale. Suit to recover a money judgment for unpaid assessments, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. Notwithstanding any provision in the law or in this Declaration to the contrary, a nonjudicial foreclosure by the Association to collect upon a debt for delinquent assessments shall be subject to the right of redemption, as provided in Civil Code Section 1367.4, which right shall run for a period of ninety (90) days after the sale.

5.9.3 A monetary penalty imposed by the Association as a disciplinary measure for (a) failure of an Owner to comply with this Declaration, and the Articles, Bylaws or Rules and Regulations of the Association, or (b) as a means of reimbursing the Association for costs incurred by the Association in the mitigation, remediation and/or repair of damages to the Common Area and facilities for which the Owner or the Owner's guests or tenants is allegedly responsible, or (c) to bring an Owner or its Lot into compliance with this Declaration, and the Articles, Bylaws or Rules and Regulations of the Association shall not be treated as an assessment which may become a lien against the Owner's Lot enforceable as provided in Section 1356 of the California Civil Code. This Section shall not apply to charges imposed against an Owner which are reasonable late payment penalties for delinquent assessments nor charges to reimburse the Association for the loss of interest and for costs reasonably incurred (including attorneys' fees) in its efforts to collect delinquent assessments.

5.9.4 In addition to the lien power described hereinabove, each Owner vests in the Association or its assigns, the right and power to bring all actions at law against such Owner or other Owners for the collection of delinquent assessments. In lieu of bringing an action at law to collect delinquent assessments, the Association may submit the matter to arbitration pursuant to the Rules of the American Arbitration Association. The decision of the arbitrator on such delinquent assessment shall be binding on both the Association and the delinquent Owner and may be enforced in any court of competent jurisdiction. The fee to initiate such arbitration shall be paid by the Association and shall be recoverable as part of the arbitration award, in addition to the late charges and interest on the delinquent assessment as provided above.

Section 5.10. Policies for Assessment Collection. The Board of Directors shall annually distribute within sixty (60) days prior to the beginning of the fiscal year a statement of the Association's policies and practices for enforcing its remedies against Members for defaults in the payment of annual and special assessments, including the recording and foreclosing of liens against Members' Lots.

Section 5.11. Subordination of the Lien to First Deeds of Trust and First Mortgages. The lien for the assessments provided for herein shall be subordinate to the lien of any first Mortgage upon any Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale

or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a first Mortgage or any conveyance in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. Where the Mortgagee of a first Mortgage of Record or other purchaser of a Lot obtains title to the same as a result of foreclosure or conveyance in lieu thereof, such acquirer of title, including successors and assigns, shall not be liable for the share of the common expenses or assessments by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the Lots including such acquirer, its successors and assigns.

Section 5.12. Estoppel Certificate. The Association shall furnish or cause an appropriate officer to furnish, upon demand by any person, a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 5.13. Personal Liability of Owner. No Member may be exempted from personal liability for assessments, nor any part thereof, levied by the Association, nor release the Lot owned by such Member from the liens and charges hereof by waiver of the use and enjoyment of the Common Area and facilities thereon, or by abandonment of such Member's Lot.

Section 5.14. Exempt Property. All Properties dedicated to and accepted by a local public authority, and all Properties owned by a charitable nonprofit organization exempt from taxation by the laws of the State of California, shall be exempt from the assessments created herein. However, no real property or improvements devoted to dwelling use shall be exempt from said assessments.

Section 5.15. Assessment Limitation Not Applicable. The limitation on percentage increases of annual assessments shall not limit assessment increases by the Board for the following emergency situations:

- (a) An extraordinary expense required by an order of court;
- (b) An extraordinary expense necessary to repair or maintain the Community or any part of it for which the Association is responsible where a threat to personal safety on the property is discovered; or
- (c) An extraordinary expense necessary to repair or maintain the Community or any part of it for which the Association is responsible that could not have been reasonably foreseen by the Board in preparing and distributing the pro-forma operating budget pursuant to Article 6 hereof. However, prior to the imposition or collection of an assessment under this subparagraph (c), the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process, and the resolutions shall be distributed to the members with the notice of assessment.

Section 5.16. Association Statement at Transfer of Title. At the request of any Owner transferring title to such Owner's Lot, the Association shall provide (i) a true statement in writing from an authorized representative of the Association as to the amount of the Association's current regular and special assessments and fees, as well as any assessments levied upon the Owner's Lot which are unpaid on the date of the statement, and (ii) any change in the Association's current regular and special assessments and fees which have been approved by the Association's Board of Directors, but have not become due and payable as of the date disclosure is provided pursuant to this Section.

Section 5.17. Exemption from Assessments to Common Areas. Notwithstanding any other provisions of this Declaration, Declarant, or any other Owner shall not be obligated to pay any portion of any assessments, which is for the purpose of defraying expenses and establishing reserves directly attributable to the existence and use of a Common Area improvement that is not complete at the time assessments commence. Any such exemption for the payment of assessments shall be in effect only until a Notice of Completion of the Common Area improvement has been recorded or the Common Area improvement has been placed into use, whichever shall first occur.

ARTICLE 6 ACCOUNTINGS

Section 6.1. Books, Records and Minutes. The Association shall maintain books of account of all its receipts and expenditures and minutes of its proceedings. The Association shall make the accounting books and records and the minutes of proceedings of the Association available for inspection and copying by a Member, or the Member's designated representative, at the Association's business office within the Community or a place agreed upon by the Association and the Member. If the Association and the Member cannot agree upon a place for inspection, or if the Member so requests in writing, the Association may provide copies of the books, records, and minutes by first-class mail within ten (10) days of receiving the Member's request. The Association may bill the Member for the actual cost of copying and mailing, provided the Association notifies the Member of the costs before sending the copies. For a period of ten (10) years after the close of escrow for the sale of the last Lot in the Community covered by a Final Subdivision Public Report, Declarant shall have the same rights as Owners under this Section 6.1 to inspect, examine and audit the books of the Association. The Association may withhold or redact information from the books, records, and minutes for any of the following reasons:

- (a) The release of the information is likely to lead to the unauthorized use of another person's personal identifying information to obtain credit, goods, services, money, or property; or
- (b) The release of the information is likely to lead to fraud in connection with the Association; or
- (c) The information is privileged under law.

Except as provided by attorney-client privilege, the Association may not withhold or redact information concerning the compensation paid to employees, vendors, or contractors. Compensation information for individual employees shall be set forth by job classification or title, not by any personal information of the employee. The accounting books, records, and minutes, and any information from them may not be sold, used for commercial purposes, or used for any other purpose not reasonably related to a Member's interest as a Member.

6.1.1 Commencing not later than ninety (90) days after the close of escrow for the sale of the first Lot, copies of the documents listed below, as soon as readily obtainable, shall be delivered by Declarant to the Board at the office of the Association, or at such other place as the Board shall prescribe. The obligation to deliver the listed documents shall apply to any documents obtained by Declarant no matter when obtained, provided, however, that such obligation shall terminate upon the earlier of (a) the conveyance of the last Lot covered by a subdivision public report or (b) three years after the expiration of the most recent public report, on the Community:

- (1) The recorded subdivision map or maps for the Community.
- (2) The deeds and easements executed by Declarant, conveying the Common Area or other interest to the Association, to the extent applicable.
- (3) The recorded Declaration, including all amendments and annexations thereto.
- (4) The Association's bylaws and all amendments thereto.
- (5) The Association's filed Articles of Incorporation, if any, and all amendments thereto.
- (6) All Design Review Guidelines and all other rules regulating the use of an Owner's interest in the Community or use of the Common Area which have been promulgated by the Association.
- (7) The plans approved by the local agency or county where the Community is located for the construction or improvement of facilities that the Association is obligated to maintain or repair; provided, however, that the plans need not be as-built plans and that the plans may bear appropriate restrictions on their commercial exploitation or use and may contain appropriate disclaimers regarding their accuracy.
- (8) All notice of completion certificates issued for Common Area improvements (other than residential structures).
- (9) Any bond or other security device in which the Association is the beneficiary.
- (10) Any written warranty being transferred to the Association for Common Area equipment, fixtures or improvements.

(11) Any insurance policy procured for the benefit of the Association, the Board or the Common Area.

(12) Any lease or contract to which the Association is a party.

(13) The membership register, including mailing addresses and telephone numbers, books of account and minutes of meetings of the Members, of the Board, and of committees of the Board.

(14) Any instrument referred to in Business and Professions Code Section 11018.6(d) but not described above which establishes or defines common, mutual or reciprocal rights or responsibilities of Members.

6.1.2 Commencing not later than ninety (90) days after the annexation of additional Phases to the Community, copies of those documents listed above, which are applicable to that Phase, shall, as soon as readily obtainable, be delivered by Declarant to the Board at the office of the Association, or at such other place as the Board shall prescribe. The obligation to deliver the listed documents shall apply to any documents obtained by Declarant no matter when obtained, provided, however, that such obligation shall terminate upon the earlier of (a) the conveyance of the last Lot covered by a subdivision public report or (b) three years after the expiration of the most recent public report, on the Community.

Section 6.2. Budget.

6.2.1 Except as provided in Section 6.2.2, a pro forma operating statement ("Budget") for each fiscal year shall be prepared and distributed to each Owner not less than thirty (30) days nor more than ninety (90) days prior to the beginning of the fiscal year. The Budget shall consist of both a Base Budget and a separate Cost Center Budget, and contain the following information:

(a) The estimated revenue and expenses of the Association for the upcoming fiscal year on an accrual basis;

(b) A summary of the Association's reserves based upon the most recent review or study conducted pursuant to Section 6.2.4 below, based only on assets held in cash or cash equivalents, which shall be printed in bold type and include disclosures in the form required by Civil Code Section 1365.2.5, and all of the following:

(i) The current estimated replacement cost, estimated remaining life, and estimated useful life of each major component within the Common Area and within each identified Cost Center;

(ii) As of the end of the fiscal year for which the study is prepared:

A. The current estimate of the amount of cash reserves necessary to repair, replace, restore, or maintain the major components within the Common Area, walls and fences maintained by the Association, signage, and the public trail system, and, separately accounted for, the components within each identified Cost Center;

B. The current amount of accumulated cash reserves actually set aside to repair, replace, restore or maintain major components within the Common Area, walls and fences maintained by the Association, signage, and the public trail system, and each identified Cost Center;

(iii) The percentage that the amount determined for purposes of clause B. of subparagraph (ii) above is of the amount determined for purposes of clause A. of subparagraph (ii) above;

(c) A statement as to both of the following:

(i) Whether the Board of Directors of the Association has determined or anticipates that the levy of one or more special assessments will be required to repair, replace, or restore any major component within the Common Area, or any Cost Center, or to provide adequate reserves therefor. If so, the statement shall also set out the estimated amount, commencement date, and duration of the assessment;

(ii) The mechanism or mechanisms by which the Board will fund reserves to repair or replace major components, including assessments, borrowing, use of other assets, deferral of selected replacement or repairs, or alternative mechanisms.

(d) A general statement setting forth the procedures used by the governing body in the calculation and establishment of reserves to defray the costs of repair, replacement or additions to major components of the Common Areas, or any Cost Centers, and facilities for which the Association is responsible. The report shall include, but need not be limited to, reserve calculations made using the formula described in Civil Code Section 1365.2.5(b)(4), and may not assume a rate of return on cash reserves in excess of two percent (2%) above the rediscount rate published by the Federal Reserve Bank of San Francisco at the time the calculation is made.

6.2.2 In its sole discretion, and in lieu of the procedure set forth in Section 6.2, the Board of Directors may elect to distribute a written summary of the Budget ("Summary") to all Owners not less than thirty (30) days nor more than ninety (90) days before the beginning of the fiscal year. In addition to the Summary, the Board of Directors shall include a written Notice, in at least 10 point bold type on the front page of the Summary stating that: a) the Budget is available for review at a location within the Community or at the office of the management company for the Association; and b) upon the written request of an Owner, the Association shall mail one copy of the Budget to an Owner. Such Budget shall be mailed at the Association's expense by pre-paid first class mail and shall be delivered within five (5) days from the date of the receipt of such Owner's written request.

6.2.3 The summary of the Association's reserves disclosed pursuant to paragraph 6.2.1 shall not be admissible in evidence to show improper financial management of the Association, provided that other relevant and competent evidence of the financial condition of the Association is not made inadmissible by this provision.

6.2.4 At least once every three (3) years the Board of Directors shall cause to be conducted a reasonably competent and diligent visual inspection of the accessible areas of the major components which the Association is obligated to repair, replace, restore, or maintain as part of a study of the reserve account requirements of the Community if the current replacement value of the major components within the Common Area, including the Cost Centers, which the Association is obligated to repair, replace, restore or maintain is equal to or greater than one-half (½) of the gross Budget of the Association which excludes the Association's reserve account for that period. The Board shall review, or cause to be reviewed, this study annually and shall consider and implement necessary adjustments to the Board's analysis of the reserve account requirements as a result of that review. The study required hereunder shall at a minimum include:

(a) Identification of the major components within the Common Area and the Cost Centers which the Association is obligated to repair, replace, restore, or maintain which, as of the date of the study, have a remaining useful life of less than thirty (30) years;

(b) Identification of the probable remaining useful life of the components identified in Section 6.2.4(a) as of the date of the study;

(c) An estimate of the cost of repair, replacement, restoration, or maintenance of each major component identified in Section 6.2.4(a);

(d) An estimate of the total annual contribution necessary to defray the cost to repair, replace, restore, or maintain each major component during and at the end of its useful life, after subtracting total reserve funds as of the date of the study.

6.2.5 As used in this Article, "reserve accounts" means moneys that the Association's Board of Directors has identified for use to defray the future repair or replacement of, or additions to, those major components which the Association is obligated to maintain.

6.2.6 As used in this Article, "reserve account requirements" means the estimated funds which the Association's Board of Directors has determined are required to be available at a specified point in time to repair, replace, or restore those major components which the Association is obligated to maintain.

6.2.7 The Budget and financial reporting required by this Article shall include appropriate information regarding the Cost Centers that the Association is obligated to maintain. All Cost Center assessment funds received by the Association shall be maintained in Cost Center operating and reserve accounts separate from the Association's general operating funds and general reserve funds, shall not be commingled with such funds, and shall not be expended for any general purpose of the Association other than for the respective costs of the respective Cost Centers for which they are intended, and for the costs of administrative, accounting and financial reporting requirements and functions directly related to the Cost Centers.

Section 6.3. Initial Financial Report. A balance sheet, as of the accounting date which is the last day of the month closest in time to six (6) months from the date of the closing of the first sale of a Lot in the Community, and an operating statement for the period from the date of the

first closing to said accounting date, shall be distributed within not less than thirty (30) nor more than (90) days after the accounting date. The operating statement shall include a summary of assessments received and receivable.

Section 6.4. Annual Report. An annual report consisting of the following, separately stated for the general funds of the Association and for each separate Cost Center account, shall be distributed to each Owner within one hundred twenty (120) days after the close of the fiscal year:

- (a) A balance sheet as of the end of the fiscal year;
- (b) An operating (income) statement for the fiscal year;
- (c) A statement of changes in financial position for the fiscal year;
- (d) Any information required to be reported under Section 8322 of the Corporations Code; and

(e) A review of the annual report for the Association prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy, (hereinafter "Independent Accountant"), for any fiscal year in which the gross income to the Association exceeds Seventy-Five Thousand Dollars (\$75,000).

(f) A statement of policies and procedures employed by the Board of Directors to enforce the collection of delinquent assessments.

Section 6.5. Independent Preparation. Ordinarily the annual report referred to in Section 6.4 above shall be prepared by an Independent Accountant for each fiscal year.

Section 6.6. Copy of Financial Statement To Prospective Buyers. Within ten (10) days of receipt of any written request therefor, the Board of Directors shall furnish any Owner or prospective Owner with a copy of this Declaration, the Articles of Incorporation, Bylaws and Rules and Regulations of the Association, as amended to date, together with a copy of the Association's most recent annual financial report as described in Section 6.4 hereof, and a true statement of any delinquent assessments, penalties, late charges, attorneys' fees or other charges under this Declaration on such Owner's Lot as of the date the statement is issued. The items required to be made available pursuant to this Section may be maintained in electronic form and requesting parties shall have the option of receiving them by electronic transmission or machine readable storage media if the Association maintains these items in electronic form. The Board of Directors may charge a reasonable fee for providing such documents and reports based upon the Association's actual cost to procure, prepare and reproduce same.

Section 6.7. Association Officer Statement. If the report referred to in Section 6.5 above is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association stating that the report was prepared without audit from the books and records of the Association.

Section 6.8. Association's Policies and Practices Statement. A statement describing the Association's policies and practices in enforcing lien rights or other legal remedies for default in

payment of its assessments against its Members shall be annually delivered to the Members not more than thirty (30) nor more than ninety (90) days immediately preceding the beginning of the Association's fiscal year.

Section 6.9. Reconciliation of Accounts. The Board of Directors shall do the following not less frequently than quarterly:

- (a) Cause a current reconciliation of the Association's operating accounts to be made and review the same;
- (b) Cause a current reconciliation of the Association's reserve accounts to be made and review the same;
- (c) Review the current year's actual reserve revenues and expenses compared to the current year's budget;
- (d) Review the most current account statements prepared by the financial institution where the Association has its operating and reserve accounts; and
- (e) Review an income and expense statement for the Association's operating and reserve accounts.

Section 6.10. Reserve Account.

6.10.1 Withdrawal of funds from the Association's reserve account, or Cost Center reserve accounts, shall require the signatures of either: (1) two members of the Board of Directors, or (2) one member of the Board of Directors and an officer of the Association who is not also a member of the Board of Directors.

6.10.2 The Board of Directors shall not expend funds designated as reserve funds for any purpose other than:

- (a) the repair, restoration, replacement, or maintenance of major components which the Association is obligated to repair, restore, replace or maintain and for which the reserve fund was established, or
- (b) litigation involving the purposes set forth in (a) above.

6.10.3 Notwithstanding Section 6.10.2 above, the Board:

- (a) may authorize the temporary transfer of money from the reserve account, but not the Cost Center reserve accounts, to the Association's operating account to meet short term cash flow requirements or other expenses, if the Board has provided notice of the intent to consider the transfer in a notice of meeting, which shall be provided as specified in Civil Code Section 1363.05. The notice shall include the reasons the transfer is needed, some of the options for repayment, and whether a special assessment may be considered. If the Board authorizes the transfer, the Board shall issue a written finding, recorded in the Board's minutes, explaining the reasons that the transfer is needed, and describing when and how the money will be repaid to the

reserve account.

(b) shall cause the transferred funds to be restored to the reserve account within one (1) year of the date of initial transfer; however, the governing body may, after giving the same notice required for considering a transfer, upon making a documented finding that a temporary delay of restoration of the funds to the reserve account would be in the best interests of the development, temporarily delay the restoration until such time it reasonably determines to be necessary.

(c) shall exercise prudent fiscal management in maintaining the integrity of the reserve account, and shall, if necessary, levy a special assessment to recover the full amount of the expended funds within the time limits specified in (b) above. Any such special assessments shall be subject to the five percent (5%) limitation specified in Section 5.4 above. The Board may, at its discretion, extend the date the payment on the special assessment is due. Any extension shall not prevent the Board from pursuing any legal remedy to enforce the collection of an unpaid special assessment.

When the decision is made to use reserve funds or to temporarily transfer money from the reserve account to pay for litigation, the Board shall notify the Members of that decision in the next available mailing to all Members pursuant to Section 5016 of the Corporations Code, and of the availability of an accounting of the expenses related to litigation on at least a quarterly basis. The accounting shall be made available for inspection by Members at the Association's office.

Section 6.11. Transfer of Title. The Board of Directors shall not impose or collect any assessment, penalty or fee in connection with the transfer of title or any other interest except the Board of Directors' actual costs to change its records and the fee for providing documents pursuant to Section 6.6.

ARTICLE 7 DESIGN REVIEW COMMITTEE

Section 7.1. Submissions and Approvals Required. No building, fence, wall, patio cover or other structure, landscaping or improvement (collectively "***Improvement***") shall be commenced, erected, placed or altered upon any Lot until the location and full, complete and legible plans and specifications, in form acceptable to the Board or the Design Review Committee, showing the nature, kind, shape, height and materials, including the color scheme, have been submitted by personal delivery or certified mail, return receipt requested, to and approved in writing as to harmony of external design and location of surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee appointed by the Board of Directors and composed of three (3) or more, but not to exceed five (5) representatives ("***Design Review Committee***"). Each Owner shall be required to file complete applications for approval of the proposed front yard landscaping for such Owner's Lot with the Design Review Committee within sixty (60) days after close of escrow for such Lot. The Design Review Committee may designate an agent (i.e. an architect) for the purpose of assisting in the review of such location, plans and specifications or other requests and may charge the Owner making a submission its reasonable costs of such agent's review. Approval shall be by majority vote of the Board or its

designated committee. In making its decisions hereunder, the Design Review Committee shall, among other matters, consider whether the proposed Improvements comply with the Applicable Building Laws (as defined below). The Design Review Committee shall deliver its written approval, disapproval or request for additional information or materials to the applicant at the address listed in the application within forty-five (45) calendar days after the date on which the Association has issued its Acknowledgement of Receipt of Complete Application to the applicant. The application shall not be deemed approved if the Design Review Committee fails to respond to applicant at the end of the forty-five (45) day review period. Upon failure by the Association to respond to the applicant within the forty-five (45) days, the applicant must submit by U.S. mail, with return receipt requested, a written request to the Design Review Committee for notification of the status of the application. If the Design Review Committee fails to respond to the applicant within forty-five (45) days of confirmed receipt, the application shall be deemed approved if the applicant can prove the receipt of both the Acknowledgement of Receipt of Application and confirmation of receipt of the Request for Status by the Association. Without both confirmations, the application shall be deemed disapproved and a new application must be submitted to the Design Review Committee. Grade, level or drainage characteristics of the Lot or any portion thereof, shall not be altered without the prior written consent of the Board or its designated committee.

7.1.1 If the Design Review Committee disapproves any proposed Improvement or the plans and specifications submitted by an Owner pursuant to this Article, it shall give written notice of such disapproval to applicant, including both an explanation of why the proposed Improvement was disapproved, and a description of the procedure for reconsideration by appeal to the Board. The applicant may appeal the disapproval to the Board of Directors unless the decision to disapprove was originally made by the Board, or a body with the same membership as the Board, at an open meeting held in accordance with the provisions of Civil Code Section 1363.05. The appeal shall be made by filing a written request for reconsideration by the Board with the Secretary or the management company for the Association, as applicable. The Board must receive the written request for reconsideration not more than thirty (30) days following the final decision of the Design Review Committee. The Board shall include the request for reconsideration on the agenda for its next regularly scheduled Board meeting, to be held not less than ten (10) days and not more than ninety (90) days after its receipt of such request. If no regular Board meeting is scheduled within such period, the Board shall schedule a special meeting of the Board within such period to consider the appeal. The decision of the Board after reconsideration of the disapproval at such open meeting shall be binding and final.

7.1.2 This approval requirement shall not apply to the original construction of Declarant. Each Owner shall be responsible for obtaining all necessary approvals or permits from applicable governmental entities or agencies and shall comply with all laws, codes and regulations concerning the construction of any such Improvement.

7.1.3 Any Owner who desires to modify such Owner's Lot shall be the sole responsible party, and hereby covenants to take whatever actions are necessary, including hiring consultants/experts to advise such Owner, the Association and the Design Review Committee whether any proposed modifications to an Owner's Lot ("**Modifications**") are in full compliance with any governing provision of law, including, but not limited to, the Fair Employment and

Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2 of the Government Code), any applicable building codes, and/or any other applicable laws governing land use or public safety ("**Applicable Building Laws**").

7.1.4 Any such Owner shall represent and warrant to the Association and the Design Review Committee, in a signed certificate, the form and substance of which are reasonably acceptable to the Board, that the Modifications are in full compliance with any and all Applicable Building Laws, and shall indemnify, defend and hold Declarant, Board, Association and Design Review Committee ("**Indemnified Parties**") harmless from any and all liabilities, fines, sanctions, costs and expenses, including attorneys' fees and costs, levied against or incurred by any or all of the Indemnified Parties resulting from any violation of the above covenant, representation and warranty by such Owner.

7.1.5 The approval by the Design Review Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the Design Review Committee under this Declaration, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

7.1.6 A copy of the Design Review Guidelines, if any have been adopted, or, if none, a written notice of the requirements for Association approval of physical changes to a Lot that are subject to this Article, shall be annually delivered to the Members during the sixty (60) day period immediately preceding the beginning of the Association's fiscal year. Such written notice shall include a copy of the procedures used for architectural review of an application for a proposed change under this Article.

Section 7.2. Appointment of Design Review Committee. Declarant may appoint all of the original members of the Design Review Committee and all replacements until the first anniversary of the original issuance of the Final Subdivision Public Report for the Community. Thereafter, Declarant may appoint a majority of the members of the Design Review Committee until ninety percent (90%) of the Lots in the Community have been sold or until the fifth (5th) anniversary of the original issuance of the Final Subdivision Public Report for the Community, whichever first occurs. After one year from the date of the original issuance of the Final Subdivision Public Report for the Community, the Board of Directors of the Association shall have the power to appoint one member to the Design Review Committee until ninety percent (90%) of the Lots in the Community have been sold or until the fifth (5th) anniversary of the original issuance of the Final Subdivision Public Report for the Community, whichever first occurs. Thereafter, the Board of Directors of the Association shall have the power to appoint all of the members of the Design Review Committee. Members appointed to the Design Review Committee need not be Members of the Association.

Section 7.3. Views. There are no express or implied easements whatsoever appurtenant to any Lot for view purposes, or for the passage of light and air across any other Lot, or any property not within the Community, regardless of whether such Lot is owned by Declarant. In addition, no Owner shall have any right to the protection of any view that may exist at any time from such Owner's Lot across any other Lot or property. Each Owner, by accepting a deed to a Lot, hereby expressly acknowledges and agrees that any view which his Lot may enjoy as of the date of

purchase may be impaired or obstructed by the installation of trees, other landscaping or other types of barriers (both natural and artificial), the growth of landscaping, the construction or installation of improvements in the Community and/or any adjoining property, and each Owner hereby expressly consents to any such obstruction. In the event of a dispute between Owners as to the obstruction of a view from a Lot, such dispute shall be submitted to the Design Review Committee whose decision in such matters shall be binding. Any such obstruction shall, upon request of the Design Review Committee, be removed or otherwise altered to the satisfaction of the Design Review Committee, by the Owner upon whose Lot said obstruction is located. If said Owner fails to take such action as required, the Association, Design Review Committee, or their authorized agents or employees, may, but is not obligated to, enter upon such Lot, rectify the condition, and charge such Owner the cost thereof. Declarant make no assurance whatsoever concerning the impact on views of any construction of Improvements by anyone after completion of Declarant's original construction, whether such construction is approved by the Design Review Committee or constructed on property contiguous to the Properties.

Section 7.4. Fences and Walls. Each Owner shall maintain the fences and walls installed by Declarant along the side and rear perimeters of such Owner's Lot, except to the extent that the Association has responsibility for such maintenance. No alteration of such walls and fences shall be permitted without the prior approval of the Design Review Committee. Such fences and walls shall be built so as to straddle the boundary lines of a Lot, and only one fence or wall shall be constructed on the boundary lines of adjoining Lots. Each Owner shall obtain all necessary permits for such construction and shall comply with all local laws and ordinances in connection with such construction. The cost of construction and maintenance of the fences and walls shall be borne by the Owner thereof, except that the cost of construction and maintenance for fences and walls which straddle boundary lines of adjoining Lots shall be borne equally by such adjoining Lots as required by California Civil Code Section 841.

7.4.1 The masonry sound walls located along the boundary lines between certain Lots in the Community and adjacent roads shall be owned by the Association. The interior surfaces thereof shall be the responsibility of the respective Owners of such Lots to maintain and the Association shall be responsible for the maintenance of the exterior surfaces thereof and the caps thereon, and for the structural repair and replacement of such walls. The Lots containing such walls subject to this paragraph, and the approximate locations thereof, are described on Exhibit "MSW" attached hereto and incorporated herein by this reference, and/or in Exhibits to Notices of Annexation for future Phases of the Community.

7.4.2 The combination walls, consisting of a low masonry wall with tubular steel fencing on top, located along the boundaries of certain residential Lots. The interior surfaces of combination walls shall be the responsibility of the individual Owners of such Lots to maintain, repair and replace, and the tubular steel fencing on top and the structure and exterior of the masonry walls shall be the responsibility of the Association to maintain. The Lots containing such combination walls, and the approximate locations of such combination walls, are shown on Exhibit "CW" attached hereto and incorporated herein by this reference, and/or in Exhibits to Notices of Annexation for future Phases of the Community.

7.4.3 Other masonry Community walls located along the boundary lines between certain other Lots and adjacent roads shall be owned by the individual Owners of such Lots, and

the individual Owners thereof shall be responsible for the maintenance of the interior surfaces of such walls. The Association shall be responsible for the maintenance of the exterior surfaces and for the structural repair and replacement thereof, and the caps thereon. The Lots containing such masonry Community boundary walls subject to this paragraph are also described on Exhibit "MW" attached hereto, and/or in Exhibits to Notices of Annexation for future Phases of the Community.

7.4.4 The chain link fences located along the boundaries of Common Areas, and located outside of the Community, between Common Areas and Escondido Creek, shall be the responsibility of the Association to maintain, repair and replace. The approximate locations of the chain link fencing are shown on Exhibit "CLF" attached hereto and incorporated herein by this reference, and/or in Exhibits to Notices of Annexation for future Phases of the Community.

7.4.5 The approximate locations of the post and rail fencing located both within the Common Areas and outside of the Community in the Off-Site Maintenance Areas, for which the Association has the responsibility to maintain, repair and replace, are shown on Exhibit "PRF" hereto.

7.4.6 The Owners of all Lots having tubular steel property line fencing installed by Declarant shall be solely responsible for the maintenance thereof, except as may be otherwise provided in Exhibit "TSF", attached hereto and incorporated herein by this reference, or in Exhibits to Notices of Annexation for future Phases of the Community. Tubular steel fencing shall only be replaced with tubular steel fencing of like quality and design.

7.4.7 In the event any Owner fails to maintain the fences and walls as required hereunder, then the Association may, after due notice to the Owner involved and opportunity to be heard, shall have the right of access to such Owner's Lot to conduct such maintenance as may be necessary and said Owner shall be liable for all costs incurred by the party conducting such activities.

Section 7.5. Non-Liability of Design Review Committee Members. Neither Declarant, the Association, the Board or the Design Review Committee, or the members or designated representatives thereof, shall be liable for damages to any Owner submitting plans or specifications to them for approval, or to any Owner in the Community affected by this Declaration by reason of mistake in judgment, negligence or nonfeasance, unless due to willful misconduct or bad faith of the Design Review Committee. The Design Review Committee's approval or disapproval of a submission shall be based solely on the consideration set forth in this Article, and in such rules and regulations as may be promulgated by the Design Review Committee, and the Design Review Committee shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plans or design from the standpoint of structural safety and conformance with building or other codes, which responsibility, pursuant to Section 7.1.3 hereof, shall be the sole responsibility of Owner.

Section 7.6. Landscaping by Owner. Except to the extent that Declarant has installed such landscaping, each Owner of a Lot shall, within one hundred eighty (180) days after acquiring title thereto, cause the front and side yards of said Lot, and within one year, the rear yard thereof, to be fully landscaped, subject to reasonable growing times, and shall thereafter cause all

landscaping to be maintained in a neat and orderly manner, replacing any plant material which die or are otherwise destroyed. EACH OWNER SHALL BE REQUIRED TO SUBMIT TO THE DESIGN REVIEW COMMITTEE SUCH OWNER'S COMPLETE APPLICATION FOR APPROVAL OF PROPOSED LANDSCAPING IMPROVEMENTS TO THE FRONT YARD OF SUCH OWNER'S LOT WITHIN NOT MORE THAN SIXTY (60) DAYS AFTER TAKING TITLE THERETO. All planting of trees, shrubs, and landscaping, and the replacement thereof, shall be done only in accordance with, and after approval of an Owner's initial landscaping plan by the Design Review Committee, and using only trees, shrubs and landscaping approved and permissible within areas adjacent to Fuel Modification Zones and/or to the preserve areas in Lots "A", "B", "C" or "D" of said Tract 839. No weeds, rubbish, debris, objects or materials of any kind, plants or seed infected with noxious insects or plant diseases shall be placed, grown or permitted to accumulate on any portion of a Lot which renders such portion of the Lot unsanitary, unsightly, offensive or detrimental to any Lot in the vicinity thereof, or to the occupants of any such Lot, or to the Common Area. In the event of the default in performance of this provision, Declarant, the Design Review Committee, the Board or any agents thereof shall have the right to enter upon such Lot, as provided in Section 10.1 hereof, and remove all such weeds, plants, rubbish, debris, objects of materials and do all the things necessary to place said Lot in a neat and orderly condition including the installation of front, side and rear lawns and landscaping, and any expenses therefor shall become due and payable by the Owner of said Lot to such person or entity performing such work within ten (10) days after written demand therefor.

ARTICLE 8 USE RESTRICTIONS AND OBLIGATIONS OF OWNERS

Section 8.1. Leasing of Lots. Any Owner may lease such Owner's Lot subject to the Owner occupancy and/or anti-speculation requirements and restrictions, if any, contained in the purchase agreement between such Owner and the seller of such Lot, and to the following:

8.1.1 No Owner shall be permitted to lease such Owner's Lot for transient or hotel purposes.

8.1.2 No Owner may lease less than the entire Lot.

8.1.3 Any lease agreement is required to provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration, the Bylaws and any Rules and Regulations adopted by the Association and that any failure by the lessee to comply with the terms of such documents shall constitute a default under the lease.

Section 8.2. Use Restrictions. In addition to all other covenants contained herein, the use and enjoyment of the Properties and each Lot therein shall be subject to the following:

8.2.1 **Restriction on Non-Residential Uses.** No Lot shall be occupied and used except for residential purposes by the Owners, their tenants, and social guests, and no trade or business shall be conducted therein, except as noted in Section 8.2.2 below, and that Declarant, its successors or assigns, may use any Lot or Lots in the Community owned by Declarant for a

model home site or sites and display and sales office until the last Lot is sold by Declarant. No tent, shack, trailer, garage, outbuilding or structure of a temporary character shall be used at any time as a residence, either temporarily or permanently.

8.2.2 Limited Non-Residential Uses Permitted. No part of the Community shall ever be used or caused to be used directly, or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending or other such non-residential purposes, except for Home Occupation, provided the Owner has obtained a Home Occupation Permit through the City of Escondido and its operation complies with the Condition of its approval. However, the provisions of this Section shall not preclude professional and administrative occupations within the Community, or other reasonable business activity, which have no signs or other external evidence thereof, for so long as such occupations are in conformance with all applicable governmental ordinances, are merely incidental to the use of the Lot as a residential home, and do not in any manner disturb other occupants or generate pedestrian traffic, deliveries or other nuisance.

8.2.3 Signs. No sign or billboard of any kind shall be displayed by any Owner on any portion of the Community or Lot, except one sign of reasonable size, advertising that the particular Lot is for sale or rent, or except by Declarant in connection with initial sales of the Lots, during the sales period set forth in Section 8.2.1, hereinabove. No provision herein shall be read or construed to prohibit the posting or displaying of noncommercial signs, posters, flags, or banners on or in an Owner's separate Lot (not Common Area), in accordance with California Civil Code Sections 1353.5 and 1353.6. The Association shall have the right and power to impose reasonable restrictions on the duration of the posting or displaying of such signs, posters, flags or banners. Owners are advised to refer to the Rules and Regulations promulgated by the Board.

8.2.4 Nuisances. No noxious or offensive activity shall be carried on in any Lot or any part of the Community, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the Owners of such Owner's respective Lot or which shall in any way increase the rate of insurance.

8.2.5 Vehicles and Equipment. Garages shall be used for parking purposes only, for parking the number of motor vehicles the garage was designed to accommodate and, except as permitted by Section 8.2.5.1 below, shall not be used for storage, living purposes (for people or animals) or recreational activities of any kind. No Owner shall leave his or her automobile parked or left within the Community other than within such Owner's garage or within such Owner's driveway, provided that such vehicle shall not encroach into or obstruct the sidewalk area. Garage doors shall not be allowed to remain open and unattended, but shall be kept closed except when in use for entry or exit, cleaning, moving, or other purpose permitted under the Rules and Regulations.

8.2.5.1. Owners having fewer motor vehicles than the number for which such Owner's garage was designed may use the additional area in the garage for storage or recreational activities. Owners are never permitted to use any space within the garage for temporary or permanent living purposes, regardless of the number of motor vehicles Owner

possesses. Owners may not use the garage as a space for animals of any kind, including, but not limited to, dogs, cats, rodents (e.g., rats, mice and hamsters), rabbits and reptiles (e.g., snakes and lizards), except for brief temporary periods as necessary for protection of the animal, for example, during treatment of yard areas with chemicals, in accordance with the Rules and Regulations.

8.2.5.2. No trailer, camper, boat, recreational vehicle, or similar equipment or inoperative automobile, or commercial-type vehicles (e.g., vehicles used for business purposes, including but not limited to construction, landscaping and the sale or transport of goods, stakebed trucks, tank trucks, dump trucks, step vans, concrete trucks, limousines or vehicles with commercial signage) shall be permitted to be parked within the Community by an Owner or occupant of a Lot, unless placed and maintained entirely within the garage, and such vehicles are not permitted to be parked on the driveway of any Lot. Permitted commercial vehicles of Owners and occupants of a Lot must fit completely within the garage and must not prevent the garage door from closing. If the garage door cannot be closed so as to completely contain the vehicles within, such vehicle is not permitted within the Community. The foregoing paragraph shall not be deemed to prohibit street parking of vehicles by police, ambulance, fire protection personnel, contractors, vendors, plumbers, movers, landscapers or other service providers while providing services within the Community to an Owner or occupant of the Community.

8.2.5.3. The restrictions set forth in this Section are in addition to any applicable restrictions or requirements elsewhere in this Declaration, or in the Rules and Regulations of the Association. Each Owner shall be responsible for ensuring that their family members and tenants comply with the restrictions and requirements set forth in the Declaration and the Rules and Regulations promulgated by the Board.

8.2.5.4. The Association shall have the right to establish procedures and penalties to enforce and subsequently verify adherence to the restrictions and regulations of this Declaration and the Rules and Regulations. Verification and enforcement procedures may, at the Board's sole discretion, include the right to visually inspect the interior of the violating Owner's garage

8.2.5.5. Any Owner whose vehicle (including vehicles belonging to any members of Owner's family) is found to be in violation of the restrictions and requirements of this Declaration or Rules and Regulations, shall be subject to towing, fines and any other disciplinary action in accordance with the penalties for such violations adopted by the Board, including the subsequent verification of the violator's adherence to the violated restriction(s) and/or requirement(s)

8.2.5.6. Owner and Owner's family members and tenants may be prohibited from parking on any street in the Community. Parking of recreational vehicles on the streets in the Community is permitted only for loading and unloading, for a limited period not to exceed forty-eight (48) hours. The foregoing restrictions shall not be deemed to prevent temporary parking for loading and unloading, washing and polishing of such motor vehicle, boat, trailer, camper or motor-driven cycle, together with those activities normally incident and necessary to such washing and polishing.

8.2.6 Pets and Animals. Subject to the limitations of the City's Zoning Code Section 33-1116, an Owner may keep and maintain in such Owner's Lot only a reasonable number of domesticated pets such as dogs, cats, birds or other usual and ordinary household pets, not to exceed two (2) cats, and two (2) dogs, or a total of four (4) in number, or as may be permitted by the Rules and Regulations adopted by the Board from time to time, and provided that such pets shall not be allowed in the Common Area or recreational areas except as may be permitted by the Rules and Regulations. The Board in its sole and absolute discretion may determine what constitutes a "reasonable number" of pets in any particular circumstances. Except as hereinabove provided, no animals, livestock, birds or poultry shall be brought within the Community or kept in any Lot thereof. Owners keeping pets shall be accountable to the other Owners for the acts of such pets, and should any Owner be unable to control barking or other noise or acts of such Owner's pets that disturb any neighbors such Owner shall be required to remove such pet from the Community. Each Owner of a pet shall forthwith clean up and remove any animal waste such pet may deposit on the Common Area or the property of another Owner. No dog will be allowed on the Common Area or recreational areas without being supervised and on a leash. Any Owner (including such Owner's family, guests and invitees) who maintains any pet, animal, reptile, livestock or other living creature of any kind, within the Community, whether in compliance with this Declaration and the Rules and Regulations or otherwise, shall indemnify, defend and hold the Association harmless from and against any damages, claims, causes of action or losses of any kind or nature, including reasonable attorney's fees and costs, incurred by the Association as a result of any alleged damage or injury caused by such living creature to the Association, to its property, to the Common Area, or to the Members, their family, guests or invitees, or their property.

8.2.7 Aggressive Dog Breeds. Dogs which are of a breed known to be aggressive or commonly trained for fighting (referred to herein as "aggressive dogs"), such as dogs commonly referred to as "pit bulls" for example, are subject to the following special requirements: Aggressive dogs must at all times be securely confined indoors or confined in a securely and completely enclosed and locked pen in a backyard or sideyard area. Any such pen, if one is permitted to be constructed in such Lot, or in such location, under the Design Review Guidelines and the applicable provisions of the City's Zoning Code, shall not exceed six feet (6') in height if it is to be located within fifteen feet (15') of a Lot boundary line, and shall be posted with a conspicuous sign displaying the words "Dangerous Dog" that complies with the Design Review Guidelines of the Association. All fencing shall be in accordance with the City's Zoning Code. At any time that an aggressive dog is not confined, the dog shall be muzzled in such a manner as to prevent it from biting or injuring any person or animal, and kept on a leash held by a person capable of controlling such dog.

8.2.8 Oil and Mining Operations Prohibited. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind, shall be permitted within the Community, nor shall oil wells, tanks, tunnels or mineral excavations or shafts be permitted upon the surface of or within five hundred (500) feet below the surface of the Community. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted within the Community.

8.2.9 Clotheslines, Woodpiles, Storage, Etc. All rubbish, trash and garbage shall be regularly removed from the Community, and shall not be allowed to accumulate thereon. All clotheslines, refuse containers, wood-piles, storage areas, machinery and equipment shall be prohibited within the Community unless obscured from the view of adjoining Lots and streets.

8.2.10 Antennas. Owners are prohibited from installing any antenna on the exterior of a residence for any purpose, except for an "Authorized Antenna" which may be installed so long as the proposed location for such installation is reviewed and approved by the Design Review Committee prior to its installation in order to ensure that the visibility of the Authorized Antenna is minimized with respect to other Owners. The Design Review Committee may require that the location of the Authorized Antenna be moved, and the Board may impose additional restrictions on installation or use of an Authorized Antenna, so long as such review by the Design Review Committee, or such additional restrictions, do not (a) unreasonably delay or prevent installation, maintenance or use of an Authorized Antenna, (b) unreasonably increase the cost of installation, maintenance or use of an Authorized Antenna, or (c) preclude reception of an acceptable quality signal. The Board may prohibit the installation of an Authorized Antenna if the installation, location or maintenance of such Authorized Antenna unreasonably affects the safety of managers, agents or employees of the Association and other Owners, or for any other safety related reason established by the Board. The Board may also prohibit the installation of an Authorized Antenna on property to which an Owner does not hold fee title or is not entitled to exclusively use under this Declaration, or may allow an Owner to install an antenna other than an Authorized Antenna subject to the Design Review Guidelines and review and approval by the Design Review Committee. An "Authorized Antenna" means an antenna that is (a) designed to receive direct broadcast satellite service, including direct-to-home satellite service and that is one meter or less in diameter, and, (b) that is designed to receive video programming service, including multichannel multipoint distribution service, instructional television fixed service, and local multipoint distribution service, and that is one meter or less in diameter, or (c) an antenna that is designed to receive television broadcast signals. Each Owner may maintain individual radio or television antennae systems if located entirely within such Owner's dwelling and if such system is not visible from other Lots or the Common Area, and provided that such system does not interfere with radio and television reception of other Owners within the Community.

8.2.11 Sports Equipment. No exterior roof mounted mechanical equipment, poles or masts shall be constructed on or attached to any residential dwelling or erected or maintained on any Residence, balcony, patio or yard area. No temporary or permanent basketball standard or backboard, or other sports apparatus shall be constructed, erected, installed or maintained on any Residence, balcony, patio or yard area, or on any Common Area or driveway in the Community, unless such sports apparatus is permitted by the Rules and Regulations, and is removed from view of other Lots in the Community by 9:00 p.m. of the day it is erected.

8.2.12 Window Coverings. The use of aluminum foil, newspaper, paint, reflective tint as window covering, or any other material deemed unattractive by the Association in its Design Review Guidelines or Rules and Regulations, is prohibited. The Association has the power to permit temporary window coverings, such as white or pastel color sheets, for a limited period of time after the close of escrow and pending the installation of drapes, curtains, shutters or other appropriate interior window coverings. All window coverings shall be of a uniform neutral

color harmonious with and not in conflict with the color scheme of the exterior wall surface of the Residence and the Community. Window tinting shall not be permitted. Window coverings shall be subject to the approval of the Design Review Committee.

8.2.13 Holiday Decorations. Outdoor holiday decorations, or indoor holiday decorations that are visible from outside, shall be limited to a reasonable period of time prior to the date of the holiday, as determined by the Association, and shall be removed within no more than fourteen (14) days after such holiday, unless prior written authorization has been granted by the Association.

8.2.14 Fences, Walls and Other Similar Improvements. No fences, awnings, ornamental screens, screen doors, sunshades or walls of any kind shall be erected or maintained on or around any portion of any structure or elsewhere within the Community except those that are installed in accordance with the original construction by Declarant, or as are authorized and approved in accordance with Article 7. No gates or other means of access to Common Areas adjacent to a Lot are permitted to be installed in any wall or fence of a Lot unless installed by Declarant, or by the Association for the purpose of providing access for maintenance. In addition, all fences or walls installed on a Lot after the original construction of the Community by Declarant shall be constructed in accordance with the Design Review Guidelines. Each Owner shall be responsible for maintenance of such fences and walls, or portions thereof, as provided in Section 7.4 above. In the event any Owner fails to maintain the fences and walls as required hereunder, then the Association shall have the right and power to do so as further provided in Section 7.4.6 above.

8.2.15 Security. Owners and occupants of a Lot, and their respective guests and invitees, are responsible for their own personal safety and the security of their property within the Community. Neither the Association nor Declarant, shall in any way be considered an insurer or guarantor of safety or security within the Community, nor shall such parties be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any systems or measures, including any mechanism, gate, or other system for limiting access to the Community, cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing its tenants and all occupants of its Lot that the Association, its Board and committees, and Declarant are not an insurer or guarantor of safety and security, and that each person within the Community assumes all risks of personal injury and loss or damage to property, including Lot and the contents of Residences, resulting from acts of third parties.

8.2.16 Outdoor Lighting Limitations. All exterior lighting fixtures shall be from low pressure sodium lamps and designed and adjusted to reflect light downwards, away from any road or street, and away from open space and preserve areas and any adjoining premises, and shall otherwise conform to the requirements of Article 35 of the Zoning Ordinance of the City of Escondido.

8.2.17 Fuel Modification Zone Maintenance. Each Owner of a Lot that includes a "Fuel Modification Zone" setback area where combustible materials are not permitted, or where "Firewise" landscaping (as defined in the Fire Protection Plan) is required, or a fire management

easement of the Association is located, shall maintain such areas in compliance with all applicable requirements, limitations and restrictions of the Fire Protection Plan for the Community for such Fuel Modification Zone areas. The Fuel Modification Zone areas are shown and/or described in Exhibit "FMZ" attached hereto.

8.2.18 Utility and Drainage Easements. Easements for surface water drainage and for installation and maintenance of utilities, sewer pipelines and facilities and drainage facilities over, under and across each of the Lots, and all pipelines and other facilities located and to be located in said easements, are reserved for the benefit of the Declarant, the Association, and the other Lots within the Community, where such facilities are installed and as may be shown on the recorded Maps of the Community. Within such easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the direction of the flow of drainage channels, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements therein shall be maintained continuously by the Owner of the Lot, except for those improvements for which the Association or a public authority or a utility is responsible. In addition, all sewer pipelines and other sewer facilities located or to be located within public roads, streets and highways abutting each of the Lots are reserved.

8.2.19 Preservation of Improvements. Each Owner of a Lot has the responsibility and duty to maintain the appearance and integrity of such Owner's Lot and of all slope areas and drainage devices located within such Owner's Lot, except the Side Yard Easement Areas or drainage improvements for which the Association is responsible, as shown and described on Exhibit "SEA" hereto. If an Owner should fail to maintain or make the necessary repairs or replacements which are the responsibility of such Owner, the Association shall have the right, but not the obligation, upon a vote of a majority of the Board of Directors, after not less than thirty (30) days' notice to the Owner and an opportunity to be heard, to enter the Condominium and provide such maintenance or make such repairs or replacements as are necessary, the cost thereof to be added to the assessments chargeable to that Condominium.

8.2.20 Access for Slope Maintenance. Each grantee of a Lot within the Community covenants for such Owner, such Owner's heirs, successors and assigns, that such Owner will permit free access by Owners of adjacent or adjoining Lots and by the Association, its agents and employees, to all slope areas or drainage ways located on such Owner's Lot, which affect said adjacent or adjoining Lots, which access is essential for the maintenance or permanent stabilization of said slopes, or maintenance of the drainage facilities for Lots other than the Lot on which the slope or drainage way is located.

8.2.21 Alteration of Slope Improvements Prohibited. Each grantee of a Lot within the Community covenants for such Owner, such Owner's heirs, successors and assigns, that such Owner will not in any way interfere with the established drainage patterns or create erosion or sliding problems over such Owner Lot from adjoining or other Lots within the Community, and that such Owner will make adequate provisions for proper drainage in the event it is necessary to change the established drainage over such Owner's Lot. For the purposes hereof, "established drainage" is defined as the drainage that occurred at the time the overall grading of the Community was completed by Declarant.

8.2.22 Obligation for Slope Maintenance. Each grantee of a Lot within the Community shall maintain the slopes within such Owner's Lot, except the Side Yard Easement Areas, at the slope and pitch fixed by the finished grading thereof, including watering and planting of the slopes. Within slope areas no structure, planting, or other material shall be placed or permitted to remain or other activities undertaken which may damage or interfere with established slope ratios, create erosion or sliding problems, or which may change the direction of flow of drainage channels or obstruct or retard the flow of water through drainage channels. The slope areas of each Lot and all improvements thereto shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible. Declarant shall, for a period of one (1) year following sale and deed of any particular Lot have the right but not the obligation to enter upon the said Lot and alter or maintain the slope areas. An easement of reasonable access for said purpose is reserved to Declarant, and the purchaser, by the acceptance of a deed from Declarant, shall take title subject to such easement for said period of one (1) year.

8.2.23 Rights of Declarant. Conveyance of a substantial number of the Lots is essential to the establishment and welfare of said Community as a residential community. In order that all work necessary to complete the Community and establish a substantially occupied residential community be completed as rapidly as possible, no Owner shall and nothing in this Declaration shall be understood or construed to:

8.2.23.1. Prevent Declarant, its contractors or subcontractors, from doing work on said Community or any part thereof whenever it determines such work to be reasonably necessary or advisable in connection with the completion of the Community; or

8.2.23.2. Prevent Declarant or its representatives from erecting, constructing and maintaining on any part or parts of said property owned or controlled by Declarant, its contractors, or subcontractors, such structures as may be reasonably necessary for the conduct of its business of completing said work and establishing the Community as a residential community and disposing of the same by sale, lease, or otherwise.

8.2.23.3. Declarant, in exercising their rights hereunder, shall not unreasonably interfere with the Members' use of the Common Area.

8.2.24 Standard of Maintenance. All structures and improvements within the Community shall at all times be maintained by the Association or their respective Owners, as applicable, in a clean, first-class and properly painted condition, in compliance with City requirements and the Maintenance Manual, and up to or better than the standard of maintenance required by the City.

8.2.25 Solar Access. No Owner or the Association shall permit trees, shrubs, hedges or any other vegetation to shade, block or interfere with the solar access of any solar collector or other solar absorption device on any Lot, including the Lot on which the vegetation is also located.

**ARTICLE 9
SCOPE OF ENFORCEMENT**

Section 9.1. Enforcement. The Declarant, the Association and any Owner shall have the right, but not the obligation, to enforce by any proceeding at law or in equity, all restrictions, conditions, covenants and reservations now or hereafter imposed by the provisions of this Declaration. Failure by Declarant, the Association or any Owner to enforce any covenants or restrictions herein contained shall, in no event, be deemed a waiver of the right to do so thereafter. The limitations, restrictions, conditions and covenants set forth in this Declaration constitute a general scheme for (i) the maintenance, protection and enhancement of the value of the Community and (ii) the benefit of all Owners. Said limitations, restrictions, conditions and covenants are and shall be covenants running with the land or equitable servitudes, as the case may be. Each remedy provided for in this Declaration shall be cumulative and not exclusive. The result of or condition caused by any violation of any of the provisions of this Declaration is and shall be a nuisance, and every remedy in law or equity now or hereafter available against public or private nuisance may be exercised by any person affected thereby. Any of the foregoing to the contrary notwithstanding, no action to enforce this Declaration shall be instituted unless and until a written notice of such breach setting forth the facts of such breach has been delivered by certified mail to the Owner of such Lot. In the event the Association or any Owner(s), should commence litigation to enforce any of the provisions of this Declaration, that party, if such Owner should prevail, shall be entitled to have judgment against and recover from any defendant in such litigation, such attorneys' fees (other than nominal) as the court may adjudge reasonable and proper. Each Owner shall have a right of action against the Association for any failure of the Association to comply with the provisions of the Declaration, Articles of Incorporation, Bylaws, or Rules and Regulations of the Association.

**ARTICLE 10
DAMAGE TO LOTS AND COMMON AREAS**

Section 10.1. Repairs. In the event that an Owner fails to maintain or repair such Owner's Lot or the improvements thereon or otherwise comply with the provisions of this Declaration, the Bylaws or the Rules and Regulations, the Association, or their agents or employees shall have the right, but not the obligation, to bring the Lot into compliance with the provisions of this Declaration and the cost incurred therefor shall be assessed to that Owner as a special assessment as set forth in this Declaration.

Section 10.2. Damage to Common Areas. In the event the need for repair of the Common Area is caused through the willful or negligent acts of a Member or such Member's guests or invitees, the Association, or their agents or employees shall have the right, but not the obligation, to make such repairs and the liability of the Member and the cost of repair shall be assessed to that Member as a special assessment as set forth in this Declaration.

Section 10.3. Association Maintenance Obligations.

10.3.1 Except as otherwise provided in this Declaration, from and after the date of conveyance of fee title or appropriate easements thereto to the Association, the Association will

be responsible for the maintenance, repair, replacement, irrigation, brush clearance, landscaping and preservation of the appearance of the Common Area in strict compliance with the Maintenance Manual provided to the Board of Directors of the Association by Declarant ("Maintenance Manual"), and Best Management Practices, in accordance with all commonly accepted maintenance practices. To ensure compliance with the requirements of the Maintenance Manual, for a period of ten (10) years after the close of escrow for the sale of the last Lot in the Community covered by a Final Subdivision Public Report, Declarant shall have the right, but not the obligation, at its own cost and expense, to retain the services of appropriate consultant(s) to: (a) prepare, update and keep current, the Maintenance Manual for the Association maintenance, repair and replacement of the Common Area, (b) conduct annual inspections of all elements of the Common Area covered by the Maintenance Manual, and (c) prepare a report covering the results of such inspections and deliver such report to Declarant and to the Association. Declarant hereby reserves non-exclusive easements on, over, under, across and through all Common Area within the Community, for the purpose of such inspections and activities related thereto. The Association shall provide Declarant's consultant(s) with copies of its maintenance log, and related records reasonably requested by such consultant(s), at least thirty (30) days prior to the date scheduled for the Declarant's annual inspection. Declarant shall provide any updates to the Maintenance Manual to the Association. The Association shall cause such Common Area to be regularly maintained, irrigated, painted, repaired, and/or replaced in accordance with the requirements and recommendations of the Maintenance Manual, as revised from time to time and shall perform all remedial maintenance in accordance with the recommendations of the annual inspection reports prepared by Declarant's consultant(s). The provisions of this Section shall not be amended without the prior written consent of Declarant.

10.3.2 In addition, the Association, or its duly delegated representative, shall maintain and otherwise manage the Onsite Drainage Conservation Property conveyed to the Association, which shall be maintained in accordance with the 404 Permit and the Conservation Easements.

Section 10.4. Maintenance Manual Compliance. The Association has the duty and obligation, along with the attendant rights and power to carry out the Declarant's and its consultant(s)' required maintenance of the Common Area, as set forth in the Maintenance Manual. The Board shall regularly determine whether the recommended inspections and maintenance activities have been followed, and, if any such recommendations have not been followed, what corrective steps need to be taken to assure proper inspections and maintenance of the Common Area. The Board shall keep a record of such determinations in the Board's minutes. The Board shall review the Maintenance Manual for any needed appropriate revisions at appropriate intervals, but in no event less frequently than annually, and shall make appropriate recommendations to Declarant and Declarant's consultant(s) for revisions to the Maintenance Manual within thirty (30) days of its determination that revisions to the Maintenance Manual should be recommended to Declarant.

Section 10.5. Association Inspections. If in any year Declarant elects not to perform an annual maintenance inspection as provided for in Section 10.4 above, the Board shall have the duty and obligation to cause an inspection and report to be made in accordance with the provisions hereof. The Board's annual inspections shall (i) determine whether the Common Area is being maintained adequately in accordance with the standards of maintenance established herein and

by the Maintenance Manual, (ii) identify the condition of the Common Area, including the existence of any hazards or defects, and the need for performing additional maintenance, repair, refurbishing or replacement, and (iii) recommend preventative actions, which may be taken to reduce potential maintenance costs to be incurred in the future. The Association may employ such experts and consultants as necessary to perform such inspections. Within thirty (30) after the Board's annual inspection, the Board shall have a report of the results of the inspection prepared, and such report shall include the following: (i) a description of the condition of the Common Area, including a list of items inspected and the status of maintenance, repair and need for replacement of all such items; (ii) a description of all maintenance, repair and replacement planned for the ensuing fiscal year and; (iii) if any maintenance, repair or replacement is to be deferred, an explanation must be given for such deferral; (iv) a summary of all reports of inspections performed by any expert or consultant employed by the Association to perform inspections; (v) a report of the status of compliance with the maintenance, replacement and repair needs set forth in all inspection reports from Declarant's consultant(s) and of its own inspection, for preceding years; and (vi) such other matters as the Board deems appropriate. The Board shall promptly cause a copy of each inspection report prepared in accordance with this Section to be delivered to Declarant. The Association's obligations under this Section shall continue until the expiration of the (10) year period following the close of escrow for the sale of the last Lot in the Community covered by a Final Subdivision Public Report. The requirements of this Section are in addition to the Board's obligations to perform ongoing reserve studies as required by Section 6.2.4. The provisions of this Section shall not be amended without the prior written consent of Declarant.

Section 10.6. Maintenance of Drainage Improvements; Best Management Practices. The Association shall maintain all drainage devices located within the Common Areas and Off-Site Maintenance Areas, in good and functional condition to safeguard the Owners and the adjoining properties from damage and pollution. The Association shall conduct inspections to insure that Best Management Practices ("BMP's") for control of storm water runoff are maintained in accordance with applicable requirements of the City's Storm Water Management Requirements and Local Standard Urban Storm Water Mitigation Plan, adopted by Resolution 2002-268, and the Eureka Ranch Water Quality Technical Reports, for maintenance of CDS facilities and curb inlet filter units, both interim and ultimate condition maintenance. The Association's maintenance of such drainage facilities and improvements shall be as provided in those certain portions of the Eureka Ranch Units 1 through 5 Water Quality Technical Reports attached hereto as Exhibit WQMR, and incorporated herein by this reference. The Association shall maintain all drainage facilities and structural BMP's in perpetuity in accordance with the guidelines provided in the Water Quality Technical Reports developed for the Community and the applicable requirements of the California Regional Water Quality Control Board., San Diego Region. Association maintenance of BMPs required by this Declaration shall include the cost of street sweeping (which shall occur at least semi-annually but may be increased in frequency if necessary to address increases in debris accumulation in storm drains), annual replacement of fossil filter inserts in storm drain inlets, annual and post-storm inspection and maintenance of storm drain inlets, including debris removal and replacement of damaged or fouled fossil filter inserts, and other maintenance services that benefit the Common Area. No Owner whose Lot contains any stormwater management facilities or improvements shall permit interference with or damage to same, and no Owner shall do any act which shall contribute to the introduction of

pollutants into said storm drainage facilities, including, but are not limited to, soil, sand, sediment, oil, gasoline or other hydrocarbons, paint, fertilizers, pool chemicals, and other household chemicals. For example, Owners must place sandbags around soil and sod when installing landscaping, and take measures to prevent over-watering the landscaping, in order to prevent soil, fertilizer and lawn chemicals from running into the storm drains.

10.6.1 The maintenance obligations of the Association shall include cleaning of all storm drain inlets at the start of the rainy season (October) and at the end of the rainy season (April). In addition, the Association shall clean biofilters situated within the Common Areas of debris and sediment once every two (2) weeks during the rainy season (October through April) and once every two (2) months during the non-rainy season (May through September). If an Owner fails to maintain the drainage within such Owner's individual Lot and, as a result, imminent danger to person or property may result, then the Association shall have the right of access on such Owner's Lot for the purpose of clearing debris and other material so as to not impede the flow of water. This right of access shall be exercised only for the purpose of preventing damage to persons and property and the entering party shall use reasonable care so as to not cause any damage to the Lot. The Owner shall reimburse the Association for any costs and expenses incurred in clearing such debris.

Section 10.7. Fire Sprinkler System. Pursuant to City requirements, a fire sprinkler system has been installed in all residential structures. The sprinkler systems are heat sensitive and should not be exposed to an open flame. Each sprinkler head is activated individually by a heat sensor to provide water only in the area where heat is detected. By acceptance of a deed, each Owner acknowledges and agrees that Declarant is not responsible for any damage to such Owner's home that may be caused by the activation of the sprinkler system.

ARTICLE 11 INSURANCE

Section 11.1. Liability Insurance. A general public liability and property damage insurance policy covering the Common Area shall be purchased by the Board of Directors as promptly as possible following its election and shall be maintained in force at all times, the premium thereon to be paid out of the monies collected from the assessments. The minimum amount of coverage shall be Two Million Dollars (\$2,000,000) combined single limit liability for bodily injury to any one person, or property damage for any one occurrence; provided, however, that if the Community consists of more than 100 separate interests, such coverage shall be at least Three Million Dollars (\$3,000,000.00). The policy shall name the Association and all Owners as insureds, including Declarant, during such time as Declarant shall remain the Owner of one or more Lots. The policy shall also name Helix Community Conservancy as an additional insured with respect to the portion of the public trail located on its Uplands Conservation Property (defined in Article 20 below) and required to be maintained by the Association. The manager, if any, shall also be a named insured on such policy, during such time as such manager's agency shall continue. The insurance shall also contain a cross-liability endorsement to cover negligent injury by one Owner to another, if reasonably available. The Association shall prepare and distribute to all Members a summary of the Association's property, general liability, and earthquake and flood insurance policies, which shall be distributed within not less than thirty

(30) nor more than ninety (90) days preceding the beginning of the Association's fiscal year, that includes all of the following information about each policy: (a) the name of the insurer, (b) the type of insurance, (c) the policy limits of the insurance, and (d) the amount of deductibles, if any. The Association shall, as soon as reasonably practical, notify the Members by first-class mail if any of the policies described in this paragraph have lapsed, been canceled, and are not immediately renewed, restored or replaced, or if there is a significant change, such as a reduction in coverage or limits or an increase in the deductible, for any of those policies. If the Association receives any notice of nonrenewal of a policy described in this paragraph, the Association shall immediately notify the Members if replacement coverage will not be in effect by the date the existing coverage will lapse. To the extent that any of the information required to be disclosed pursuant to this paragraph is specified in the insurance policy declaration page, the Association may meet its obligation to disclose that information by making copies of that page and distributing it to all Members. The summary distributed pursuant to this paragraph shall contain in at least 10-point boldface type, the statement required by Civil Code Section 1365(e)(4). For a period of ten (10) years after the close of escrow for the sale of the last Lot in the Community covered by a Final Subdivision Public Report, the Association's obligations under this Section 11.1 to provide summaries of insurance, notices of significant changes in coverage and notice if a policy is not renewed to its Members shall also extend to Declarant.

Section 11.2. Hazard Insurance. The Board of Directors shall purchase a "Special Form Causes of Loss" property insurance policy (commonly referred to as all-risk or special perils coverage) issued by a Qualified Insurer, as defined herein, providing coverage equal to one hundred percent (100%) of the current replacement cost of all Common Area improvements to the Community then subject to assessments under Article 5 of the Declaration (including all service and mechanical equipment in the Community). "Qualified Insurer" means any insurance company having a Best's Insurance Reports rating of (a) a B general policyholder's rating and a III financial size category, or (b) an A general policyholder's rating and a II financial size category, and licensed in the State of California. Said insurance policy may contain an earthquake damage endorsement if such coverage is available at a cost deemed by the Board to be in the best interests of the Members. Replacement cost may exclude land, foundations, excavation, and other items normally excluded from coverage. All hazard insurance required to be maintained by the Board hereunder shall be maintained strictly in accordance with the provisions contained in the FHLMC Seller/Service Guide. The premiums for said insurance policy shall be paid by the Board out of the monies collected from the assessments. The policy may also contain an agreed amount endorsement, a special form endorsement, and a clause to permit cash settlement covering the full value of the improvements in the event of partial destruction and a decision not to rebuild. The policy shall name as insureds all Owners and Declarant, so long as Declarant is the Owner of any Lot within the Project, and all Mortgagees of record, as their respective interests may appear. The proportionate interest of each Owner in any insurance proceeds in relation to the other Owners, shall be based upon a ratio of each Lot's "fair market value" to the "fair market value" of the entire Community. The "fair market value" in both instances, shall be determined by an independent appraiser. In the event that the insurer under said hazard insurance policy shall cease to be licensed in the State of California, or shall cease to be approved by the Federal Home Loan Mortgage Corporation (so long as insurers continue to be so approved), the Association shall exercise its best efforts to obtain from another Qualified Insurer,

a replacement hazard policy comparable to the prior hazard policy, including all required endorsements.

11.2.1 Personal property of a Lot Owner and additional fixtures added by a Lot Owner should be insured separately by the Lot Owner.

Section 11.3. Individual Coverage. If available, underlying coverage for individual Lots shall be written as part of or in conjunction with, said master policy where necessary to protect individual lenders. If such coverage is not available, each Owner shall purchase, at such Owner's own expense, and maintain fire and hazard insurance coverage as may be required by such Owner's individual lender. Any such underlying coverage shall contain a replacement cost endorsement, and to the extent available, such other endorsements as may be a part of the master policy. Such insurance shall also contain a loss-payable endorsement to the Mortgagees of individual Lots, as their interests shall appear.

Section 11.4. Board as Trustee. All insurance proceeds payable pursuant to Section 11.2 of this Article and subject to the rights of Mortgagees under Section 11.7 hereof shall be paid to the lending institutions holding first Mortgages on Lots within the Community, to the extent of their interests therein, and shall be applied only to the repair and restoration of the damaged premises or to the reduction of the aggregate principal amounts of the mortgage loans secured by such damaged or destroyed premises. Insurance proceeds shall be paid out in accordance with Article 12. In the event repair or reconstruction is authorized, the Board shall have the duty to contract for such work, as provided in Article 12 hereof.

Section 11.5. Other Insurance. The Board may purchase and maintain in force at all times, demolition insurance in adequate amounts to cover demolition in the event of destruction and a decision not to rebuild. The premium therefor shall be paid out of the monies collected from the assessments. Such policy, if purchased, shall contain a determinable demolition clause or similar clause, to allow for the coverage of the cost of demolition in the event of destruction and a decision not to rebuild. The Board of Directors shall also purchase and maintain Worker's Compensation Insurance to the extent that the same shall be required by law for employees of the Association. The Board of Directors may also purchase and maintain insurance on commonly owned personal property and such other insurance as it deems necessary, the premium thereof to be paid out of the monies collected from the assessments, including, but not limited to, umbrella or excess liability coverage.

Section 11.6. Owners' Other Insurance. An Owner may carry such additional personal liability and property damage insurance respecting individual Lots as such Owner may desire.

Section 11.7. Right of Mortgagees. With respect to insurance coverage under Sections 11.2 and 11.3 hereof, any Mortgagee of record shall have the option to apply insurance proceeds payable to it to reduce the obligation secured by the Mortgage.

Section 11.8. Annual Review. The Board shall review the insurance carried by the Association at least annually for the purpose of determining the amount of the casualty and property insurance referred to in Section 11.1 above. The Board shall obtain current appraisal of the full replacement value of the improvements in the Common Area and of the Lots, except for

foundations and footings, without deduction for depreciation, by a qualified independent insurance appraiser, prior to each such annual review.

ARTICLE 12 DESTRUCTION OF IMPROVEMENTS

Section 12.1. Proceeds Greater Than Eighty-Five Percent (85%) of Cost to Repair. In the event of total or partial destruction of the improvements in the Common Area and if the available proceeds of the insurance carried pursuant to Article 11 are sufficient to cover not less than eighty-five (85%) percent of the cost of repair or reconstruction thereof, the same shall be promptly repaired and rebuilt, unless, within ninety (90) days from the date of such destruction, seventy-five (75%) percent of each class of membership present and entitled to vote in person or by proxy, at a duly constituted meeting, determine that such reconstruction shall not take place. If reconstruction is to take place, the Board of Directors shall be required to execute, acknowledge, file and record, not later than one hundred twenty (120) days from the date of said destruction, a certificate declaring the intention of the Association to rebuild.

Section 12.2. Proceeds Less Than Eighty-Five Percent (85%) of Cost to Repair. If the proceeds of such insurance are less than eighty-five (85%) percent of the cost of reconstruction, such reconstruction may, nevertheless, take place, if within ninety (90) days from the date of said destruction, at least sixty-six and two-thirds percent (66-2/3%) of each class of membership elect to rebuild.

Section 12.3. Additional Contributions From Owner. If the Association determines to rebuild, pursuant to either Sections 12.1 or 12.2, each Owner shall be obligated to contribute such funds as shall be necessary to pay such Owner's proportionate share of the cost of reconstruction over and above the insurance proceeds, and the proportionate share of each Owner shall be based upon the ratio of the fair market value of such Owner's Lot to the fair market value of all the Lots. In the event of failure or refusal by any Owner to pay such Owner's proportionate share, after notice to such Owner, should such failure or refusal continue for a period of sixty (60) days, the Board of Directors may levy a special assessment against such Owner, which may be enforced under the lien provisions, hereinbefore contained.

Section 12.4. Association to Contract for Rebuilding. If the Owners determine to rebuild, the Board of Directors shall obtain bids from at least two (2) reputable contractors and shall award construction work to the lowest bidder. The Board of Directors shall have the authority to enter into a written contract with said contractor for such reconstruction and the insurance proceeds held by the Board shall be disbursed to said contractor according to the terms of the contract. It shall be the obligation of the Board to take all steps necessary to insure the commencement and completion of such reconstruction at the earliest possible date.

Section 12.5. Insufficient Vote to Rebuild. If the vote of the Owners shall be insufficient to authorize rebuilding, either pursuant to Sections 12.1 or 12.2 above, the following shall apply:

12.5.1 Any insurance proceeds available for such rebuilding shall be distributed among the Owners and their individual lenders by the Board, as their respective interests may appear.

The proportionate interests of each Owner in said proceeds in relation to other Owners shall be based upon a ratio of each Lot's "fair market value," just prior to destruction. "Fair market value" shall be determined by an independent appraiser.

12.5.2 The Board shall have the duty, within one hundred twenty (120) days of the date of such loss, to execute, acknowledge and record a certificate setting forth the determination of the Association not to rebuild, and shall promptly cause to be prepared and filed, such revised maps and other documents as may be necessary to show the conversion of the Common Area to the status of unimproved land.

Section 12.6. Revival of Right to Partition. Upon recordation of such certificate, referred to in Section 12.5.2, above, the right of any Owner to partition such Owner's Lot through legal action, shall forthwith revive.

Section 12.7. Arbitration. In the event of a dispute among the Owners, with respect to the provisions of this Article, any Owner may cause the same to be referred to arbitration in accordance with the then prevailing rules of the American Arbitration Association. In the event of arbitration, notice thereof shall be given to the Members of the Board and all Owners as promptly as possible after reference to arbitration is made, giving all Owners an opportunity to appear in such arbitration proceedings. The decision of such arbitrator in this matter shall be final and conclusive upon all Owners. The arbitrator may include in the decision an award for costs and/or attorneys' fees against any one or more of the parties to the arbitration.

ARTICLE 13 MORTGAGEE PROTECTION

Section 13.1. Mortgagee Protection. Notwithstanding any other provisions in this Declaration to the contrary, in order to induce lenders and investors to participate in the financing of the sale of Lots in the Community, the following provisions are added hereto (and to the extent these added provisions conflict with any other provisions in this Declaration, these added provisions shall control):

13.1.1 No breach of any of the covenants, conditions and restrictions herein contained, nor the enforcement of any lien provisions herein, shall defeat or render invalid the lien of any first Mortgage (meaning a Mortgage with first priority over any other Mortgage) on any Lot made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise.

13.1.2 Each holder of a first Mortgage encumbering any Lot is entitled upon request to timely written notification from the Association of any default by the Mortgagor of such Lot in the performance of such Mortgagor's obligations under this Declaration, the Bylaws or Rules and Regulations of the Association which is not cured within sixty (60) days. Any Institutional Lender holding a first Mortgage on any Lot within the Community shall be entitled to prior written notice of certain proposed actions of the Association as hereinafter set forth in Sections 13.1.5.1 through 13.1.5.8, inclusive, provided that such Institutional Lender furnishes the

Association with a written request for notice which request sets forth the particular Institutional Lender's mailing address and identifies the Lot on which it holds an encumbrance.

13.1.3 Each holder of a first Mortgage encumbering any Lot which obtains title to such Lot pursuant to: (a) remedies provided in such Mortgage, or (b) by accepting a deed (or assignment) in lieu of foreclosure in the event of default by a Mortgagor, shall be exempt from any "right of first refusal," if any, contained in the Declaration or the Bylaws of the Association. Further, any such "right of first refusal" shall not impair the rights of a first Mortgagee or interfere with a subsequent sale or lease of a Lot so acquired by the Mortgagee.

13.1.4 Each holder of a first Mortgage or third party foreclosure purchaser which obtains title to a Lot pursuant to foreclosure of the first Mortgage, shall take the Lot free of any claim for unpaid dues, assessments or charges against the Lot which accrue prior to the time such holder obtains title to such Lot (except for claims for a share of such assessments or charges resulting from a reallocation of such dues, assessments or charges among all Lots, including the mortgaged Lot). The lien assessments provided for herein shall be subordinate to the lien of any first Mortgage now or hereafter placed upon a Lot subject to assessment; provided, however, that such subordination shall apply only to assessments which have become due and payable prior to a sale or transfer of such Lot pursuant to a decree of foreclosure or trustee sale. Such sale or transfer shall not release such Lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

13.1.5 Unless at least two-thirds (2/3) of the Institutional Lenders holding a first Mortgage on a Lot within the Community (based upon one vote for each first Mortgage owned), or at least two-thirds (2/3) of the Owners (other than the Declarant) have given their prior written approval, the Association and its Members shall not be entitled to:

13.1.5.1. By act or omission, waive or abandon any scheme of regulations or enforcement thereof, pertaining to the architectural design or the exterior appearance of Lots, the exterior maintenance of Lots, the maintenance of the Common Area, party walks or common fences and driveways, or the upkeep of lawns and plantings in the Community;

13.1.5.2. Change the pro rata interest or obligations of any Lot for purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards;

13.1.5.3. Partition or subdivide any Lot;

13.1.5.4. By act or omission, seek to abandon, subdivide, encumber, sell or transfer the Common Area or partition the Common Area except as provided for herein. The granting of easements for public utilities or for other public purposes consistent with the intended uses of the Common Area and the Community shall not be deemed a transfer within the meaning of this clause;

13.1.5.5. Use hazard insurance proceeds for losses to any Common Area for other than repair, replacement or reconstruction of such Common Area, except as provided by statute in case of substantial damage to the Common Area of the Community;

13.1.5.6. Fail to maintain fire and extended coverage on insurable planned development common property within the Community on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost);

13.1.5.7. Effectuate any decision of the Association to terminate professional management and assume self management of the Community; and

13.1.5.8. Amend any part of this Article 13.

13.1.6 First Mortgagees shall have the right to examine the books and records of the Association during normal business hours.

13.1.7 The annual assessments shall include an adequate reserve fund for maintenance, repair and replacement of the improvements to the Common Area and those portions thereof that must be replaced on a periodic basis, and shall be payable in annual assessments rather than by special assessments.

13.1.8 All taxes, assessments and charges which may become liens prior to the first Mortgage under local law shall relate only to individual Lots, and not to the Community as a whole.

13.1.9 In the event of substantial damage to or destruction of any Lot or any element of the Common Area or possible condemnation or eminent domain procedure, the Institutional Lender under any first Mortgage on a Lot is entitled to timely written notice of any such damage, destruction or proposed acquisition and no provision in the Bylaws, nor in this Declaration shall be interpreted to entitle any Owner or any other party to priority over any first Mortgagee with respect to the distribution to such Owner of any insurance proceeds or condemnation awards for losses to, or a taking of, Lots and/or Common Areas.

13.1.10 Any agreement for professional management of the Community, or any other contract providing for services by the Declarant shall provide for termination by either party without cause or payment of a termination fee upon thirty (30) days' written notice, and that the term of any such contract shall not exceed one (1) year, renewable by agreement of the parties for successive one (1) year periods.

13.1.11 The Association shall, upon the request of any Institutional Lender under a first Mortgage on a Lot: (i) give written notice of all meetings of the Association and permit the Institutional Lender to designate a representative to attend all such meetings, and (ii) transmit to such Institutional Lender an annual audited financial statement of the Community within ninety (90) days following the end of any fiscal year of the Community.

13.1.12 No breach of any of the foregoing covenants shall cause any forfeiture of title or reversion or bestow any right of re-entry whatsoever, but in the event that any one or more of these covenants shall be violated, the Declarant, its successors and assigns, or the Association, or any Owner may commence a legal action in any court of competent jurisdiction to enjoin or abate said violation, and/or to recover damages; provided, that any such violation shall not defeat

or render invalid the lien of any Mortgage made in good faith and for value as to said Lot or any part thereof. Said covenants shall be binding upon and effective against any Owner whose title is acquired by foreclosure, trustee's sale or otherwise.

13.1.13 First Mortgagees of Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Area and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such Common Area and first Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association. This provision shall constitute an agreement by the Association for the express benefit of all first Mortgagees and upon request of any first Mortgagee the Association shall execute and deliver to such first Mortgagee a separate written Agreement embodying this provision.

ARTICLE 14 AMENDMENTS

Section 14.1. Amendments. During the period of time prior to conversion of the Class B membership to Class A membership, this Declaration may be amended only by an affirmative vote of at least seventy-five percent (75%) of the voting power of each class of Members of the Association. After the conversion of Class B membership in the Association to Class A membership, the Declaration may be amended only by an affirmative vote of (i) at least seventy-five percent (75%) of the total voting power of the Association, and (ii) at least seventy-five percent (75%) of the voting power of the Association other than Declarant. In no event shall the percentage of the voting power necessary to amend a specific provision of this Declaration be less than the percentage of affirmative votes prescribed for action to be taken under said provision. An Amendment hereto shall be effective after (a) the approval of the percentage of Owners required in this Section has been given, (b) that fact has been certified in a writing executed and acknowledged by the officer designated by the Association for that purpose, or if no one is designated, by the president of the Association and (c) that writing has been recorded in the county in which the Community is located. Any amendment of this Declaration which would defeat the obligation of the Association to maintain the Common Areas and facilities as described in Article 4 hereof, must receive the written approval of the California Department of Real Estate prior to the recordation thereof.

Notwithstanding any other provision of this Section, for so long as Declarant owns any portion of the Properties or the Annexable Property, Declarant may unilaterally amend this Declaration by recording an instrument in writing, signed by Declarant, without the consent of the Association or any other Owner, provided that such amendment is made in order to conform this Declaration to the requirements of the DRE, the United States Department of Veterans Affairs, FHA, FNMA, GNMA, FHLMC, or any other governmental entity.

Section 14.2. Effectiveness of Amendment. From and after its effective date, each amendment made pursuant to the preceding paragraph shall be as effective as to all Lots within the Community, the Owners thereof and their successors in interest.

Section 14.3. Petition the Superior Court. Nothing in this Declaration shall restrict the ability of any Owner at any time to petition the Superior Court in the county in which the Community is located to amend this Declaration as provided under California Civil Code Section 1356.

ARTICLE 15 ANNEXATION

Section 15.1. Annexation of Additional Property by Declarant. All or portions of the Annexable Property described in Exhibit "B" hereto may be annexed into the Community by the Declarant, or by Declarant, without the consent of the Members of the Association, provided, however, that the Commissioner of the Department of Real Estate makes the following determinations:

(a) That the proposed annexation will not result in an overburdening of the Common Areas;

(b) That the proposed annexation will not result in a substantial increase in the assessments of the existing Lots which was not disclosed in the Final Subdivision Public Report under which the existing Owners purchased their respective Lots;

(c) That the real property and the total number of residential units proposed to be annexed were adequately identified; and

(d) That Declarant executes a written commitment concurrently with the closing of escrow for the first sale of a Lot in the annexed property to pay to the Association appropriate amounts for reserves for replacement or deferred maintenance of Common Area improvements in the annexed property necessitated by, or arising out of the use and occupancy of Lots under a rental program conducted by Declarant which has been in effect for a period of at least one (1) year as of the date of closing of the escrows for the first sale of a Lot in the annexed property.

Said conditions shall be deemed to be satisfied upon issuance by the Department of Real Estate of a Final Subdivision Public Report with respect to the real property proposed to be annexed.

Section 15.2. Annexation of Additional Property by Association. Upon approval in writing by the Association, pursuant to the vote of at least two-thirds (2/3) of the voting power of its Members or the written assent of such Members, excluding the voting power or written assent of Declarant, the Owner of any real property who desires to add such property to the scheme of this Declaration and to subject same to the jurisdiction of the Association, may file of record a Notice of Annexation which shall extend the scheme of this Declaration to such property.

Section 15.3. Annexation Procedure. The annexation of additional real property authorized under Sections 15.1 and 15.2 shall be made by filing of record a Notice of Annexation, or similar instrument, covering said additional real property, which Notice of Annexation shall expressly provide that the scheme of this Declaration shall extend to such additional real property. The

Notice of Annexation may contain such complementary additions to and modifications of the covenants set forth in this Declaration as are necessary to reflect the different character, if any, of the annexed property and which are not inconsistent with the general scheme of this Declaration. Except as set forth in this Section, no Notice of Annexation shall add, delete, revoke, modify or otherwise alter the covenants set forth in this Declaration.

Section 15.4. Obligations of Annexed Property. The obligation of Owners in the annexed property to pay assessments levied by the Association and the right of such Owners to exercise voting rights in the Association in such annexed property shall not commence until the first day of the month following close of the first sale of a Lot by Declarant in that particular Phase of development.

Section 15.5. De-Annexation. Declarant hereby reserve the right to de-annex any Lot or Lots within the Community and to delete said Lot or Lots from the scheme of this Declaration and from the jurisdiction of the Association, provided and on condition that the de-annexation shall be made prior to the closing date of the sale of the first Lot in the annexed property within the Community.

ARTICLE 16 PARTY WALLS

Section 16.1. Rights and Duties. The rights and duties of the Owners of Lots with respect to party walls shall be governed by the following:

16.1.1 Each wall that is constructed as a part of the original construction and located between separate Lots, shall constitute a party wall, and with respect to such wall, each of the adjoining Owners shall jointly assume the burdens and share the cost of reasonable maintenance and repair in proportion to such use. Each Lot shall be subject to an easement for that portion of the party wall which is necessary for support, and each such Owner shall be liable for all property damage due to negligence or willful acts or omissions in connection with such wall.

16.1.2 If any such party wall is damaged or destroyed through the act of one of the adjoining Owners, any member of such Owner's family, a guest, agent (whether or not such act is negligent or otherwise culpable) so as to deprive the other adjoining Owner of the full use and enjoyment of such wall, the Owner responsible for the damage or destruction thereon shall be required to make any and all necessary repairs thereto, without cost to the adjoining Owner.

16.1.3 If any such party wall is damaged or destroyed by some cause other than the act of one of the adjoining Owners, such Owner's agents, or family (including, but not limited to, earthquake damage), each adjoining Owner shall be required to make any and all necessary repairs thereto at their joint and equal expense.

16.1.4 Any Owner proposing to modify, make additions to, or rebuild such Owner's Lot in any manner which requires the extension or alteration of any party wall, shall be required to first obtain the written consent of the adjoining Owner. Such Owner must also comply with all dictates of this Declaration that may be relevant.

16.1.5 The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

16.1.6 In the event of a dispute between Owners with respect to the repair of a party wall or with respect to the sharing of the cost thereof, the matter shall be submitted to the Board for resolution upon the written request of either Owner. Any decision of the Board of Directors shall be final and conclusive upon the parties.

ARTICLE 17

COVENANTS IN FAVOR OF LOCAL JURISDICTION

Section 17.1. Local Jurisdiction. The local governmental entity with primary jurisdiction over this residential planned development is the City of Escondido, a municipal corporation in the State of California. The Association shall, at all times, abide by all City ordinances, statutes and resolutions as well as the laws of the State of California.

Section 17.2. Special Covenants. The following covenants shall be binding upon the Association and all Members in favor of the City:

17.2.1 The Association shall at all times provide for the maintenance of all common open areas (private parks), parkway areas, and landscaping, stormwater detention and filtering basins, drainage swales, water features, sidewalks, courtyards and drives within the Common Area. The Association shall also be responsible for maintenance of the Side Yard Easement Areas, and the Fuel Modification Zones located within the Community, as provided in Sections 2.7, 2.8 and 2.9 above, and the Off-Site Maintenance Areas located outside of the Community, as provided in Section 2.11. In addition, the Association shall maintain all landscaping within public rights-of-way within or abutting the Community in accordance with the requirements of the City.

17.2.2 Recreational vehicles, including, but not limited to, boats, motor homes, trailers, dune buggies and jeeps, shall not be stored, parked, or maintained within the Properties unless they are the principal source of transportation for their respective owners and stored entirely within a garage. The Association shall have the right to enforce this provision through any means available either at law, or in equity, including, but not limited to, the power to tow violators away, and to assess towing charges to the Owner/violator as special assessments.

17.2.3 The Association shall assume liability for all damage and repair to City utilities in the event that damage is caused by the Association or its contractors or agents when repair or replacement of private facilities is done.

17.2.4 In the event any stamped concrete is used in any private drive, and such stamped concrete is damaged or destroyed due to City trenching for repair or replacement of any existing utility lines or improvements, the Association shall be responsible for the replacement of such stamped concrete in kind..

17.2.5 Written notice of any proposed amendment to this Declaration shall be given to the City Attorney of the City prior to the enactment thereof. The City shall have the right to veto any proposed amendment within a reasonable time after receiving such notice.

ARTICLE 18 GENERAL PROVISIONS

Section 18.1. Extension of Declaration. The provisions of this Declaration shall run with the land and bind the Community, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of forty (40) years from the date this Declaration is recorded, after which time the provisions of this Declaration shall be automatically extended for successive periods of ten (10) years, unless an instrument, signed by at least seventy-five percent (75%) of the then Owners of Lots, has been recorded within six (6) months of the anticipated termination date. The contents of such instrument shall contain the agreement to terminate this Declaration as it may be supplemented in whole or in part.

Section 18.2. Encroachment Easement. In the event any improvement to a Lot encroaches upon the Common Area as a result of the initial construction, or as the result of repair, shifting, settlement or movement of any portion thereof, an easement for the encroachment and for the maintenance of same, shall exist so long as the encroachment exists. Further, each Owner within the Properties is hereby granted an easement over all adjoining Lots for the purpose of accommodating any minor encroachment, due to engineering errors, errors in original construction, settlement or shifting of the building, roof overhang, architectural or other appendants for so long as any such encroachment continues to exist.

Section 18.3. Ownership Interest. An ownership interest in a Lot within the Community may pass from the estate of a deceased person to more than one person; provided, however, that only one living individual shall be entitled to have membership privileges in the Association derived from such ownership.

Section 18.4. Severability. In the event any limitation, restriction, condition, covenant or provision contained in this Declaration is to be held invalid, void or unenforceable by any court of competent jurisdiction, the remaining portions of this Declaration shall, nevertheless, be and remain in full force and effect.

Section 18.5. Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community.

Section 18.6. Termination of Declarant's Obligations. In the event Declarant shall convey all of its right, title and interest in and to the Community to any partnership, individual or individuals, corporation or corporations, then and in such event, Declarant shall be relieved of the performance of any further duty or obligation hereunder, and such partnership, individual or individuals, corporation or corporations, shall be obligated to perform all such duties and obligations of the Declarant.

Section 18.7. Number, Gender. The singular shall include the plural and the plural the singular unless the context requires to the contrary, and the masculine, feminine and neuter shall each include the masculine, feminine or neuter, as the context requires.

Section 18.8. Non-Liability of Declarant. Each Owner, by acceptance of a deed, shall be deemed to have agreed that Declarant shall have no liability whatsoever resulting from any term or provision thereof having been held to be unenforceable in whole or in part.

Section 18.9. Grantees Subject to this Declaration. Each grantee of a conveyance or purchaser under a contract or agreement of sale, by accepting the deed or contract of sale or agreement of purchase, accepts the same subject to all of the limitations, restrictions, conditions and covenants, and agreements set forth in this Declaration, and agrees to be bound by the same.

Section 18.10. Bonded Obligations. In the event that improvements to the Community have not been completed prior to the issuance of the Final Subdivision Public Report for the Community, and the Association is obligee under a bond or other security (hereinafter "Bond") to secure performance of the commitment of the Declarant to complete such improvements, the following provisions shall apply:

18.10.1 The Board of Directors shall consider and vote on the question of action by the Association to enforce the obligations under the Bond with respect to any improvements for which a Notice of Completion has not been filed within sixty (60) days after the completion date specified for such improvements in the Planned Construction Statement appended to the Bond. If the Association has given an extension in writing for the completion of any improvement, the Board shall consider and vote on the aforesaid question if a Notice of Completion has not been filed within thirty (30) days after the expiration of such extension.

18.10.2 In the event that the Board of Directors determines not to initiate action to enforce the obligations under the Bond or in the event the Board fails to consider and vote on such question as provided above, the Board shall call a special meeting of the Members for the purpose of voting to override such decision or such failure to act by the Board. Such meeting shall be called according to the provisions of the Bylaws dealing with meetings of the Members, but in any event such meeting shall be held not less than thirty-five (35) days nor more than forty-five (45) days after receipt by the Board of a petition for such meeting signed by Members representing five percent (5%) of the total voting power of the Association.

18.10.3 The only Members entitled to a vote at such meeting of Members shall be the Owners other than Declarant. A vote at such meeting of a majority of the voting power of such Members other than Declarant to take action to enforce the obligations under the Bond shall be deemed to be the decision of the Association and the Board shall thereafter implement this decision by initiating and pursuing appropriate action in the name of the Association.

18.10.4 The Association shall act in a reasonably prompt manner to exonerate Declarant and its surety under any Bond in favor of the Association upon completion of the improvements.

Section 18.11. Declarant's Rights After Sale of all Lots in the Community. For a period of ten (10) years after the close of escrow for the sale of the last Lot in the Community covered by a Final Subdivision Public Report, in addition to Declarant's rights as an Owner and a Member, Declarant shall have the following rights: (1) access to and the right to inspect the Association books and financial records, (2) access to and the right to inspect the Association's maintenance records; (3) access to and the right to inspect the Common Areas of the Community; (4) right to receive notice of, attend and speak at all regular and special meetings of the Board of Directors and meetings of the Members; and (5) right to receive copies of the minutes of the meetings of the Board of Directors and meetings of the Members, upon request and payment of the actual costs to copy and distribute such records.

ARTICLE 19 DISPUTE MECHANISM

Section 19.1. Notice to Members Prior to Filing Civil Action. Not later than thirty (30) days prior to the filing of any civil action by the Association against the Declarant, or other developer of the Community for alleged damage to the Common Area, alleged damage to the Lots that the Association is obligated to maintain or repair, or alleged damage to the Lots that arises out of, or is integrally related, to damage to the Common Area or Lots that the Association is obligated to maintain or repair, the Board shall provide written notice to each Member who appears on the records of the Association at the time notice is given, specifying (a) that a meeting of Members will be held to discuss problems that may lead to the filing of a civil action, (b) the options, including civil actions, that are available to address the problems, and (c) the time and place of the meeting. If the Association has reason to believe that the applicable statute of limitations will expire before the association files the civil action, the Association may give the foregoing notice not later than thirty (30) days after the filing of the action.

Section 19.2. Dispute Resolution. THIS SECTION 19.2 AND THE FOLLOWING SECTIONS 19.3, 19.4 AND 19.5 SHALL APPLY WITH RESPECT TO ALL COMMON AREAS AND ONLY THOSE LOTS AND RESIDENCES CONSTRUCTED BY LENNAR HOMES OF CALIFORNIA, INC., A CALIFORNIA CORPORATION, WHICH RESIDENTIAL LOTS ARE DESCRIBED ON THE EXHIBIT ENTITLED "THE BRIARS & THE STEPPES" ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE. Such provisions will not apply to the Lots and Residences constructed in the Properties for Declarant by Centex Homes, a Nevada general partnership ("Centex Lots"), as Declarant's general contractor for the Centex Lots because buyers of the Centex Lots will be subject to different alternative dispute resolution procedures in a separate document. Further, Declarant has elected to use the statutory non-adversarial pre-litigation procedures of the Construction Claims Statute (as defined below) for the Centex Lots, and will provide buyers of the Centex Lots with a "Notice of Non-Adversarial Procedure Under Section 912(f)" to be recorded against the Centex Lots, which sets forth certain rights and obligations of Declarant and such buyers with respect to the Construction Claims Statute. Except for disputes related to the Centex Lots, any disputes between all or any of the Association, Owner(s), the Declarant, or any director, officer, partner, member, employer, general contractor, design professional, subcontractor, material supplier, individual product manufacturer, consultant or agent of the Declarant (collectively "Declarant Parties"), arising under this Declaration or relating to the Properties (as limited above), shall be

subject to the following provisions of this Section 19.2 and the following Sections 19.3, 19.4 and 19.5.

Section 19.3. Construction Defect Disputes.

19.3.1 Notice of Construction Claims Statute. California Civil Code Section 895 et seq., as hereafter amended ("Construction Claims Statute"), delineates standards for how various components of residential dwelling units should be constructed and function, limits the time frames for bringing various claims against the builder to anywhere from one year to ten years (as listed in the Construction Claims Statute) from the close of escrow for the residential dwelling unit, imposes an obligation on all Owner's and the Association to follow Declarant's maintenance recommendations and schedules, or other applicable maintenance guidelines, and establishes a non-adversarial claims resolution procedure that must be followed by an Owner and the Association before the Owner or the Association can initiate an adversarial claim and proceed to judicial reference or binding arbitration, as described in Section 19.5 below. THE CONSTRUCTION CLAIMS STATUTE AFFECTS EACH OWNER'S AND THE ASSOCIATION'S LEGAL RIGHTS. OWNERS, ON BEHALF OF THEMSELVES, AND AS MEMBERS OF THE ASSOCIATION, ARE ADVISED TO READ THE STATUTE CAREFULLY AND SEEK LEGAL ADVICE IF OWNER HAS ANY QUESTIONS REGARDING ITS AFFECT ON OWNER'S OR THE ASSOCIATION'S LEGAL RIGHTS. PURSUANT TO CALIFORNIA CIVIL CODE SECTION 914, DECLARANT IS PERMITTED TO ELECT TO USE ALTERNATE CONTRACTUAL NON-ADVERSARIAL PROCEDURES INSTEAD OF USING THE STATUTORY PRE-LITIGATION PROCEDURES PROVIDED IN THE CONSTRUCTION CLAIMS STATUTE, AND DECLARANT HAS ELECTED TO USE ITS OWN CONTRACTUAL NON-ADVERSARIAL PROCEDURES AS PROVIDED BELOW.

19.3.1.1. Obligation to Follow Maintenance Recommendations and Schedules. All Owners and the Association are obligated by Section 907 of the Construction Claims Statute to follow Declarant's maintenance recommendations and schedules, including the maintenance recommendations and schedules for manufactured products and appliances provided with such Owner's Lot or the Common Area, or any improvements thereon, as well as all commonly accepted maintenance practices (collectively, "Maintenance Recommendations"). Per Section 945.5 of the Construction Claims Statute, failure to follow the Maintenance Recommendations may reduce or preclude Owner's and the Association's right to recover damages relating to such Lot or Common Area, which could have been prevented or mitigated had the Maintenance Recommendations been followed.

19.3.1.2. Obligation to Retain Documents and Provide Copies to Successors. All Owners, who originally purchased a Lot from Declarant were provided copies of certain documents in conjunction with the purchase of their Lot, including copies of this Declaration, maintenance recommendations from Declarant, maintenance recommendations for manufactured products or appliances included with the Lot, a limited warranty, claim forms, and other documentation relating to the Construction Claims Statute. All Owners are required by the Construction Claims Statute to retain these documents and provide copies of such documents to their successors in interest upon the sale or transfer of such Owner's Lot.

19.3.2 Owners' Construction Defect Claims. Prior to the commencement of any legal proceeding by any Owner against Declarant or any Declarant Party based upon a claim for defects in the design or construction of any Lot, Residence, Common Area, or any improvements thereon, the Owner must first comply with the provisions of this paragraph. If at any time during the ten (10) year period following the close of escrow for the original Owner's purchase of such Owner's Lot from Declarant, as such period may be extended by any applicable tolling statute or provision, or any shorter period as provided by applicable law, such Owner believes Declarant has violated any of the standards set forth in the Construction Claims Statute ("Claimed Defect"), which such Owner feels may be the responsibility of Declarant, such Owner shall promptly notify Declarant's agent for notice of construction defect claims on file with the Secretary of State, whose name and address are: Lennar Corporation, 700 NW 107 Avenue, 4th Floor, Miami, FL 33172, attention General Counsel, in writing, with a copy to Lennar Corporate Legal Department - Western Division, 25 Enterprise, Aliso Viejo, CA 92656, attention Litigation Counsel, Western Region, or as otherwise provided to the purchasers of its Lots. Such notice shall be deemed a notice of intention to commence a legal proceeding and shall include: (a) a detailed description of the Claimed Defect, (b) the date upon which the Claimed Defect was first discovered, and (c) dates and times when Owner or Owner's agent will be available during ordinary business hours, so that service calls or inspections by Declarant can be scheduled. Declarant shall, in its sole discretion, be entitled to inspect the applicable property regarding the reported Claimed Defect and, within its sole discretion, shall be entitled to cure such Claimed Defect. Nothing contained in this Article shall obligate Declarant to perform any such inspection or repair, nor shall this Section be deemed to increase Declarant's legal obligations to Owner. Owner's written notice delivered to Declarant shall be a condition precedent to Owner's right to institute any legal proceeding and to proceed to judicial reference or binding arbitration as set forth Section 19.5 below, and Owner shall not pursue any other remedies available to it, at law or otherwise, including without limitation the filing of any legal proceeding or action, until Declarant has had the reasonable opportunity to inspect and cure the Claimed Defect. During the term of any written Limited Warranty provided to the original Owner of the Lot by Declarant, any conflict between the provisions of this Section and the Limited Warranty shall be resolved in favor of the Limited Warranty. Declarant shall not be liable for any general, special or consequential damage, cost, diminution in value or other loss which Owner may suffer as a result of any Claimed Defect in the Unit, which reasonably might have been avoided had Owner given Declarant the notice and opportunity to cure as described above within a reasonable time of discovering the Claimed Defect. Except as otherwise provided in the written Limited Warranty, if any, provided to Owner, nothing contained herein shall establish any contractual duty or obligation on the part of Declarant to repair, replace or cure any Claimed Defect. If an Owner sells or otherwise transfers ownership of such Owner's Unit to any other person during such ten (10) year period, as such period may be extended by any applicable tolling statute or provision, Owner covenants and agrees to give such other person written notice of these procedures by personal delivery. Owner's continuing obligation under this covenant shall be binding upon Owner and Owner's successors and assigns.

19.3.3 Association's Construction Defect Claims. DECLARANT ELECTS TO USE THE ALTERNATE CONTRACTUAL NON-ADVERSARIAL PROCEDURES CONTAINED IN CIVIL CODE SECTION 1375, EXCEPT AS OTHERWISE PROVIDED HEREIN, RATHER THAN THE STATUTORY PRE-LITIGATION PROCEDURES OF THE

CONSTRUCTION CLAIMS STATUTE, WITH RESPECT TO CLAIMS BY THE ASSOCIATION. Prior to the commencement of any legal proceeding by the Association against Declarant or any Declarant Party based upon a claim for defects in the design or construction of the Common Area, or any improvements thereon, or any other area within the Community which the Association has standing to make a claim for defects in the design or construction thereof, the Association must first comply with all of the applicable requirements of Civil Code Section 1375, as the same may be amended from time to time, or any successor statute thereto. For purposes of claims under this Section, notice to "builder" under California Civil Code Section 1375 shall mean notice to Declarant's agent for notice of construction defect claims on file with the Secretary of State, with a copy to Declarant, as provided above. In addition to the requirements of said Section 1375, Declarant shall have an absolute right, but not an obligation, to repair any alleged defect or condition claimed by the Association to be in violation of the standards set forth in the Construction Claims Statute, within a reasonable period of time after completion of the inspection and testing provided for in such Section and prior to submission of builder's settlement offer under such Section. If the parties to such dispute are unable to resolve their dispute in accordance with the procedures established under Civil Code Section 1375, as the same may be amended from time to time, or any successor statute, the dispute shall be resolved in accordance with the judicial reference or binding arbitration provisions of Section 19.5 below and the parties to the dispute shall each be responsible for their own attorneys' fees. The Association shall have the power to initiate claims against a Declarant Party for violations of Construction Claims Statute, as soon as the Association has one (1) Class A Member other than Declarant. Upon the written request of any Class A member to the Board of Directors, the Board shall establish a committee consisting exclusively of Class A Member(s) other than Declarant to investigate claimed violations of the standards of the Construction Claims Statute. Upon the committee's determination that cause exists to initiate a claim, the decision of whether to initiate a claim shall be made by a vote of the Class A members other than Declarant. A majority of the votes cast shall be deemed to be the decision of the Association, which the board shall carry out by submitting the necessary claim to Declarant or the appropriate Declarant Party; provided, however, that the vote is either conducted at a properly convened meeting with the requisite quorum in accordance with the provisions of the Bylaws relating to meetings and voting, or the vote was conducted without a meeting in accordance with California Corporations Code Section 7513, as authorized by the Bylaws.

Section 19.4. Other Disputes. Any other disputes arising under this Declaration, or otherwise, between the Association or any Owner and Declarant or any Declarant Party (except for any action taken by the Association against Declarant for delinquent assessments, and any action involving enforcement of any completion bonds) shall be resolved in accordance with the alternate dispute resolution provisions of Section 19.5 below; provided, however, that with regard to disputes between the Association and an Owner where the alternative dispute resolution procedure is invoked by the Association, the Owner may elect not to participate in the procedure. The dispute resolution procedure in Section 19.5, as it applies solely to disputes under this Section 19.4, shall be deemed to satisfy the alternative dispute requirements of Civil Code Sections 1363.810, 1369.510, and following, or any successor statute, as applicable.

Section 19.5. Alternate Dispute Resolution Procedures. The following procedures provide for resolution of disputes through general judicial reference or, in the alternative, binding arbitration.

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In either event, Declarant, the Association and each Owner of a Lot within the Community, expressly acknowledge and accept that, by invoking or electing to participate in the procedure, they are waiving their respective rights to a jury trial.

19.5.1 Judicial Reference. Subject to compliance with the provisions of Sections 19.2 through 19.4, to the extent applicable, it is the intention of Declarant that, except as otherwise expressly provided herein, any and all disputes, based upon which litigation is filed, shall be resolved by judicial reference under California law. Accordingly, except as otherwise expressly provided in this Declaration (such as the collection of delinquent assessments), any dispute, between the Association or any Owner(s) and the Declarant, or other developer of the Community, or between the Association and any Owner with respect to the interpretation of any of the provisions of this Declaration, or with respect to any alleged breach hereof, or with respect to any other claim related to a Lot or the Common Area, including, without limitation, any alleged latent or patent construction or design defect in the Community, any Lot or any part thereof, any alleged violation of the standards set forth in the Construction Claims Statute, any judicial determination to be made under California Civil Code Section 1375(h), or for alleged damage to the Common Area, alleged damage to the Lots that the Association is obligated to maintain or repair, or any alleged damage to Lots that arises out of, or is integrally related to the Common Area or Lots that the Association is obligated to maintain or repair, shall be heard by a referee pursuant to the provisions of California Code of Civil Procedure Sections 638 through 645.1. Notwithstanding any other provision of this Declaration, this Article shall not be amended without the written consent of Declarant. In the event litigation is filed based upon any such dispute, the following shall apply:

19.5.1.1. The proceeding shall be brought and held in the County in which the Community is located, unless the parties agree to an alternative venue.

19.5.1.2. The parties shall use the procedures adopted by Judicial Arbitration and Mediation Services, Inc. ("JAMS") for judicial reference and selection of a referee (or any other entity offering judicial reference dispute resolution procedures as may be mutually acceptable to the parties).

19.5.1.3. The referee must be a retired judge or a licensed attorney with substantial experience in relevant real estate matters.

19.5.1.4. The parties to the litigation shall agree upon a single referee who shall have the power to try any and all of the issues raised, whether of fact or of law, which may be pertinent to the matters in dispute, and to issue a statement of decision thereon to the court. Any dispute regarding the selection of the referee shall be resolved by JAMS or the entity providing the reference services, or, if no entity is involved, by the court with appropriate jurisdiction in accordance with California Code of Civil Procedure Sections 638 and 640.

19.5.1.5. The referee shall be authorized to provide all remedies available in law or equity appropriate under the circumstances of the controversy.

19.5.1.6. The referee may require one or more pre-hearing conferences.

19.5.1.7. The parties shall be entitled to discovery, and the referee shall oversee discovery and may enforce all discovery orders in the same manner as any trial court judge.

19.5.1.8. A stenographic record of the trial shall be made.

19.5.1.9. The referee's statement of decision shall contain findings of fact and conclusions of law to the extent applicable.

19.5.1.10. The referee shall have the authority to rule on all post-hearing motions in the same manner as a trial judge.

19.5.1.11. The parties shall promptly and diligently cooperate with each other and the referee and perform such acts, as may be necessary for an expeditious resolution of the dispute.

19.5.1.12. Except as otherwise agreed by the parties or as required by applicable law, neither the Association nor any Owner shall be required to pay any fee of the judicial reference proceeding except to the extent of the cost that would be imposed upon the Association or Owner if the dispute had been resolved as a dispute in court. The referee may not award against the Association or any Owner any expenses in excess of those that would be recoverable as costs if the dispute had been litigated to final judgment in court. Each party to the judicial reference proceeding shall bear its own attorney fees and costs in connection with such proceeding.

19.5.1.13. The statement of decision of the referee upon all of the issues considered by the referee shall be binding upon the parties, and upon filing of the statement of decision with the clerk of the court, or with the judge where there is no clerk, judgment may be entered thereon. The decision of the referee shall be appealable as if rendered by the court. This provision shall in no way be construed to limit any valid cause of action that may be brought by any of the parties.

19.5.2 Binding Arbitration. If for any reason the judicial reference procedures in Section 19.5.1 are legally unavailable or unenforceable at the time a dispute would otherwise be referred to judicial reference, then such dispute shall be submitted to binding arbitration under the rules and procedures in this Section 19.5.2. Any dispute submitted to binding arbitration shall be administered by the American Arbitration Association ("AAA") in accordance with the AAA's Construction Industry Arbitration Rules and AAA's Supplementary Procedures for Residential Construction Disputes in effect on the date of the submission. If such entity is not then in existence, then the dispute shall be submitted to JAMS, and administered in accordance with either the Streamlined Arbitration Rules and Procedures, or (if applicable) the Comprehensive Arbitration Rules of JAMS. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such dispute. If the claimed amount exceeds \$250,000.00 or includes a demand for punitive damages, the dispute shall be heard and determined by three arbitrators. Otherwise, unless mutually agreed to by the parties, there shall be one arbitrator. Arbitrators shall have expertise in the area(s) of dispute, which may include legal expertise if legal issues are involved. All decisions concerning the arbitrability of any dispute shall be decided by the arbitrator(s). At the request of any party, the award of the

arbitrator(s) shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither party nor the arbitrator(s) may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

19.5.3 Applicability of Federal Arbitration Act. The binding arbitration procedures contained in Sections 19.5.2 are implemented for the Community in accordance with the philosophy and intent of the Federal Arbitration Act (9 U.S.C. Section 1 et seq.) ("FAA"), which is designed to encourage the use of alternative methods of dispute resolution and avoid costly and potentially lengthy traditional court proceedings. The binding arbitration procedures in said Section are to be interpreted and enforced as authorized by the FAA. Parties interpreting this Section shall follow the federal court rulings, which provide among other things that: (1) the FAA is a congressional declaration of liberal federal policy favoring alternate dispute resolution notwithstanding substantive or procedural state policies or laws to the contrary, (2) alternate dispute resolution agreements are to be rigorously enforced by state courts; and (3) the scope of issues subject to alternate dispute resolution are to be interpreted in favor of alternate dispute resolution.

Section 19.6. Use of Damage Award Amounts. Any and all amounts awarded to a claimant on account of a claimed construction or design defect in the Community, or damage suffered as a result thereof, shall be expended by such claimant for the attorney fees and costs of the proceeding and the repair, rehabilitation, or remediation of the claimed defect or damage.

Section 19.7. Civil Codes Sections 1368.5, 1375, 1375.05 and 1375.1. Nothing contained herein shall be deemed a waiver or limitation of the provisions of California Civil Code Sections 1368.5, 1375, 1375.05, or 1375.1.

Section 19.8. Disputes Relating To Enforcement Of Governing Documents. In the event of a dispute between the Association and an Owner, or between an Owner and another Owner, relating to the enforcement of the governing documents of the Association, the parties shall comply with the provisions of California Civil Code Sections 1363.810, 1369.510, and following, prior to filing of any civil action.

Section 19.9. Miscellaneous. Nothing in the Article shall constitute a waiver of any of the benefits of statute of limitations or equitable defense of any party. Furthermore, notwithstanding any other provision of this Declaration, this Article may not be amended without the prior written consent of the Declarant.

ARTICLE 20 CONSERVATION PROPERTY

Section 20.1. Conservation Property. The Community is bounded on the east and west by open space property that is required to be preserved and protected in its natural state by the City and the California Department of Fish & Game ("**CDFG**") and is restricted pursuant to that certain "Conservation Easement Deed (Uplands)", by and between Declarant and the City of Escondido, recorded January 30, 2006, as Instrument No. 2006-0066646, in the Official Records of San

Diego County, California ("***Uplands Conservation Easement***"). The real property subject to the Uplands Conservation Easement is described on ***Exhibit "CP"*** attached hereto and incorporated herein by this reference, and is referred to herein as the "***Uplands Conservation Property***."

In addition to the Uplands Conservation Property, the Community contains drainage areas that are required to be preserved and protected in their natural state by the ACOE and the California Regional Water Quality Control Board, and are restricted pursuant to that certain "Conservation Easement (Eureka Ranch – Onsite Drainage)," dated November 17, 2005, by and between Declarant and Helix Community Conservancy ("***HCC***"), recorded in the Official Records of San Diego County ("***Onsite Drainage Conservation Easement***"). The real property subject to the Onsite Drainage Conservation Easement is described on ***Exhibit "CQ"*** attached hereto and incorporated herein by this reference, and is referred to herein as the "***Onsite Drainage Conservation Property***."

Section 20.2. Association Maintenance of Uplands Conservation Property and Easement. The Uplands Conservation Property is intended to be conveyed in fee by Declarant to a public conservation entity or the Association. If such conveyance to a public conservation entity does not take place, the Association may be required to assume the duty and obligation to maintain, manage and preserve the Uplands Conservation Property under and pursuant to the terms of, and in accordance with the requirements of, the Uplands Conservation Easement. Whether or not the Uplands Conservation Property is conveyed in fee, the long-term maintenance, management and preservation of the Uplands Conservation Property is expected to be performed by a public conservation entity pursuant to a management agreement between such entity, the City, and the Declarant. It is expressly understood that, notwithstanding such conveyance and/or management agreement, the Association and not the public conservation entity shall have the responsibility for the following long-term maintenance activities: [maintain the fence between the Community and the Uplands Conservation Property]. Declarant hereby grants to Association easements of access, ingress, egress, on, over, under, across and through the Uplands Conservation Property, for the performance of such maintenance and management and related duties and responsibilities as intended and/or required by this Article, the Conditions of Approval for the Community issued by the City, and the Conservation Easement, and the related requirements of the CDFG with respect to the Uplands Conservation Property

Section 20.3. 404 Permit Disclosures. Certain drainages within the Community are subject to the 404 Permit issued by the ACOE. A copy of the 404 Permit and the Conservation Easement will be kept in the official records of the Association. All Owners shall be deemed to have notice of the terms of the Conservation Easement. The Onsite Drainage Conservation Property is intended to be conveyed in fee by Declarant to the Association.

20.3.1 The long-term maintenance, management and preservation of the Onsite Drainage Conservation Property shall be performed by a public conservation entity pursuant to a management agreement between such entity, the City and the Declarant once ACOE has accepted the required revegetation plan as successfully implemented. Nonetheless, if Declarant determines it to be necessary that the Association accept and assume the obligations for the maintenance, management and preservation of the Onsite Drainage Conservation Property, then, upon the conveyance of the Onsite Drainage Conservation Property to the Association, the Association shall accept such conveyance and assume all of the Declarant's rights and

obligations with respect to maintenance, management and preservation thereof and under and pursuant to any management agreement regarding the Onsite Drainage Conservation Property.

20.3.1.1. The Board shall annually cause an internal review to be performed by a competent consultant to determine the status of the Onsite Drainage Conservation Property, and, in particular, the Association's full compliance with the terms of this Article, the 404 Permit, and the Onsite Drainage Conservation Easement.

20.3.1.2. During such time as the Onsite Drainage Conservation Property is maintained by the public conservation entity pursuant to a management agreement, the duties and responsibilities of the Association shall be limited to those relating to maintenance of the required reserve fund, and the Association shall not be required to maintain, manage, monitor or determine the status of the Onsite Drainage Conservation Property, except that the Association will be responsible for fence repairs or replacement within the Onsite Drainage Conservation Property in perpetuity and for maintaining a gate for access onto the Onsite Drainage Conservation Property.

20.3.2 The 404 Permit imposes certain limitations on development and related activities within the Onsite Drainage Conservation Property, and imposes certain use limitations, landscaping restrictions and maintenance obligations through the Conservation Easement with respect to this property. The Association will acquire the Onsite Drainage Conservation Property, which shall be designated as Common Areas, subject to such limitations and restrictions, and will assume such obligations upon conveyance of such Onsite Drainage Conservation Property. Until the conveyance of the Onsite Conservation Property or any portion thereof, the Declarant or its successors and assigns will maintain such Onsite Conservation Property in accordance with the terms of the 404 Permit and the Conservation Easement. In addition, the Association shall be responsible for performing those actions required pursuant to the Conservation Easement for such Onsite Drainage Conservation Property conveyed to the Association, including, without limitation, performing an internal review each year as to the status of the Onsite Conservation Property subject to the provisions of the Conservation Easement. The Association also shall be responsible for and bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Onsite Drainage Conservation Property following conveyance by the Declarant. The Association shall not convey any interest in the Onsite Drainage Conservation Property except in compliance with the Conservation Easement.

20.3.3 The Onsite Drainage Conservation Property may not be improved with Dwelling Units or other improvements except as otherwise permitted pursuant to the Conservation Easement, and, in general, is to be maintained in a natural condition in accordance with the Conservation Easement. Without limiting the foregoing, the Conservation Easement prohibits the following activities on and uses of the Onsite Drainage Conservation Property except as otherwise provided in the Conservation Easement:

(a) Supplemental watering except for habitat enhancement activities described in the Conservation Easement;

(b) Use of herbicides, pesticides, rodenticides, biocides, fertilizers, or other agricultural chemicals or weed abatement activities, except weed abatement activities, with the following exceptions: (i) weed abatement activities necessary to control or remove invasive, exotic plant species and (ii) pest control activities set forth in the Conservation Easement;

(c) Use of off-road vehicles and use of any other motorized vehicles except as described in the Conservation Easement;

(d) Livestock grazing or other agricultural activity of any kind;

(e) Recreational activities;

(f) Residential, commercial, retail, transportation, institutional, or industrial uses;

(g) Any legal or de facto division, subdivision or portioning of the Onsite Drainage Conservation Property, except transfers in accordance with in the Conservation Easement;

(h) Construction, reconstruction or placement of any building or other improvement, billboard, or sign, except as specifically permitted under in the Conservation Easement;

(i) Depositing, dumping or accumulating soil, trash, ashes, refuse, waste, bio-solids or any other material;

(j) Planting, introduction or dispersal of non-native or exotic plant or animal species;

(k) Filling, dumping, excavating, draining, dredging, mining, drilling, removing or exploring for or extraction of minerals, loam, gravel, soil, rock, sand or other material on or below the surface of the Onsite Drainage Conservation Property;

(l) Altering the general topography of the Onsite Drainage Conservation Property, including but not limited to building of roads, trails, and flood control work, except as permitted pursuant to the Conservation Easement;

(m) Removing, destroying, or cutting of trees, shrubs or other vegetation, except for (1) emergency fire breaks and other protection as set forth in the Conservation Easement; (2) prevention or treatment of disease; (3) control of invasive, exotic plants which threaten the integrity of the habitat; (4) completing the mitigation activities, or (5) other activities described in or permitted by the Conservation Easement;

(n) Manipulating, impounding or altering any natural watercourse, body of water or water circulation on the Preserve Areas, and activities or uses detrimental to water quality, including, but not limited to, degradation or pollution of any surface or sub-surface waters; and

(o) Fuel modification zones as described in the Conservation Easement.

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20.3.4 The Association will have the right to impose such rules and regulations as may be appropriate to enforce the 404 Permit and the Conservation Easement.

20.3.5 The Association shall establish a separate reserve account to insure that funds are available to permit compliance with the Conservation Easement and to cover all anticipated maintenance or repair costs as well as extraordinary repair or maintenance. The initial amount of such reserve account shall be \$5,000 (which amount shall be funded by Declarant) and the Board shall reevaluate the appropriate amount of such reserve account at least every two years. Unless otherwise approved by the Corps, such reserve account shall be increased by at least two percent per annum.

20.3.6 Any work within the Onsite Drainage Conservation Property that affects the drainage of surface waters, or the condition of any structure or area required as a condition of the 404 Permit may fall under the terms of the 404 Permit or may otherwise be regulated pursuant to Section 404 of the Clean Water Act. Any Person proposing to undertake such work must become familiar with the terms of the 404 Permit and Section 404 of the Clean Water Act and comply with those requirements if the Person applies to complete the contemplated work. The Association will provide a copy of the 404 Permit to any contractor or other Person employed or allowed by the Association to perform work within areas subject to the 404 Permit upon request.

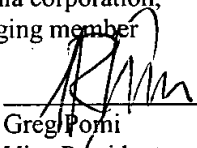
20.3.7 Other than the maintenance of the Onsite Drainage Conservation Property contemplated by this Declaration, and the Conservation Easement, Declarant and its successors and assigns shall be responsible for the work that is contemplated under the 404 Permit and for which the 404 Permit was issued.

IN WITNESS WHEREOF, the undersigned hereunto executed this Declaration this 15th day of August, 2006.

"DECLARANT"

EUREKA ESCONDIDO, LLC,
a Delaware limited liability company

By: Lennar Homes of California, Inc.
a California corporation,
Its: managing member

By: 
Name: Greg Pomi
Its: Vice President

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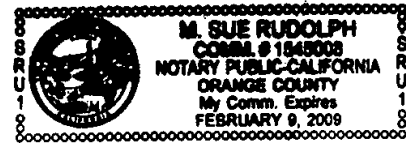
ACKNOWLEDGEMENTS

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On August 15, 2006, before me, M. Sue Rudolph, a Notary Public for the State of California, personally appeared Greg Pomi, personally known to me 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 the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC M. Sue Rudolph (Seal)



NOTARY: M. SUE RUDOLPH
TELEPHONE #: 949/349-8205
COMMISSION #: 1545008
COUNTY: ORANGE COUNTY
COMM. EXPIRES: FEB. 9, 2009

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SUBORDINATION AGREEMENT

The undersigned, CALIFORNIA BANK & TRUST, a California banking corporation, Beneficiary under that certain Deed of Trust recorded April 1, 2005, as Instrument No. 2005-0264996, Official Records, San Diego County, California, does hereby consent to each and all of the provisions contained in the within instrument, the Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Eureka Springs, and all amendments and annexations thereto excepting therefrom any amendments and annexations related to the mortgagee's rights under Article 13 herein and does hereby agree that the lien and charge of said Deed of Trust shall be, and is hereby made, subordinate to, junior to and subject to said within instrument and all amendments and annexations thereto excepting therefrom any amendments and annexations related to the mortgagee's rights under Article 13 herein and the entire effect thereof.

Date: 8-16, 2006

BENEFICIARY:

CALIFORNIA BANK & TRUST
a California banking corporation

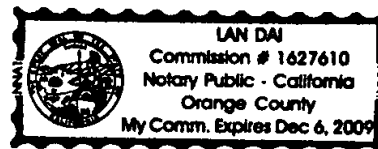
By: Aggea HerringName: Aggea HerringTitle: Senior Vice President

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On August 16th, 2006, before me, Lan Dai, a Notary Public for the State of California, personally appeared Aggea Herring, personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the person whose name is subscribed to the within instrument, and acknowledged to me that ~~he~~she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC [Signature] (Seal)

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EXHIBIT "A"
THE PROPERTIES

In the City of Escondido, County of San Diego:

LOTS 46 THROUGH 66, INCLUSIVE, OF ESCONDIDO TRACT NO. 839, EUREKA RANCH UNIT NO. 1, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 15274, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ON MARCH 2, 2006, AS FILE NO. 2006-0146203.

EXHIBIT "B"
ANNEXABLE PROPERTY

In the City of Escondido, County of San Diego:

LOTS 1 THROUGH 45, INCLUSIVE, 67 THROUGH 80, INCLUSIVE, AND COMMON AREA LOT(S) "A" AND "B", OF ESCONDIDO TRACT NO. 839, EUREKA RANCH UNIT NO. 1, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 15274, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ON MARCH 2, 2006, AS FILE NO. 2006-0146203; and

LOTS 1 THROUGH 43, INCLUSIVE, AND COMMON AREA LOT(S) "A", "B" AND "C", OF ESCONDIDO TRACT NO. 839, EUREKA RANCH UNIT NO. 2, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 15275, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ON MARCH 2, 2006, AS FILE NO. 2006-0146445; and

ESCONDIDO TRACT NO. 839, EUREKA RANCH UNIT NO. 3, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 15312, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ON APRIL 10, 2006, AS FILE NO. 2006-0246712; and

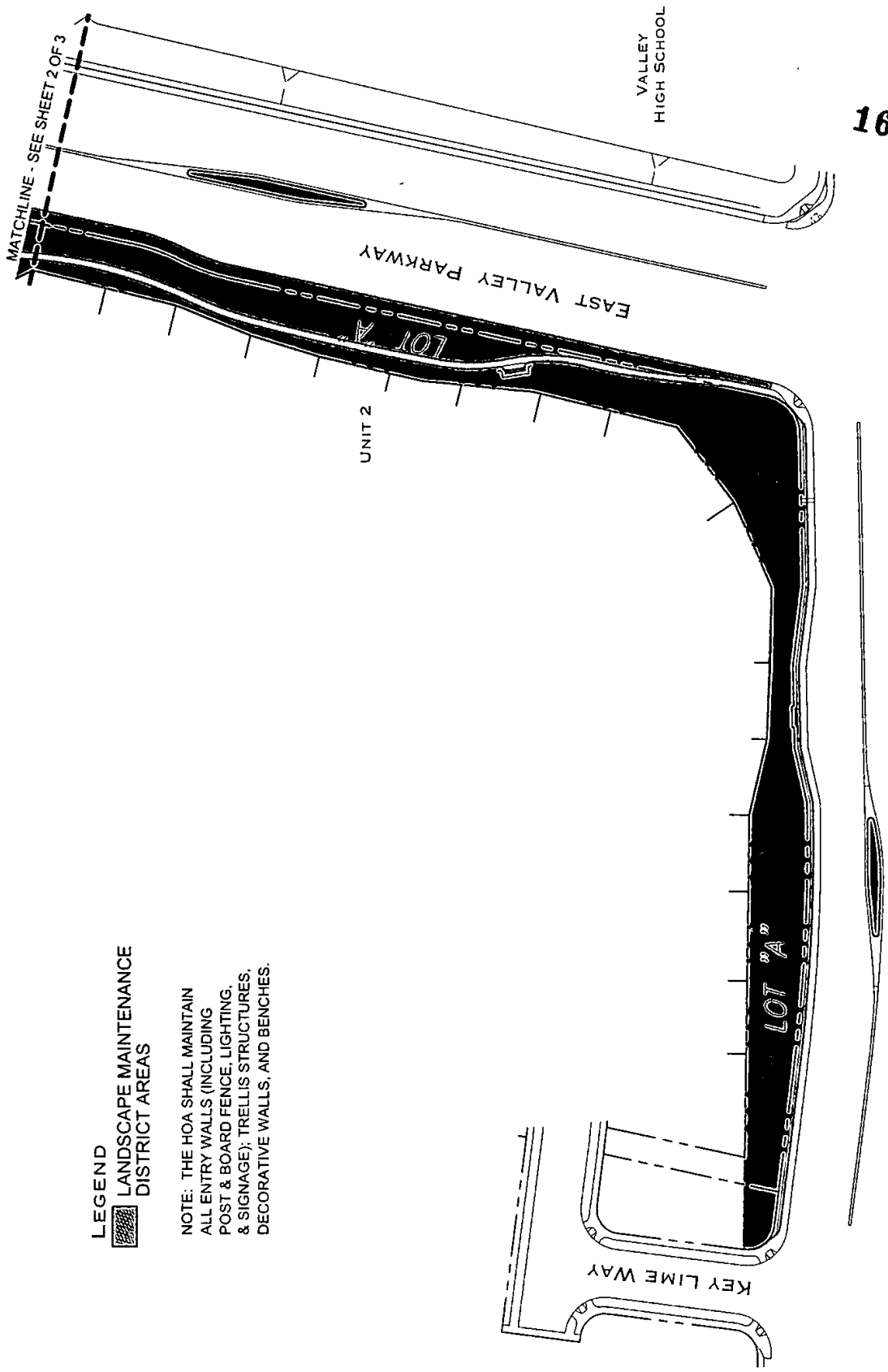
ESCONDIDO TRACT NO. 839, EUREKA RANCH UNIT NO. 4, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 15354, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ON MAY 30, 2006, AS FILE NO. 2006-0380183; and

ESCONDIDO TRACT NO. 839, EUREKA RANCH UNIT NO. 5, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 15367, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ON JUNE 26, 2006, AS FILE NO. 2006-0449805; and

LOTS 8 AND 9 OF ESCONDIDO TRACT NO. 839, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 15263, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ON FEBRUARY 15, 2006, AS FILE NO. 2006-0108957.

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EXHIBIT "LMD"
LANDSCAPE MAINTENANCE DISTRICT AREAS



LEGEND
 [Shaded Box] LANDSCAPE MAINTENANCE DISTRICT AREAS

NOTE: THE HOA SHALL MAINTAIN ALL ENTRY WALLS (INCLUDING POST & BOARD FENCE, LIGHTING, & SIGNAGE); TRELLIS STRUCTURES, DECORATIVE WALLS, AND BENCHES.

EXHIBIT "LMD"
 EUREKA SPRINGS
 LANDSCAPE MAINTENANCE DISTRICT AREAS
 WASHINGTON AVENUE

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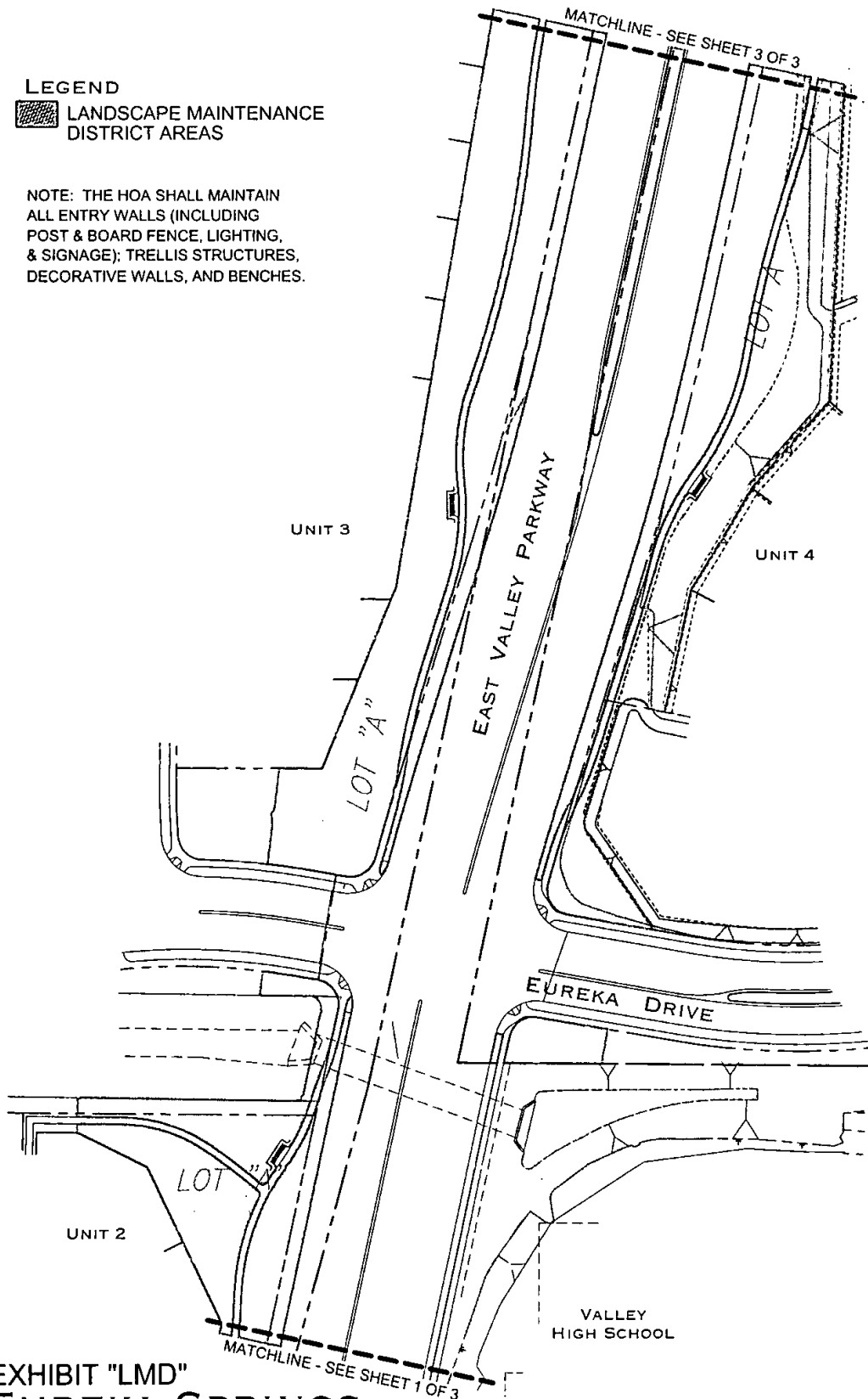


* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY. AS-BUILT CONDITIONS WILL CONTROL.

LEGEND

 LANDSCAPE MAINTENANCE DISTRICT AREAS

NOTE: THE HOA SHALL MAINTAIN ALL ENTRY WALLS (INCLUDING POST & BOARD FENCE, LIGHTING, & SIGNAGE); TRELLIS STRUCTURES, DECORATIVE WALLS, AND BENCHES.



16371

EXHIBIT "LMD" EUREKA SPRINGS LANDSCAPE MAINTENANCE DISTRICT AREAS - EAST VALLEY PARKWAY

2 OF 3

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY. AS-BUILT CONDITIONS WILL CONTROL.



16372

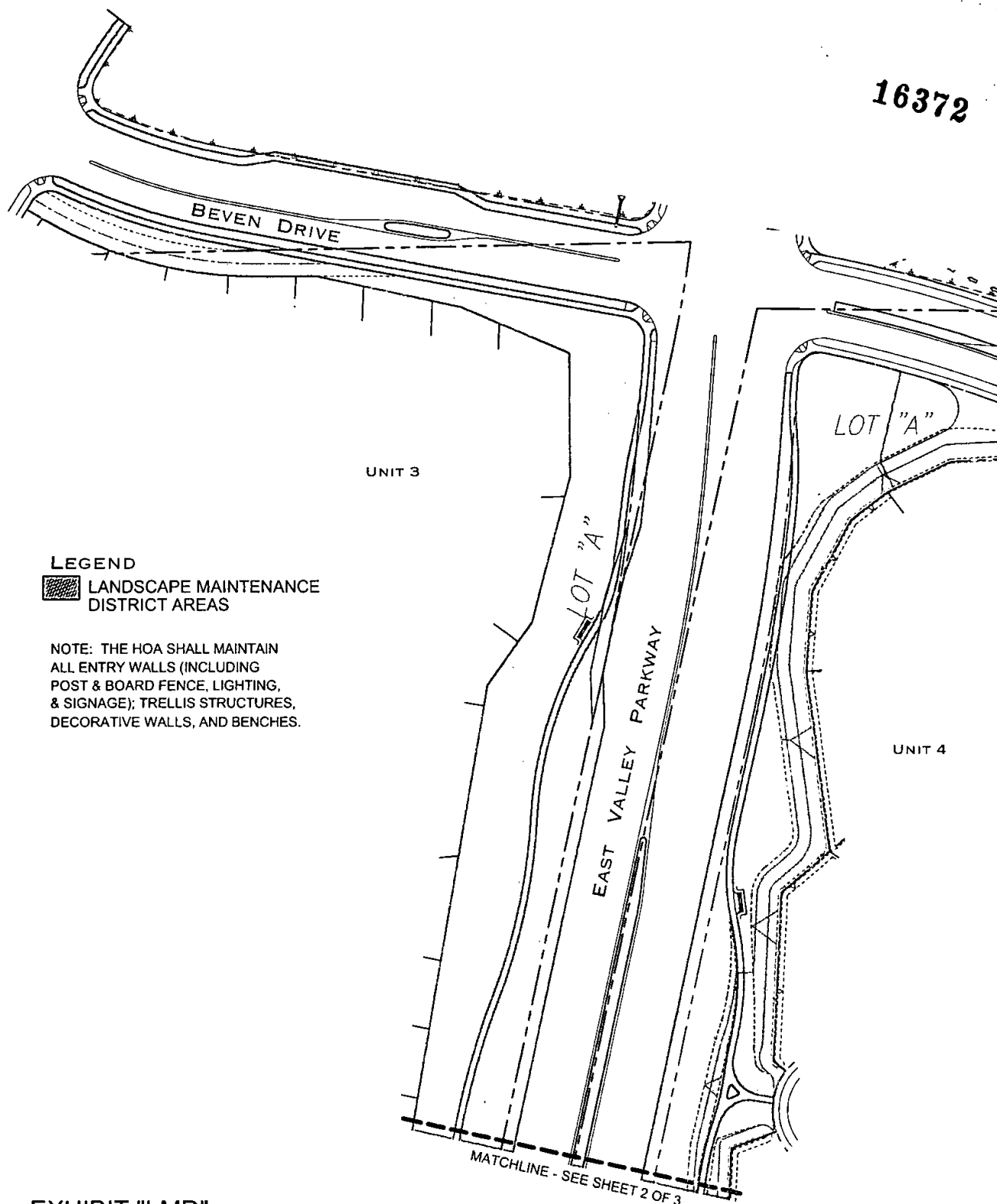


EXHIBIT "LMD"
EUREKA SPRINGS
 LANDSCAPE MAINTENANCE DISTRICT
 AREAS - EAST VALLEY PARKWAY

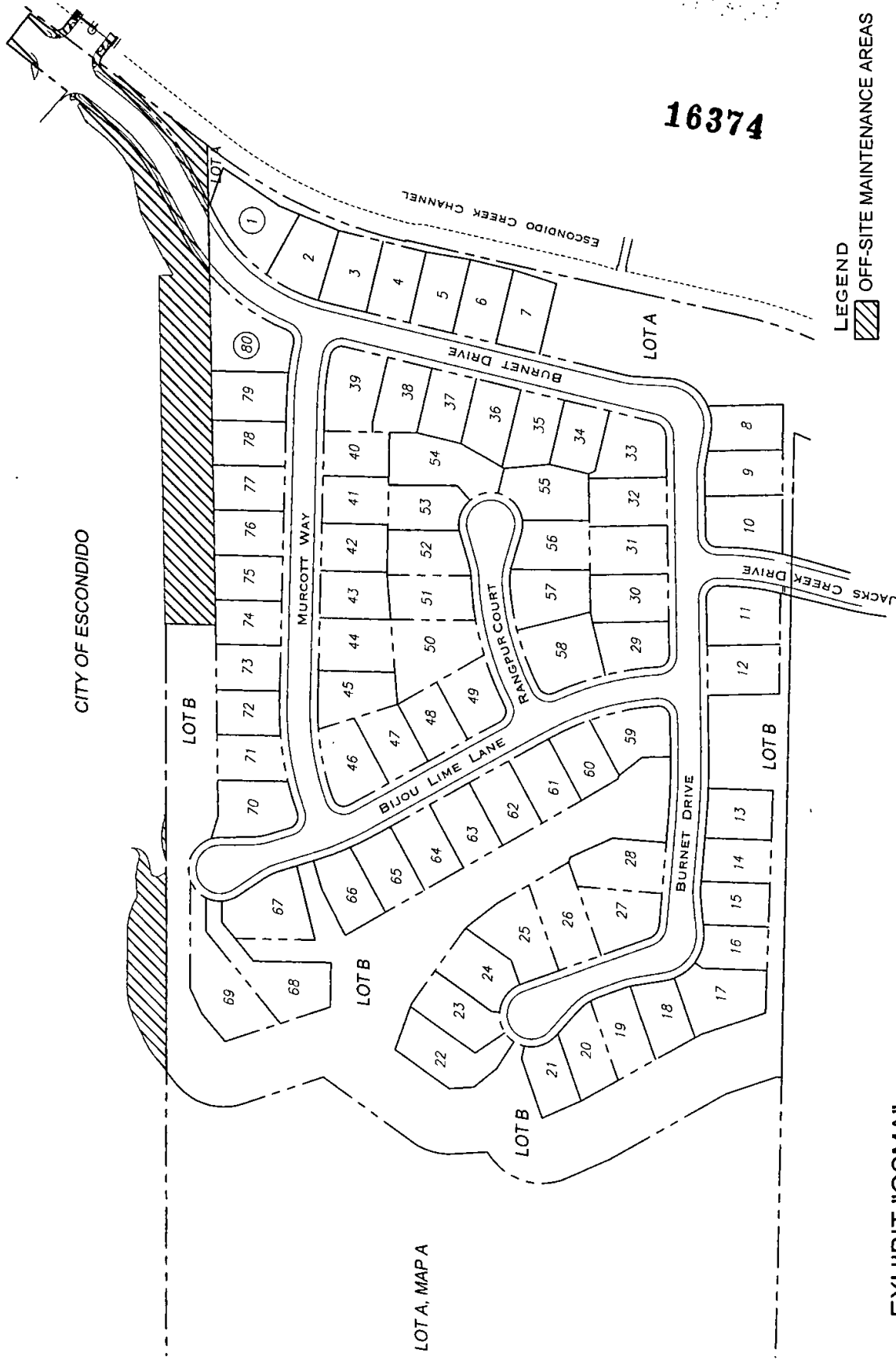
3 OF 3

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY. AS-BUILT CONDITIONS WILL CONTROL.



EXHIBIT "OSMA"
OFF-SITE MAINTENANCE AREAS

16373



16374

LEGEND
 OFF-SITE MAINTENANCE AREAS



* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

EXHIBIT "OSMA"
 EUREKA SPRINGS
 OFF-SITE MAINTENANCE AREAS - UNIT 1

16375

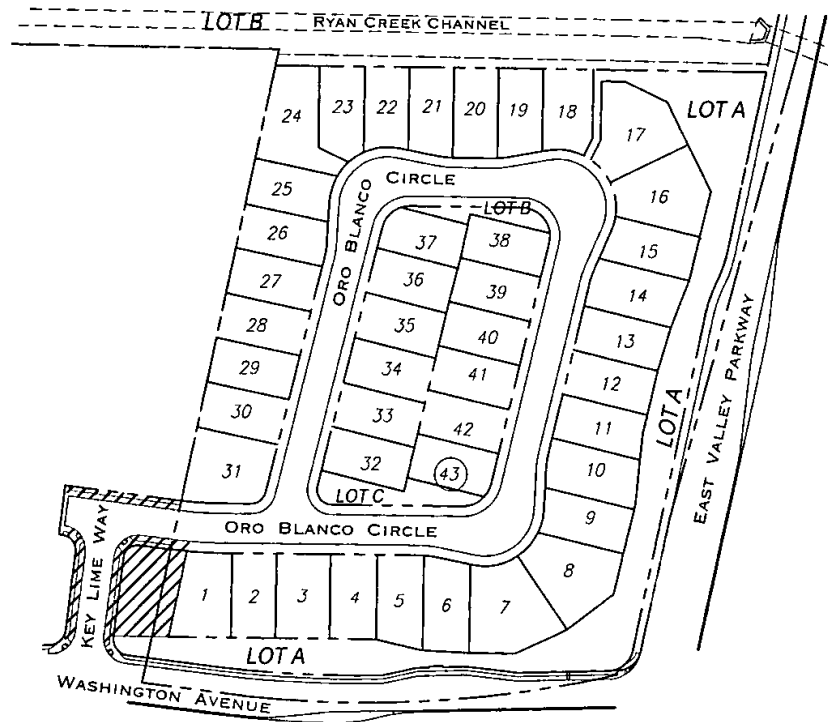


EXHIBIT "OSMA"
EUREKA SPRINGS
 OFF-SITE MAINTENANCE AREAS - UNIT 2

2 OF 4

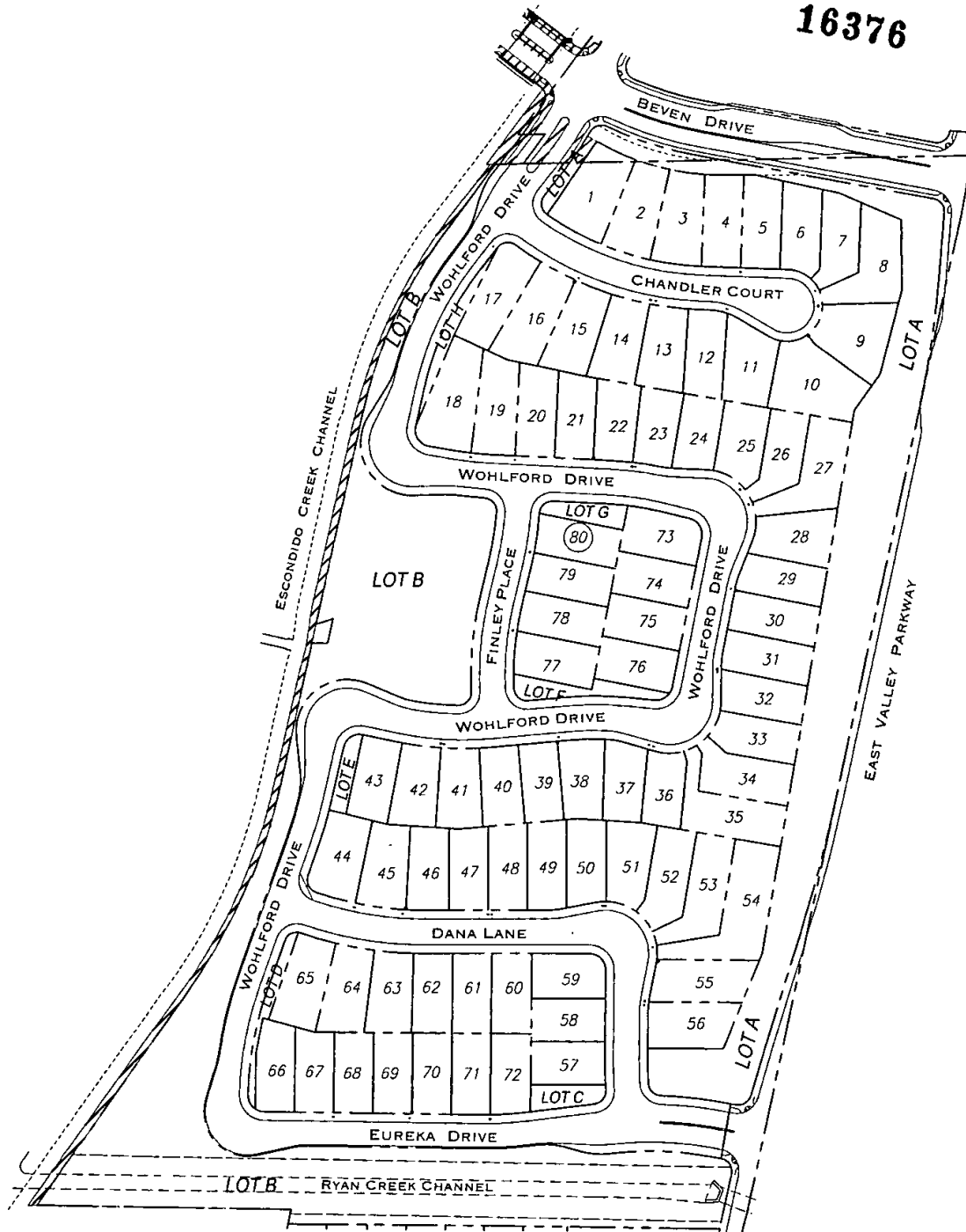
LEGEND

 OFF-SITE MAINTENANCE AREAS



* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

16376



LEGEND

 OFF-SITE MAINTENANCE AREAS



EXHIBIT "OSMA"
EUREKA SPRINGS
 OFF-SITE MAINTENANCE AREAS - UNIT 3

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

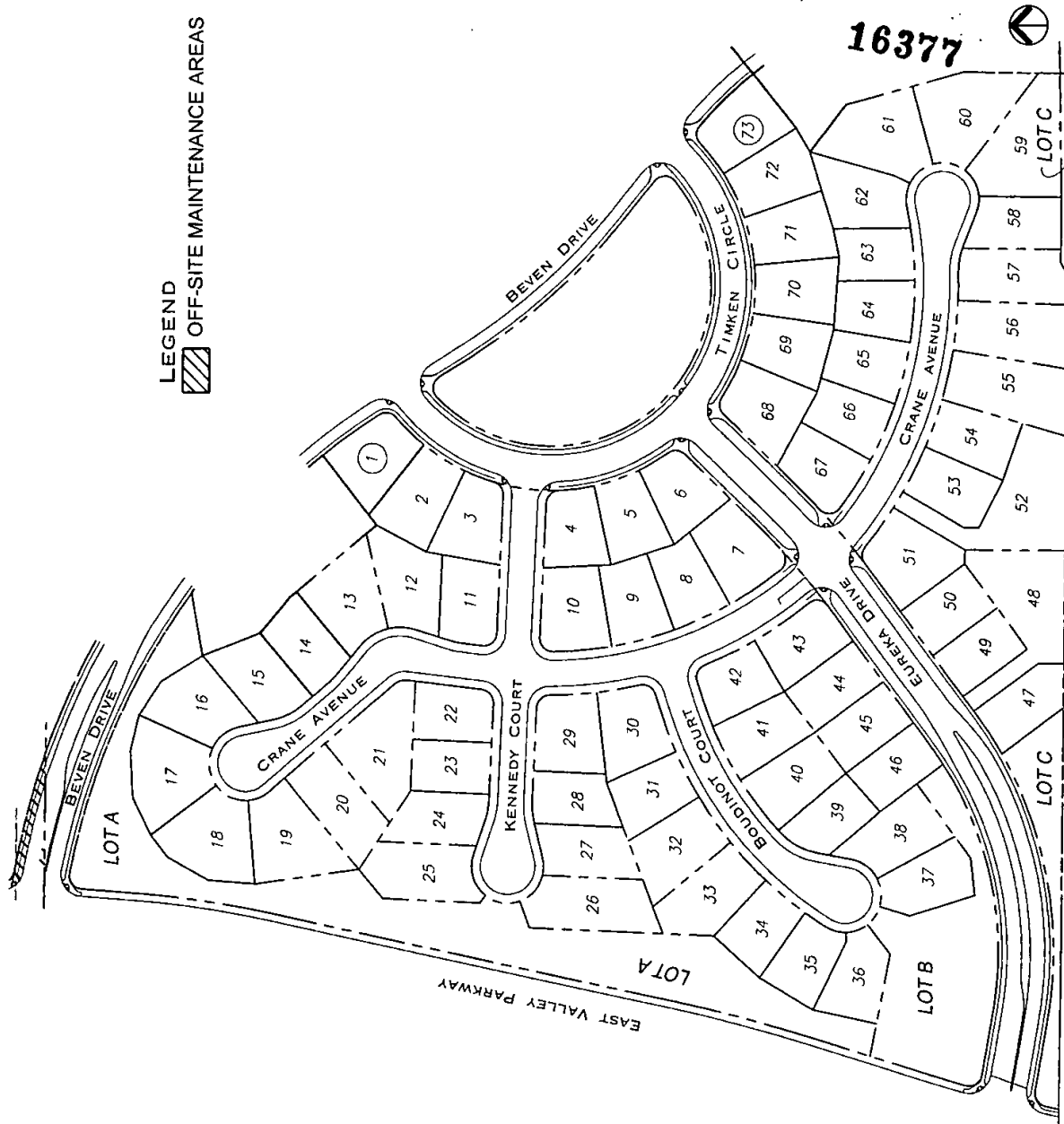


EXHIBIT "OSMA"
 EUREKA SPRINGS
 OFF-SITE MAINTENANCE AREAS - UNIT 4

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

16378

EXHIBIT "SEA"
SIDE YARD EASEMENT AREAS



16379

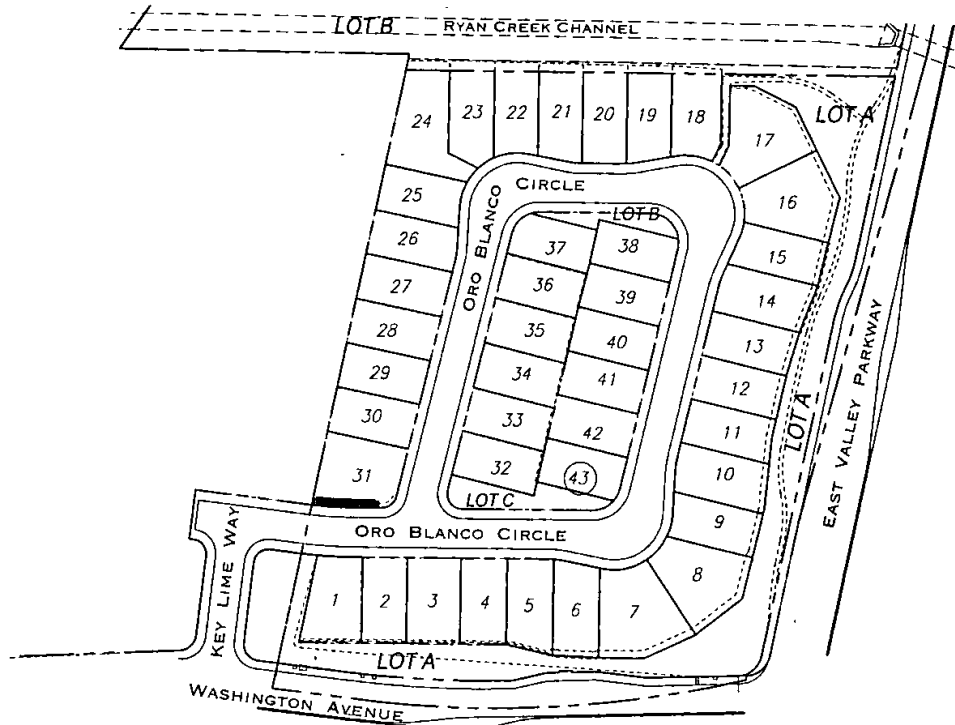
LEGEND
SIDEYARD EASEMENT AREAS



* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.

EXHIBIT "SEA"
EUREKA SPRINGS
SIDEYARD EASEMENT AREAS - UNIT 1

16380

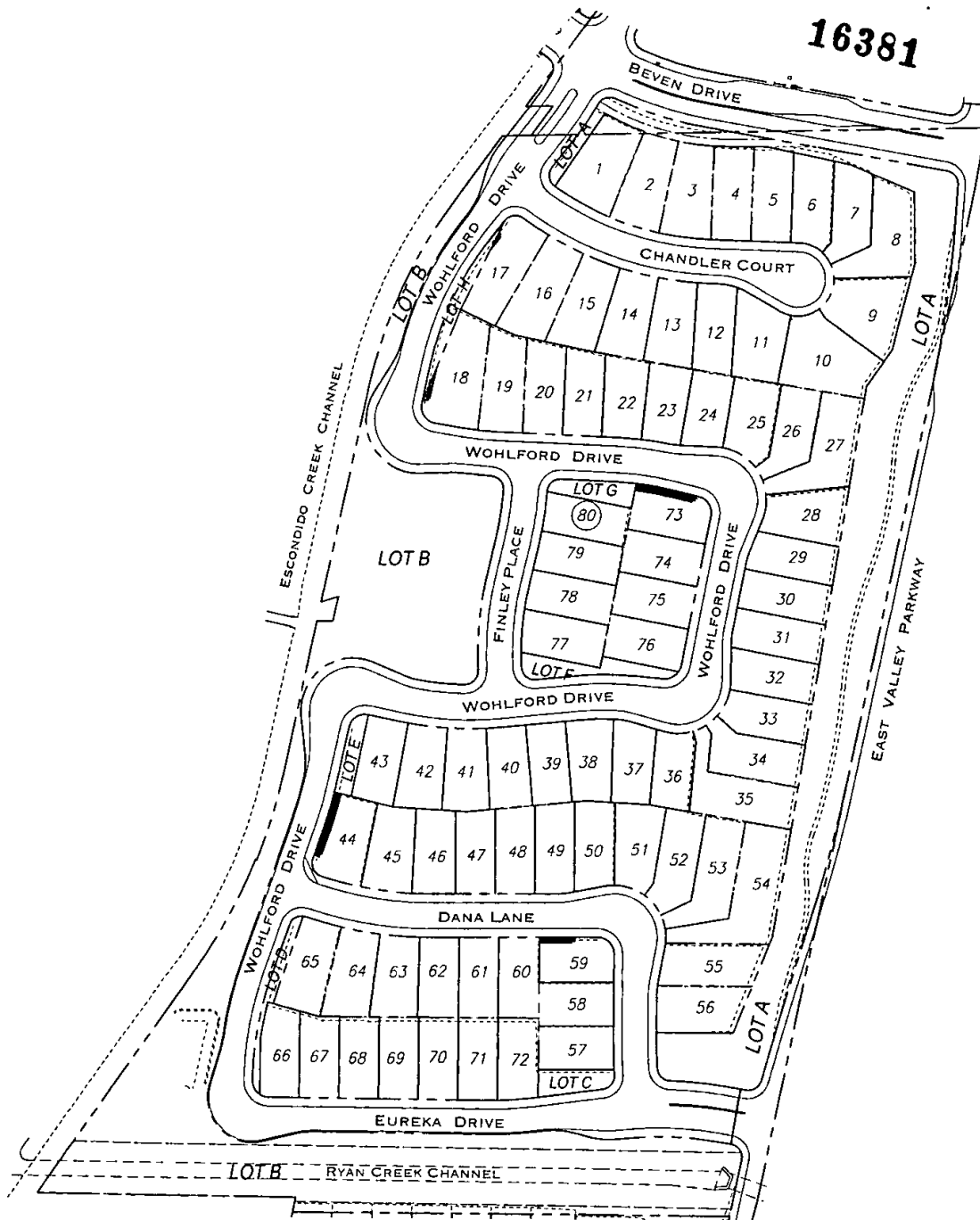


LEGEND

■ SIDEYARD EASEMENT AREAS

EXHIBIT "SEA"
EUREKA SPRINGS
SIDEYARD EASEMENT AREAS - UNIT 2

*DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.



16381

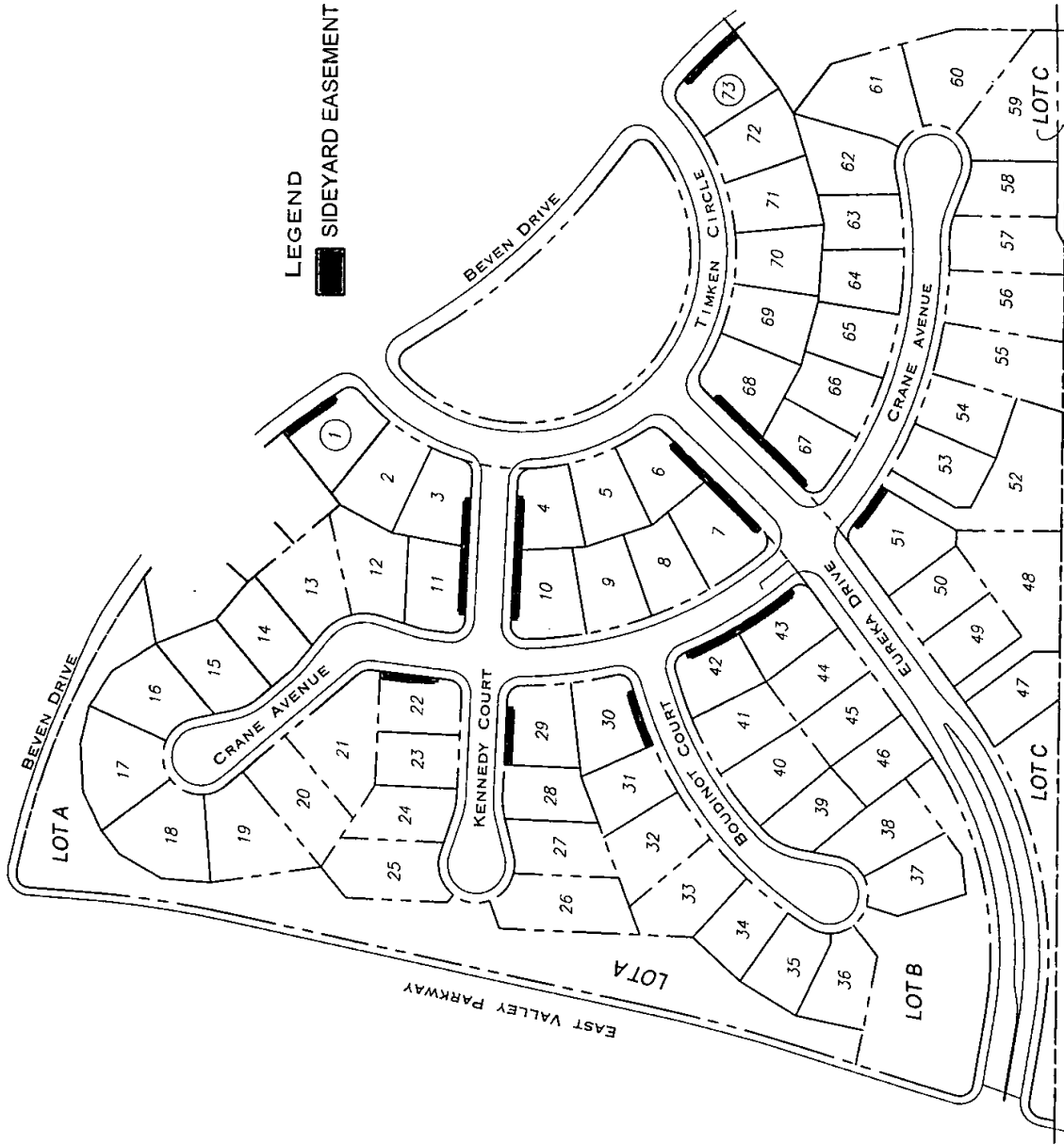
EXHIBIT "SEA"
EUREKA SPRINGS
SIDEYARD EASEMENT AREAS - UNIT 3

LEGEND

 SIDEYARD EASEMENT AREAS



* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.



16382



* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.

EXHIBIT "SEA"
EUREKA SPRINGS
SIDEYARD EASEMENT AREAS - UNIT 4

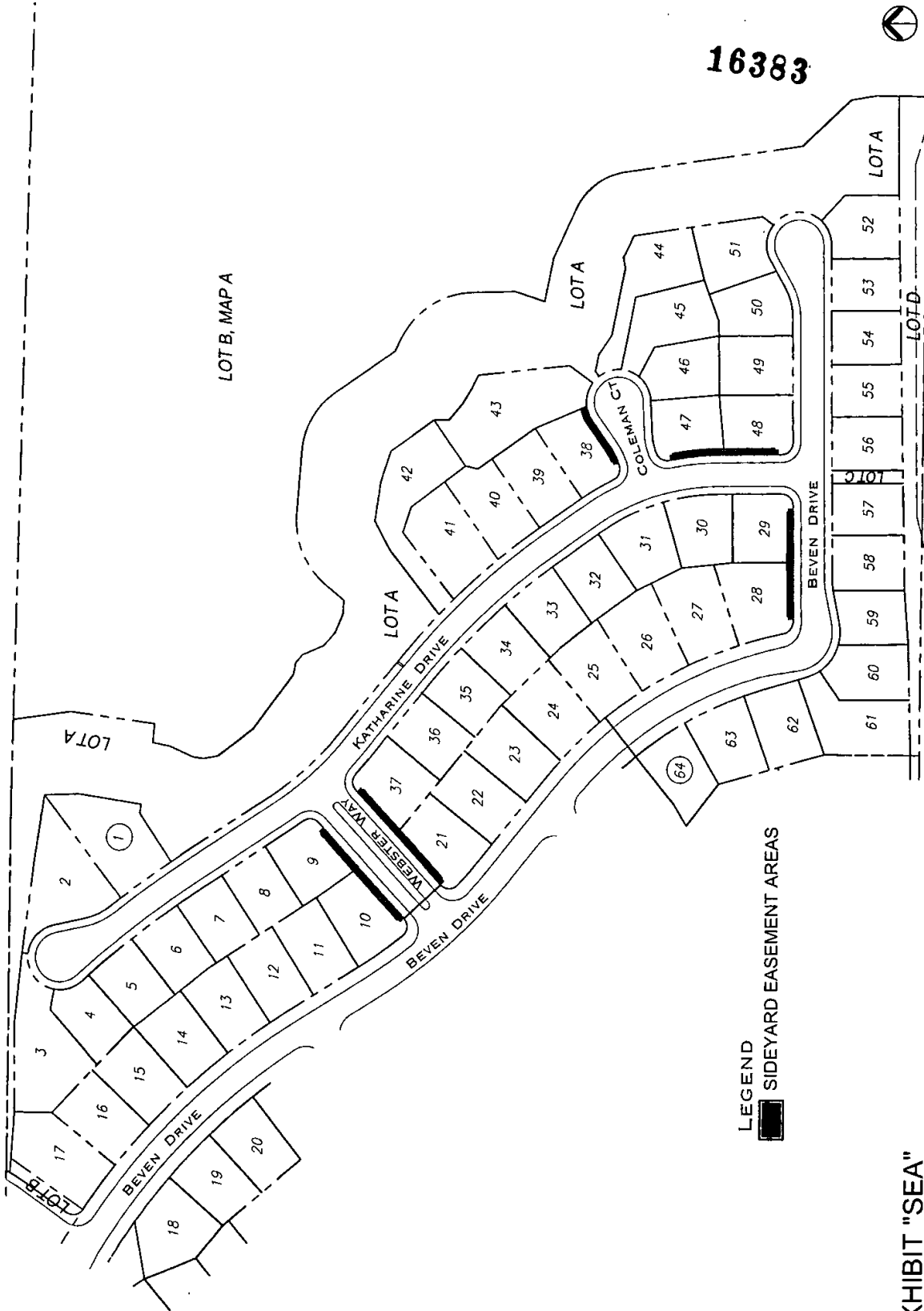


EXHIBIT "SEA"
EUREKA SPRINGS
SIDEYARD EASEMENT AREAS - UNIT 5

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

16384

EXHIBIT "THE BRIARS & THE STEPPES"

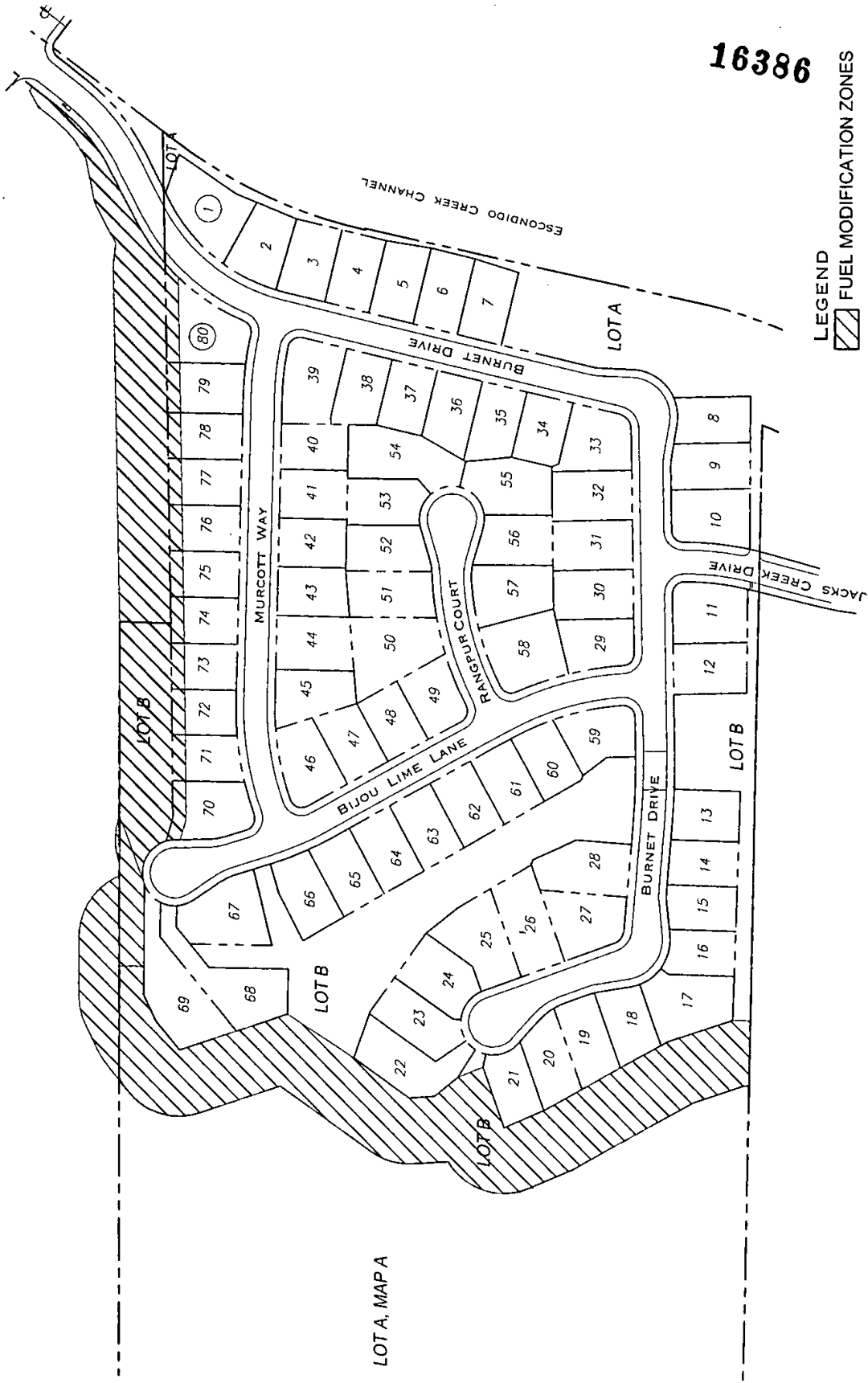
In the City of Escondido, County of San Diego:

LOTS 1 THROUGH 80, INCLUSIVE, OF ESCONDIDO TRACT NO. 839, EUREKA RANCH UNIT NO. 1, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 15274, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ON MARCH 2, 2006, AS FILE NO. 2006-0146203.

LOTS 1 THROUGH 73, INCLUSIVE, OF ESCONDIDO TRACT NO. 839, EUREKA RANCH UNIT NO. 4, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 15354, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ON MAY 30, 2006, AS FILE NO. 2006-0380183.

EXHIBIT "FMZ"
FUEL MODIFICATION ZONES

16385

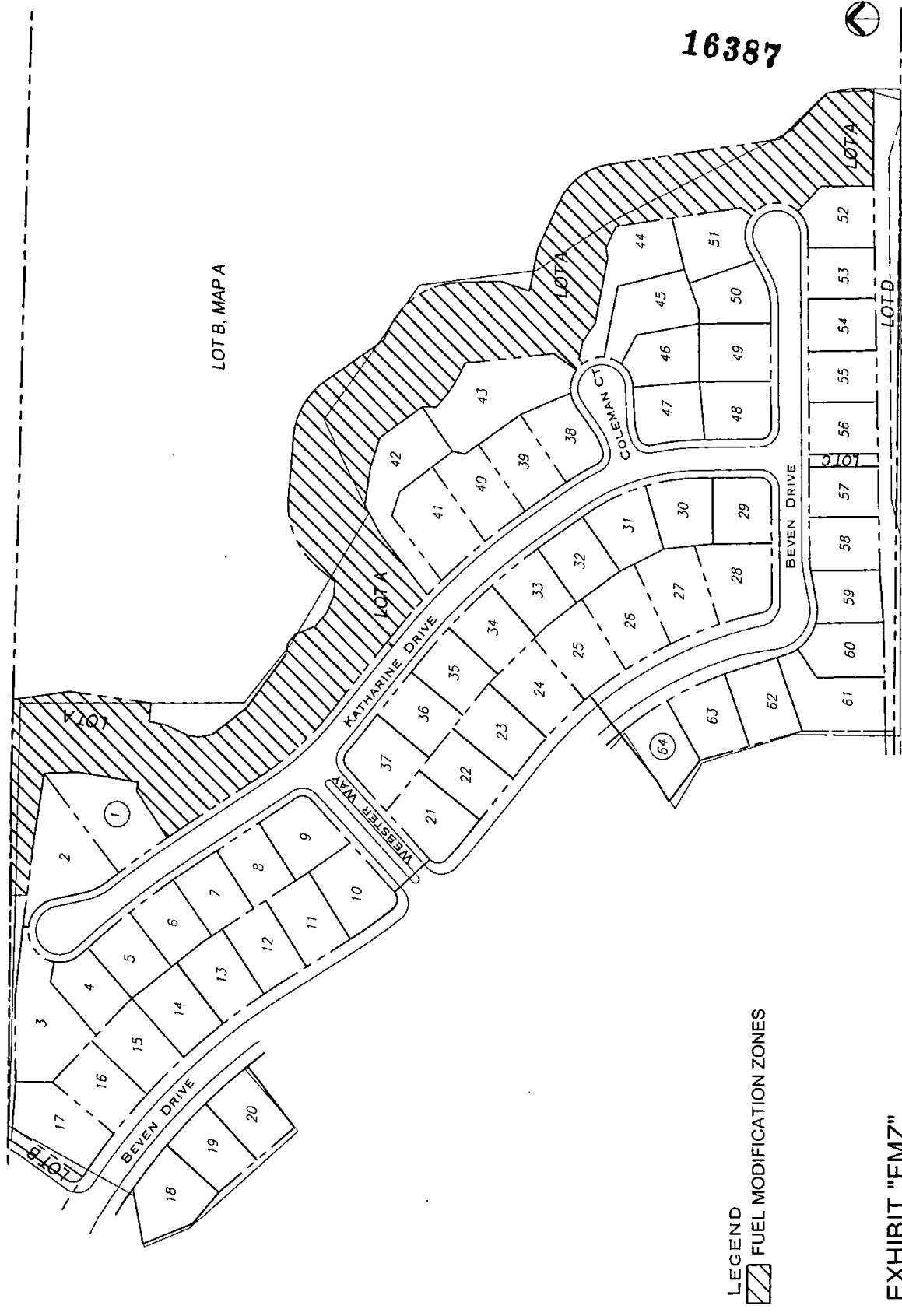


16386



* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.

EXHIBIT "FMZ"
EUREKA SPRINGS
FUEL MODIFICATION ZONES - UNIT 1



16388

EXHIBIT "FPP"
FIRE PROTECTION PLAN

16389

EXHIBIT "FPP"
FIRE PROTECTION PLAN

5.0 Fuel Modification Descriptions, Required Treatments and Fuel Treatment Location Map

5.1 Fuel Modification Descriptions

5.1.1 Fuel Modification Zone 1. Zone 1 comprises the first 50 feet around each and every structure in the Eureka Ranch Development (front, back, and side yards) and is commonly called the "surviveable space" zone. This *Firewise* landscaped zone is usually irrigated and consists of fire resistant, maintained native or ornamental plantings usually less than 18 inches in height. This zone may contain occasional fire resistant trees and single, well spaced ornamental shrubs up to 24 inches in height, intermixed with ground covers, bedding plants and lawn. *Plants in this zone need to be fire resistant and should not include any pyrophytes that are high in oils and resins such as pines, eucalyptus, cedar, cypress, firs or juniper species.*

Trees must be planted so that when they reach maturity the end of their branches are at least 10 feet away from any structure. Refer to APPENDIX "A" "*FIREWISE*" Planting Considerations; Lists for Accepted Plants and Prohibited Plants.

The following plants should be removed from the Eureka Ranch Preliminary Landscaping Plan due to their highly flammable nature:

Community Gateway and Edge Streets; Community Theme Streets, Community Parks: *Pinus Halepensis* (Aleppo Pine), *Acacia* Species (Acacia), and *Chamaerops Humilis* (Mediterranean Fan Palm).

Neighborhood Streets: *Schinus Molle* (California Pepper), *Chamaerops Humilis* (Mediterranean Fan Palm), *Nerium Oleander* (Oleander), and *Thevetia Thevetioides* (Yellow Oleander).

Interior Slopes: *Eucalyptus Camaldulensis* (Red Gum), *Eucalyptus Citriodora* (Lemon Scented Gum), *Eucalyptus Ficifolia* (Red Flowering Gum), *Eucalyptus Nicholii* (Willow Leaf Peppermint), *Eucalyptus Sideroxylon* (Red Ironbark), *Pinus Canariensis* (Canary Island Pine), *Pinus Halepensis* (Aleppo Pine), *Schinus Molle*-California Pepper; *Acacia* Species (Acacia), *Eriogonum* Species (Buckwheat), *Nerium Oleander* (Oleander), *Rhus* Species (Sumac).

Natural Open Space: *Pinus Halepensis* (Aleppo Pine), *Eriogonum* Species (Buckwheat).

Oak Woodland Revegetation Areas: *Arctostaphylos* species is too general; many *Arctostaphylos* species are OK while others are not, *Salvia Spathacea* (Sage).

Thick, succulent or leathery leaf species are the most "fire resistant".

Regular maintenance and continued irrigation is most important in Zone 1. If water for irrigation is limited, use more of the available water in Zone 1 rather than in Zone 2. Plants with high moisture content are less likely to burn. Non-flammable concrete patios, driveways, swimming pools, walkways, boulders, rock, and gravel can be used to break up fuel continuity within Zone 1.

Wooden privacy fencing in Zone 1 must not be directly attached to any structures and should be separated from the buildings via a non-combustible transition wall so as to prevent heat build up under the eaves in the event the wood privacy fencing catches fire.

5.1.2 Fuel Modification Zone 2. Zone 2 is the area 50 to 100 feet or more away from any structures. This zone may include single or small clusters of trimmed fire resistant native plants up to 48 inches in height and trimmed native trees limbed up to 6 feet from the ground. Plant clusters must be separated by at least 1 ½ x's the fully developed height of the retained plants. All of the dead material must be pruned out on an as needed basis, but at least annually each spring. Trimmed material can be cut and scattered as mulch. "Firewise" landscaping criteria are important in this zone. Irrigation, partial irrigation, or non-irrigation can be used in this zone depending upon the plant species selected.

The following native species will not be permitted to regrow on manufactured slopes or in the natural areas that are part of the fuel modification plan: Chamise, (*Adenostoma fasciculatum*); California sagebrush, (*Artemisia californica*); flat-topped buckwheat, (*Eriogonum fasciculatum*); and black sage, (*Salvia mellifera*).

Mulches, chips, and other small multi-cuttings (cut to less than 2 inches in diameter and 4-inches in length) should be evenly spread over the area (not to exceed 4 inches in depth) to prevent unwanted grass and weed encroachment within the treated areas. This mulching concept helps to maintain the soil moisture for the designated plants and minimizes any soil erosion on the manufactured slopes. All native grasses or weeds should be mowed or weed-whipped to a 4 inch stubble height after heading out and curing. Fuels within common areas and off-site easements requiring Zone 2 fuel treatment will be maintained by the Eureka Ranch Home Owners Association (HOA)(see the enclosed Fuel Treatment Location Map).

16391

Lot owners will be responsible for maintaining fuel modification Zones 1 and 2 within their lots. Weed abatement regulations will be followed if the lot is not landscaped. In the event a lot is repossessed, the unit/agency holding title to the lot will be responsible for the maintenance.

5.1.3 Manufactured Slopes [HOA/Lot Owner Maintained (Fuel Modification)]. These are irrigated, temporarily irrigated, or non-irrigated and maintained slopes replanted with low fuel volume plants. Maintenance of these manufactured slopes will be the responsibility of the individual lot owners if they fall within the lot boundary. The HOA will be responsible for the maintenance of all Common Area Manufactured Slopes outside of the lot boundaries. Long-term maintenance will meet Fuel Modification Zone 2 criteria. The following native species will not be permitted to re-grow on the Manufactured Slopes: Chamise, (*Adenostoma fasciculatum*); California sagebrush, (*Artemisia californica*); flat-topped buckwheat, (*Eriogonum fasciculatum*); and black sage, (*Salvia mellifera*).

5.1.4 Natural Slopes [HOA Maintained (Fuel Modification)]. Natural Slopes are those slopes that are maintained by the Eureka Ranch HOA to Zone 2 criteria but are not within a Manufactured Slope Landscape Zone or within lot boundaries. Highly flammable native vegetation is removed and annual grasses and other weeds are weed whipped down to a 4-inch stubble height by June of each year. The following native species will be totally removed from natural slope fuel modification areas: Chamise, (*Adenostoma fasciculatum*); California sagebrush, (*Artemisia californica*); flat-topped buckwheat, (*Eriogonum fasciculatum*); and black sage, (*Salvia mellifera*). Barren soil areas will be reseeded to native grasses.

5.1.5 Primary Ingress & Egress [HOA Homeowner/Lot Owner Maintained (Fuel Modification)]. There are no roadways adjacent to native vegetation which require fuel modification within the Eureka Ranch project.

5.2 Required Treatments and Actions

5.2.1 Lot Front, Side and Back Yards. (*Shown as uncolored on the Fuel Treatment Location Map*). Each individual lot owner will be required to maintain their front, side and back yards within 15 to 50 feet of their home or to their lot lines, depending upon the size of the lot and building pad, with irrigated "Firewise" Zone 1 landscaping. Any remaining portion of the backyard lot will be maintained to either Zone 1 or Zone 2 criteria, depending upon lot size. Manufactured slopes inside the lot boundary will be maintained to Zone 2 criteria by each lot owner provided they are 50' or more from the proposed structure. Plant restrictions for combustible plants apply to all lots.

5.2.2 Side and Backyard Combustible Free Zones. All combustible building materials will be permanently restricted in all fuel modification zones because of the fire hazard from the existing or proposed open space. The deed for the lots and the CC&R's will record the total ban on combustible structures within that part of the yards within fuel modification zones.

16392

Combustible decks, patio covers, and gazebos are prohibited in Zones 1 and 2. The lot owners are not restricted from having concrete patios, concrete walkways, or a swimming pool within this zone, provided the property is large enough. The front, back, and side yards will be maintained to Zone 1 and Zone 2 criteria by the lot owners. Refer to APPENDIX "C" for photos and descriptions of non-combustible/fire resistant decks, patio covers, and railings.

(If attached wooden decks or wood beam patio covers are included in the Eureka Ranch Development building plans the required 100 feet of "Firewise" landscaping must be measured from the outside edge of the deck and/or patio cover).

5.2.3 Manufactured Slopes (HOA Maintained) *(Shown as Blue on the Fuel Treatment Location Map).* Landscaping and maintenance will be to Zone 2 criteria. These slopes and parkways will be planted with "Firewise" landscaping, mostly ornamentals, consisting of well spaced and maintained fire resistant plants and trees. Long term maintenance of manufactured slope within common areas will be by the Eureka Ranch HOA. Please refer back to sections 3.1 and 5.1.3. Maintenance will be on-going throughout the year as needed.

5.2.4 Natural Slope Fuel Modification Easements (HOA Maintained) *(Shown as Yellow on the Fuel Treatment Location Map).* Landscaping and maintenance will be to Zone 2 criteria. Treatment consists of thinned native vegetation out to 100 feet by the Eureka Ranch HOA. Please refer back to sections 5.1.2 and 5.1.4. An easement will be required for off-site maintenance for Lots 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79 and 80. **If an easement is unobtainable, then consider the construction of a 6' tall non-combustible masonry wall at the property line with gated Fire Fighter ingress and egress points every 250 feet behind Lots 69-80.**

5.2.5 Required Basic Fire Protection Features For All Structures. The following fire construction and design features are required for all structures within the Eureka Ranch Development due to this projects exposure to the Wildand/Urban Interface areas on the west, north and east sides of this project.

- 1) Class A roof assemblies shall be required on all structures. For roof coverings where the profile allows a space between the roof covering and roof decking, the space at the eave ends shall be fire stopped to preclude entry of flames or embers.
- 2) Exterior walls in the Wildland/Urban Interface Area shall comply with the provisions of the U.B.C. and with the following additional requirements:
 - a. Wall Surfacing Materials. The exterior wall surface materials shall be non-combustible or an approved alternate. In all construction, exterior walls are required to be protected with 2-inch nominal solid blocking between rafters at all roof overhangs. Wood shingle and shake wall covering shall be prohibited.

- b. Wood siding of 3/8-inch plywood or 3/4-inch drop siding is permitted but must have an underlayment of 1/2-inch fire-rated gypsum sheathing that is tightly butted or taped and mudded.
- 3) Attic ventilation openings or ventilation louvers shall not be permitted in soffits, rakes, in eave overhangs, between rafters at eaves, or in other similar exterior overhanging areas in the Wildland/Urban Interface Area. In the Wildland/Urban Interface Area, paper-faced insulation shall be prohibited in attics or ventilated spaces.
 - 4) Roof vents, dormer vents, gable vents, foundation ventilation openings, ventilation openings in vertical walls, or other similar ventilation openings shall be louvered and covered with 1/4-inch, noncombustible, corrosion-resistant metal mesh or other approved material that offers equivalent protection. Turbine attic vents shall be equipped to allow, one-way direction rotation only; they shall not free spin in both directions.
 - 5) Combustible eaves, fascias and soffits shall be enclosed as required in guidance documents prepared by the PAHJ in accordance with Section 29 of the County Fire Code, Ordinance 9669. Eaves of heavy timber construction are not required to be enclosed as long as attic venting is not installed in the eaves. For the purposes of this section heavy timber construction shall consist of a minimum of 4x6 rafter ties and 2x decking.
 - 6) Attic or foundation ventilation louvers or ventilation openings in vertical walls shall not exceed 144 square inches per opening and shall be covered with 1/4-inch mesh corrosion-resistant metal screen or other approved material that offers equivalent protection.
 - 7) All projections (exterior balconies, decks, patio covers, unenclosed roofs and floors, and similar architectural appendages and projections shall be of non-combustible construction, one-hour fire resistive construction on the underside, fire retardant-treated wood or heavy timber construction. When such appendages and projections are attached to exterior fire-resistive walls, they shall be constructed to maintain the fire-resistive integrity of the wall. In lieu of the fire protection outlined above, decks, balconies, and similar projections may be enclosed from floor level to ground level, enclosing the projection to the exterior wall of the building with materials approved for one-hour construction or protected by an approved automatic fire sprinkler system.
 - 8) Skylights within one-half mile of the Wildland/Urban Interface Area shall be tempered glass except when the structure is protected with an automatic fire sprinkler system. No skylights will be allowed on the roof assembly facing hazardous vegetation.

- 9) Glass or other transparent, translucent or opaque glazing shall be tempered glass, multi-layered glass panels, glass block, have a fire-protection rating of not less than 20 minutes, or other assemblies approved by the FAHJ. Glazing frames made of vinyl materials shall have welded corners, metal reinforcement in the interlock area, and be certified to ANSI/AAMA/NWDA 101/I.S.2-97 structural requirements.
- 10) Any chimney, flue or stovepipe will have an approved spark arrester. An approved spark arrester is defined as a device constructed of nonflammable materials, 12 gauge minimum thickness, or other material found satisfactory by the Fire Department, and having 1/2 inch perforations for arresting burning carbon or sparks and installed to be visible for the purposes of inspection and maintenance.
- 11) Rain gutters and downspouts shall be constructed of noncombustible material. Gutters shall be designed to reduce the accumulation of leaf litter and debris that contributes to roof edge ignition.
- 12) Exterior doors shall be approved non-combustible construction, solid core wood not less than 1 3/4 inches thick or have a fire protection rating of not less than 20 minutes. Windows within doors and glazed doors shall comply with Section 26.2.1 of the County Fire Co, Ordinance 9669.
- 13) The first five feet of fences and other items attached to a structure shall be constructed of non-combustible material or meet the same fire-resistive standards as the exterior walls of the structure.
- 14) All structures in Wildland Urban Interface Areas shall be sprinklered, including all garages. The Interior Sprinkler System shall meet National Fire Protection Standard (NFPA) 13d.

5.2.6 Water Supply. Eureka Ranch will be attached to the City of Escondido water system. Hydrants, mains, and water pressures have been designed to comply with County Fire Code requirements. Water supply must meet flow requirements of 1500 g.p.m. with a 20 psi residual pressure.

5.2.7 Access Roads. All streets and cul-de-sacs have been designed to County of San Diego standards.

5.2.8 Easements and Gates For Fire Fighter and Fuel Modification Maintenance Access Points. Access to the Fuel Modification Zone out behind the homes on lots 17-22, 68-80, 304 and 305 must be provided in the form of dedicated firefighter access points from the street, through the yard and out through a back gate to the Fuel Treatment Zones. A 10-foot wide access way must be provided every 500 feet or a 5-foot access way provided every 250 feet.

The homeowners of these lots may not block these access points via landscaping or by blocking access to the rear gate to firefighters or maintenance workers. The deeds to these lots must make note of the access requirement. In addition, all Fuel Modification Zones will be recorded as permanent easements and will be recorded on the Fuel Treatment Location Map.

5.9 Special Landscape Zones.

- 1.) All public common areas of landscape within or adjacent to East Valley Parkway, East Washington Avenue, the Escondido Creek Channel, Jack Creek, open channels and basins, open space areas and parks shall be maintained via the establishment of a Landscape Maintenance District within and by the City of Escondido.
- 2.) All other landscaped areas, including project entrances, project monuments, manufactured slopes and off lot Fuel Modification Zones will be maintained by the Eureka Ranch Homeowners Association.
- 3.) All private lot areas associated with individual lots shall be maintained by the individual homeowner.
- 4.) All designated Open Space areas of native vegetation shall be maintained via an easement granted to a responsible entity for conservation and maintenance.

5.3 Recommendations for Inclusion in the CC&R's

- The unit owner is personally responsible for all required fuel treatment measures on their lots.
- The Eureka Ranch HOA has authority for enforcing required fuel treatment measures on all lots and restrictions on combustible structures within all Fuel Modification Zones.
- The Fuel Treatment Zones adjacent to individual lots, as shown on the Fuel Treatment Map, will be recorded as permanent easements. The Eureka Ranch HOA will be responsible for all required fuel modification treatments on these permanent easements.
- All property owners are members of the Eureka Ranch HOA and will financially support the annual maintenance of all required Fuel Modification Areas surrounding the Eureka Ranch Development.

- The Eureka Ranch HOA must have authority for enforcing the ban on **NO TRASH DUMPING OR DISPOSAL OF YARD TRIMMINGS WITHIN THE FUEL TREATMENT ZONES.**
- The Eureka Ranch HOA is responsible to the City of Escondido Fire Marshal for the completion of all required Fuel Modification Treatments prior to the annual fire season.
- All individual lot landscaping plans, including additional structures, must be approved by the Eureka Ranch HOA under the direction of the City of Escondido Fire Marshal.
- Any additional structures added by the homeowner shall fully comply with the Basic Fire Protection Features that start on page 18 of the Eureka Ranch Fire Protection Plan.

5.4 Proposed Fuel Treatment Location Map

The following page is a folder containing the **FUEL TREATMENT LOCATION MAP** depicting the location of all proposed fuel modification treatment locations on and adjacent to all lots. In addition to the Fuel Treatment Location Map ***all fuel management zones shall be permanently marked on the ground*** for the purpose of guiding annual fuel management maintenance operations. The most reliable markers are steel fence posts with a baked on painted finish (available at Home Depot). The upper half of the above ground portion of the fence post is then painted a bright "day glo" orange or "white" to improve visibility. These Fuel Treatment Zone markers must be spaced so that the markers on each side of an installed marker can be seen from that marker. Markers must be placed on the outside edge of each Zone 2 Fuel Modification Treatment Area, which is determined by measuring out 100 feet horizontally from the back of each home.

END

16397

EXHIBIT "PL"
PLANT LIST

6LENNAR\EUREKA\CC&RS 13C\13
8-15-06

EXHIBIT "PL"

16398

EUREKA SPRINGS PLANTS ACCEPTABLE WITHIN HIGH FIRE HAZARD ZONES

All plant varieties shown below meet the intent of the 'Eureka Ranch Fire Protection Plan' fire resistant plant list if they are used as specified.

The first fifty (50) feet around each and every structure within the Eureka Springs Development (front, back, and side yards) is within Fuel Modification Zone 1, commonly called the "surviveable space zone". The landscaping within Zone 1 should consist of fire resistant, irrigated, well maintained, native or ornamental plantings, typically less than 18 inches in height. This zone may contain occasional fire resistant trees and single, well spaced ornamental shrubs up to 24 inches in height, intermixed with ground covers, bedding plants and lawn. Plants in this zone need to be fire resistant and should not include any pyrophytes that are high in oils and resins such as pines, eucalyptus, cedar, cypress, firs or juniper species. Trees must be planted so that when they reach maturity the end of their branches are at least 10 feet away from any structure.

Legend:

- * Indicates plant species considered invasive - do not use within 1000' of Multiple Habitat Conservation Program areas. See attached exhibit.
- ▲ Indicates plant species considered high fuel load - do not use within or adjacent to fuel modification / brush management zone
- ✓ Indicates plant species acceptable in fuel modification zone only when used with an annual maintenance program.
- ◆ Indicates species suitable for streetscapes and urban areas.
- V Indicates species is considered a vine. All trellis structures are to be of non-combustible materials.

Use	Restrictions	BOTANICAL NAME / Common Name	Comments
		AGAPANTHUS AFRICANUS - Lily of the Nile	
		ALOE SPECIES - Aloe	
	✓	ARCTOSTAPHYLOS SPECIES - Manzanita	
	V	BOUGAINVILLEA SPECIES - Bougainvillea	
		BUXUS SPECIES - Boxwood	
	✓	CAESALPINIA MEXICANA - Mexican Bird of Paradise Bush	
		CALLIANDRA HAEMATOCEPHALA - Powder Puff	
		CALLISTEMON C. 'LITTLE JOHN' - Dwarf Bottle Brush	
		CALODENDRUM CAPENSE - Cape Chestnut	
		CAMELLIA SPECIES - Camellia	
		CASTANOSPERMUM AUSTRALE - Moreton Bay Chestnut	
		CHAMAEROPS HUMILIS - Mediterranean Fan Palm	
	V	CLEMATIS SPECIES - Clematis	
	◆ V	CLYTOSTOMA CALLISTEGIOIDES - Lavender Trumpet Vine	
		CRASSULA OVATA - Jade Plant	
		DIETES BICOLOR - Fortnight Lily	Remove dead plant parts
	V	DISTICTUS BUCCINATORIA - Blood Red Trumpet Vine	
		DODONAEA VISCOSA - Hop Bush	
		EPILOBIUM SPECIES - California Fuchsia	

16399

- EURYOPS PECTINATUS 'VIRIDIS' - Green Euryops
- ◆ FESTUCA OVINA GLAUCA - Blue Fescue
- V FICUS PUMILA - Creeping Fig
- FICUS RUBIGINOSA - Rustyleaf Fig
- GARDENIA SPECIES - Gardenia
- V GELSEMIUM SEMPERVIRENS - Carolina Jessamine
- GNAPHALIUM BENEOLENS - Fragrant Everlasting
- GNAPHALIUM BICOLOR - Cudweed
- HEMEROCALLIS SPECIES - Daylily
- HIBISCUS ROSA-SINENSIS - Hibiscus
- JACARANDA MIMOSIFOLIA - Jacaranda
- JUNCUS ACUTUS ssp. LEOPOLDII - Southwestern spiny rush
- ◆ KOELREUTERIA BIPINNATA - Chinese Flame Tree
- LIRIOPE SPECIES - Lily Turf
- V MACFADYENA UNGUIS-CATI - Cat's Claw Vine
- V MANDEVILLEA SPECIES - Mandevillea
- MURRAYA PANICULATA - Orange Jessamine
- * MYOPORUM PARVIFOLIUM - Prostrate Myoporum
- MYRTUS COMMUNIS - Myrtle
- OLEA E. 'LITTLE OLLIE' - Dwarf Olive
- ◆ V PARTHENOCISSUS TRICUSPIDATA - Boston Ivy
- PHORMIUM TENAX - New Zealand Flax
- POPULUS NIGRA 'ITALICA' - Lombardy Poplar
- PYRUS CALLERYANA 'BRADFORDII' - Bradford Pear
- ✓ RHAMNUS SPECIES - Rhamnus
- ROSA BANKSIAE - Lady Bank's Rose
- V ROSA FLORIBUNDA 'CECILE BRUNNER' - Climbing Rose
- ROSA SPECIES - Rose
- ▲ SALVIA APIANA - White Sage
- ▲ SALVIA GREGGII - Autumn Sage
- STRELITZIA NICOLAI - Giant Bird of Paradise
- TABEBUIA AVELLANDAE - Tabebuia
- TECOMA STANS - Yellow Trumpet Flower
- THEVETIA THEVETIOIDES - Yellow Oleander
- TIPUANA TIPU - Tipu Tree
- TRACHELOSPERMUM JASMINOIDES - Star Jasmine
- TURFGRASS / LAWN
- ◆ VIBURNUM SPECIES - Viburnum
- * VINCA MAJOR - Periwinkle
- V VITIS VINIFERA - Grape
- WESTRINGIA SPP. - Coast Rosemary
- V WISTERIA FLORIBUNDA - Japanese Wisteria
- * XYLOSMA CONGESTUM - Shiny Xylosma

Native plantings only

Plant away from structures

Remove dead plant parts

NATIVE PLANT REVEGETATION SPECIES

BOTANICAL NAME / Common Name

CAMISSONIA CHEIRANTHIFOLIA - Beach Evening Primrose
 ISOCOMA MENZIESII - Coast Goldenbush
 LASTHENIA CALIFORNICA - Dwarf Goldfields
 LAYIA PLATYGLOSSA - Tidy Tips
 NASSELLA PULCHRA - Purple Needlegrass
 PHACELIA CAMPANULARIA - California Blue Bells
 VULPIA MICROSTACHYS - Desert Fescue

EXHIBIT "PL" CONTINUED

16400

COUNTY OF SAN DIEGO

PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES

The following plants have been determined by the County of San Diego to be acceptable for planting in high fire hazard zones. All the plants on the following list are considered to be drought-tolerant in the particular climate zone noted. Those that grow best in riparian areas, as indicated by the (R), are the least drought-tolerant plants on the list.

PLANTS FOR FIRE PRONE AREAS	COMMON NAME	LOCATION
TREES		
Acer		
platanoides	Norway Maple	M
rubrum	Red Maple	M
saccharinum	Silver Maple	M
saccarum	Sugar Maple	M
macrophyllum	Big Leaf Maple	C/ (R)
Alnus rhombifolia	White Alder	C/I/M (R)
Arbutus		
unedo	Strawberry Tree	All zones
Archontophoenix		
cunninghamiana	King Palm	C
Arctostaphylos spp.	Manzanita	C/I/D
Brahea		
armata	Blue Hesper Palm	C/D
edulis	Guadalupe Palm	C/D
Ceratonia siliqua	Carob	C/I/D
Cerdidium floridum	Blue Palo Verde	D
Cercis occidentalis	Western Redbud	C/I/M

16401

COUNTY OF SAN DIEGO

PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES

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PLANTS FOR FIREPRONE AREAS	COMMON NAME	LOCATION
Cornus		
nuttallii	Mountain Dogwood	I/M
stolonifera	Redtwig Dogwood	I/M
Elaeagnus		
angustifolia	Russian Olive	I/M
Eriobotrya		
japonica	Loquat	C/I/D
Erythrina caffra	Kaffirboom Coral Tree	C
Ginkgo biloba "Fairmount"	Fairmount Maidenhair Tree	I/M
Gleditsia triacanthos	Honey Locust	I/D/M
Juglans		
californica	California Walnut	I
hindsii	California Black Walnut	C/I
Lagerstroemia indica	Crape Myrtle	I/D/M
Ligustrum lucidum	Glossy Privet	I
Liquidambar styraciflua	Sweet Gum	C/I/M
Liriodendron tulipifera	Tulip Tree	I
Lyonothamnus floribundus		
ssp. asplenifolius	Fernleaf Catalina Ironwood	C
Melaleuca spp.	Melaleuca	C/I/D

16402

COUNTY OF SAN DIEGO

PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES

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PLANTS FOR FIRE PRONE AREAS	COMMON NAME	LOCATION
Myoporum spp.	Myoporum	C/I
Nerium oleander	Oleander	C/I/D
Parkinsonia aculeata	Mexican Palo Verde	D
Pistacia		
chinensis	Chinese Pistache	C/I/D
vera	Pistachio Nut	I
Pittosporum		
phillyraeoides	Willow Pittosporum	C/I/D
viridiflorum	Cape Pittosporum	C/I
Platanus		
acerifolia	London Plane Tree	All zones
racemosa	California Sycamore	C/I/M
Populus		
alba	White Poplar	D/M
fremontii	Western Cottonwood	I
trichocarpa	Black Cottonwood	I/M
Prunus		
xblireiana	Flowering Plum	M
caroliniana	Carolina Laurel Cherry	C

16403

**COUNTY OF SAN DIEGO
PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES**

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PLANTS FOR FIRE PRONE AREAS	COMMON NAME	LOCATION
cersifera 'Newport'	Newport Purple-Leaf Plum	M
ilicifolia	Hollyleaf Cherry	C
lyonii	Catalina Cherry	C
serrulata 'Kwanzan'	Flowering Cherry	M
yedoensis 'Akebono'	Akebono Flowering Cherry	M
Quercus		
agrifolia	Coast Live Oak	C/I
engelmannii	Engelmann Oak	I
suber	Cork Oak	C/I/D
Rhus		
lancea	African Sumac	C/I/D
Salix spp.	Willow	All zones (R)
Tristania conferta	Brisbane Box	C/I
Ulmus		
parvifolia	Chinese Elm	I/D
pumila	Siberian Elm	C/M
Umbellularia californica	California Bay Laurel	C/I
SHRUBS		
Agave	Century Plant	D
americana	Desert Century Plant	D

**COUNTY OF SAN DIEGO
PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES**

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PLANTS FOR FIRE PRONE AREAS	COMMON NAME	LOCATION
deserti	Shaw's Century Plant	D
shawii		
Amorpha fruticosa	False Indigobush	I
Arbutus		
menziesii	Madrone	C/I
Arctostaphylos spp.	Manzanita	C/I/D
Atriplex		
canescens	Hoary Saltbush	I
lentiformis	Quail Saltbush	D
Baccharis		
glutinosa	Mule Fat	C/I
pilularis	Coyote Bush	C/I/D
Carissa grandiflora	Natal Plum	C/I
Ceanothus spp.	California Lilac	C/I/M
Cistus spp.	Rockrose	C/I/D
Cneoridium dumosum	Bushrue	C
Comarostaphylis		
diversifolia	Summer Holly	C
Convolvulus cneorum	Bush Morning Glory	C/I/M

16405

**COUNTY OF SAN DIEGO
PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES**

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PLANTS FOR FIRE PRONE AREAS	COMMON NAME	LOCATION
Dalea		
orcuttii	Orcutt's Delea	D
spinosa	Smoke Tree	I/D
Elaeagnus		
pungens	Silverberry	C/I/M
Encelia		
californica	Coast Sunflower	C/I
farinosa	White Brittlebush	D/I
Eriobotrya		
deflexa	Bronze Loquat	C/I
Eriophyllum		
confertiflorum	Golden Yarrow	C/I
staechnadifolium	Lizard Tail	C
Escallonia spp.	Escallonia	C/I
Feijoa sellowiana	Pineapple Guava	C/I/D
Fouquieria splendens	Ocotillo	D
Fremontodendron		
californicum	Flannelbush	I/M
mexicanum	Southern Flannelbush	I

COUNTY OF SAN DIEGO
PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES

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PLANTS FOR FIREPRONE AREAS	COMMON NAME	LOCATION
Galvezia		
juncea	Baja Bush-Snapdragon	C
speciosa	Island Bush-Snapdragon	C
Garrya		
elliptica	Coast Silktassel	C/I
flavescens	Ashy Silktassel	I/M
Heteromeles arbutifolia	Toyon	C/I/M
Lantana spp.	Lantana	C/I/D
Lotus scoparius	Deerweed	C/I
Mahonia spp.	Barberry	C/I/M
Malacothamnus		
clementinus	San Clemente Island Bush	C
fasciculatus	Mesa Bushmallow	C/I
Melaleuca spp.	Melaleuca	C/I/D
Mimulus spp.	Monkeyflower	C/I (R)
Nolia		
parryi	Parry's Nolina	I
parryi ssp. wolfii	Wolf's Bear Grass	D
Photinia spp.	Photinia	All zones

16407

COUNTY OF SAN DIEGO
PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES

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PLANTS FOR FIRE PRONE AREAS	COMMON NAME	LOCATION
Pittosporum		
crassifolium		C/I
rhombofolium	Queensland Pittosporum	C/I
tobira 'Wheeleri'	Wheeler's Dwarf	C/I/D
undulatum	Victorian Box	C/I
viridiflorum	Cape Pittosporum	C/I
Plumbago auriculata	Cape Plumbago	C/I/D
Prunus		
caroliniana	Carolina Laurel Cherry	C
ilicifolia	Hollyleaf Cherry	C
lyonii	Catalina Cherry	C
Punica granatum	Pomegranate	C/I/D
Pyracantha spp.	Firethorn	All zones
Quercus		
dumosa	Scrub Oak	C/I
Rhamus		
alaternus	Italian Blackthorn	C/I
californica	Coffeeberry	C/I/M
Rhaphiolepis spp.	Rhaphiolepis	C/I/D

**COUNTY OF SAN DIEGO
PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES**

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PLANTS FOR FIRE PRONE AREAS	COMMON NAME	LOCATION
Rhus		
continus	Smoke Tree	M
integrifolia	Lemonade Berry	C/I
laurina	Laurel Sumac	C/I
lentic	Pink-Flowering Sumac	C/D
ovata	Sugarbush	I/M
trilobata	Squawbush	I
Ribes		
viburnifolium	Evergreen Currant	C/I
speciosum	Fuschia-Flowering	C/I/D
Romneya coulteri	Matilija Poppy	I
Rosa		
californica	California Wild Rose	C/I
minutifolia	Baja California Wild Rose	C/I
Salvia spp.	Sage	All zones
Sambucus spp.	Elderberry	C/I/M
Symphoricarpos mollis	Creeping Snowberry	C/I
Syringa vulgaris	Lilac	M
Tecomaria capensis	Cape Honeysuckle	C/I/D
Teucrium fruticans	Bush Germander	C/I

**COUNTY OF SAN DIEGO
PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES**

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PLANTS FOR FIREPRONE AREAS	COMMON NAME	LOCATION
Toxicodendron diversilobum	Poison Oak	I/M
Verbena lilacina	Lilac Verbena	C
Xylosma congestum	Shiny Xylosma	C/I
Yucca schidigera	Mojave Yucca	D
whipplei	Foothill Yucca	I
GROUNDCOVERS		
Achillea	Yarrow	All zones
Aptenia cordifolia	Aptenia	C
Arctostaphylos spp.	Manzanita	C/I/D
Baccharis pilularis	Coyote Bush	C/I/D
Ceanothus spp.	California Lilac	C/I/M
Cerastium tomentosum	Snow-in-Summer	All zones
Coprosma kirkii	Creeping Coprosma	C/I/D
Cotoneaster spp.	Redberry	All zones
Drosanthemum hispidum	Rosea Ice Plant	C/I

16410

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PLANTS FOR FIRE PRONE AREAS	COMMON NAME	LOCATION
Dudleya		
brittonii	Britton's Chalk Dudleya	C
pulverulenta	Chalk Dudleya	C/I
virens	Island Live-Forever	C
Eschscholzia californica	California Poppy	All zones
Euonymus fortunei		
'Carrierei'	Glossy Winter Creeper	M
'Coloratus'	Purple-Leaf Winter Creeper	M
Ferocactus viridescens	Coast Barrel Cactus	C
Gaillardia grandiflora	Blanket Flower	All zones
Gazania spp.	Gazania	C/I
Helianthemum spp.	Sunrose	All zones
Lantana spp.	Lantana	C//D
Lasthenia		
californica	Common Goldfields	I
glabrata	Coastal Goldfields	C
Lupinus spp.	Lupine	C//M
Myoporum spp.	Myoporum	C/I
Pyracantha spp.	Firethorn	All zones
Rosmarinus officinalis	Rosemary	C//D

16411

COUNTY OF SAN DIEGO**PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES**

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PLANTS FOR FIRE PRONE AREAS	COMMON NAME	LOCATION
Santolina		
chamaecyparissus	Lavender Cotton	All zones
virens	Santolina	All zones
Trifolium fraseri	O'Connor's Legume	C/I
Verbena		
rigida	Verbena	All zones
Viguiera laciniata	San Diego Sunflower	C/I
Vinca		
major	Periwinkle	C/I
minor	Dwarf Periwinkle	M
VINES		
Antigonon leptopus	San Miguel Coral Vine	C/I
Distictis buccinatoria	Blood-Red Trumpet Vine	C//D
Keckiella cordifolia	Heart-Leaved Penstemon	C/I
Lonicera		
japonica 'Halliana'	Hall's Honeysuckle	All zones
subspicata	Chaparral Honeysuckle	C/I
Solanum		
jasminoides	Potato Vine	C//D

COUNTY OF SAN DIEGO
PLANTS ACCEPTABLE FOR FIREWISE LANDSCAPES

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PLANTS FOR FIRE PRONE AREAS	COMMON NAME	LOCATION
PERENNIALS		
Coreopsis		
gigantea	Giant Coreopsis	C
grandiflora	Coreopsis	All zones
maritima	Sea Dahlia	C
verticillata	Coreopsis	C/I
Heuchera maxima	Island Coral Bells	C/I
Iris douglasiana	Douglas Iris	C/M
Iva hayesiana	Poverty Weed	C/I
Kniphofia uvaria	Red-Hot Poker	C/I/M
Lavandula spp.	Lavender	All zones
Limonium californicum		
var. mexicanum	Coastal Statice	C
perezii	Sea Lavender	C/I
Oenothera spp.	Primrose	C/I/M
Penstemon spp.	Penstemon	C/I/D
Satureja douglasii	Yerba Buena	C/I
Sisyrinchium		
bellum	Blue-Eyed Grass	C/I
californicum	Golden-Eyed Grass	C

16413

**COUNTY OF SAN DIEGO
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PLANTS FOR FIRE PRONE AREAS	COMMON NAME	LOCATION
Solanum xanthii	Purple Nightshade	C/I
Zauschneria californica	California Fuschia	C/I
cana	Hoary California Fuschia	C/I
'Catalina'	Catalina Fuschia	C/I
ANNUALS		
Lupinus spp.	Lupine	C/I/M
Key to the above Climate Zones: C - Coast D - Desert I - Inland, Coastal M - Mountain		
<i>FIRE WISE 2000, INC.</i> 1465 Ancho Glen • Escondido, CA 92026 • Telephone/Fax: (760) 745-3947		

EXHIBIT "MSW"
MASONRY SOUND WALLS

16414

16415

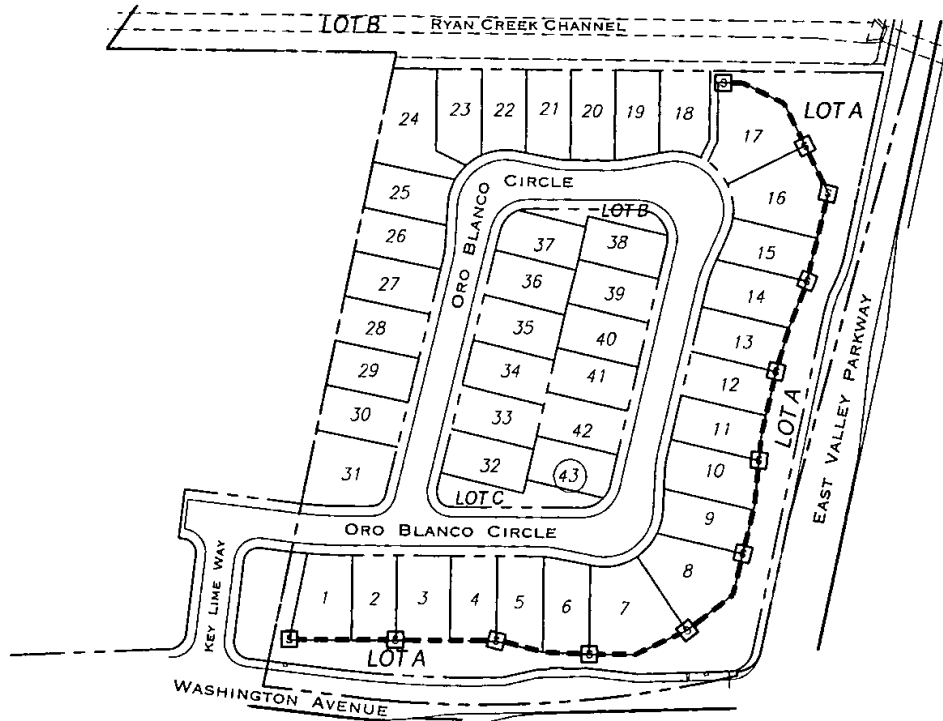


EXHIBIT "MSW"
EUREKA SPRINGS
MASONRY SOUND WALLS - UNIT 2

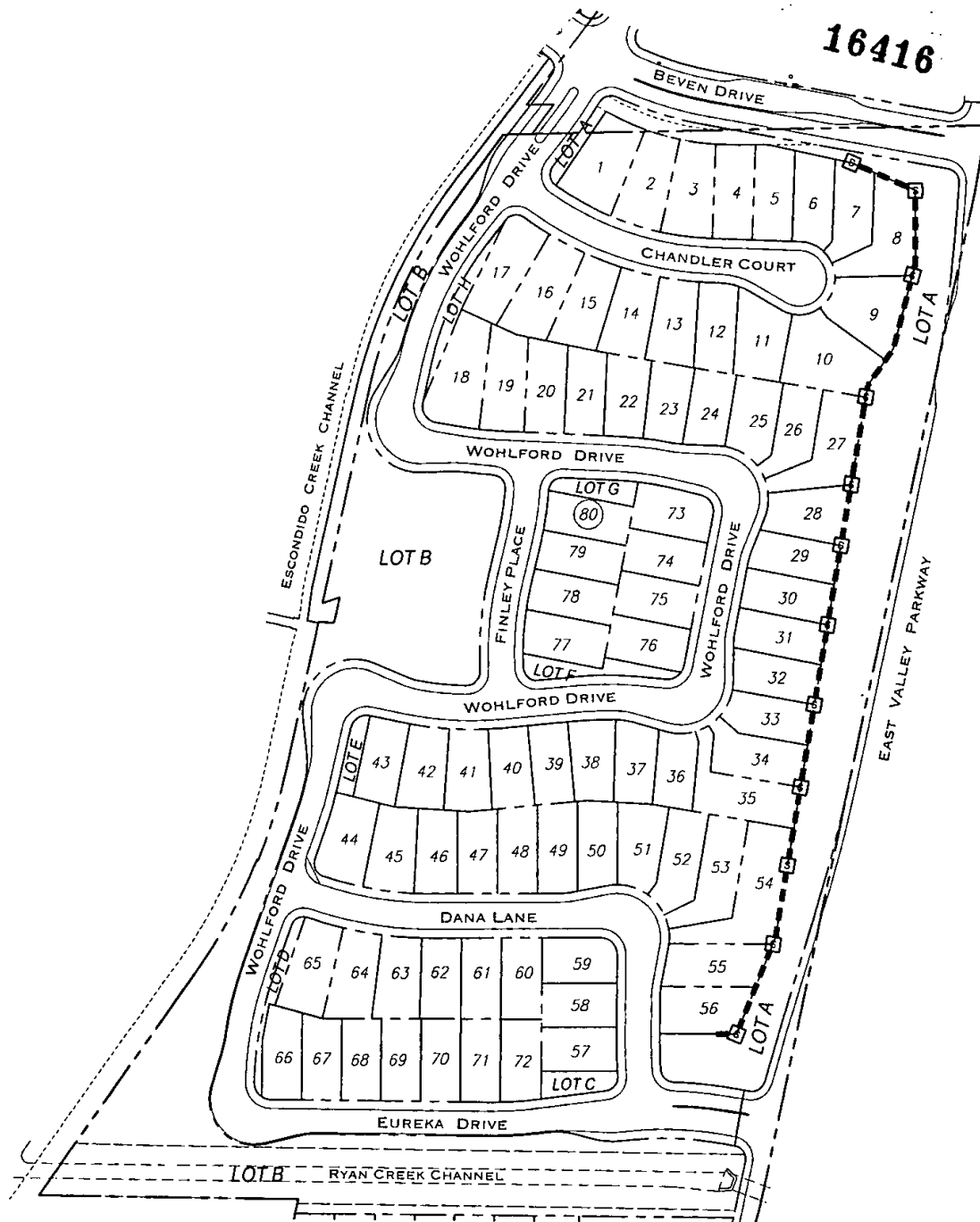
1 OF 3

LEGEND

- 6' HIGH MASONRY SOUND WALL ON BERM
- ⊠ SOUND PILASTER



*DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.



16416

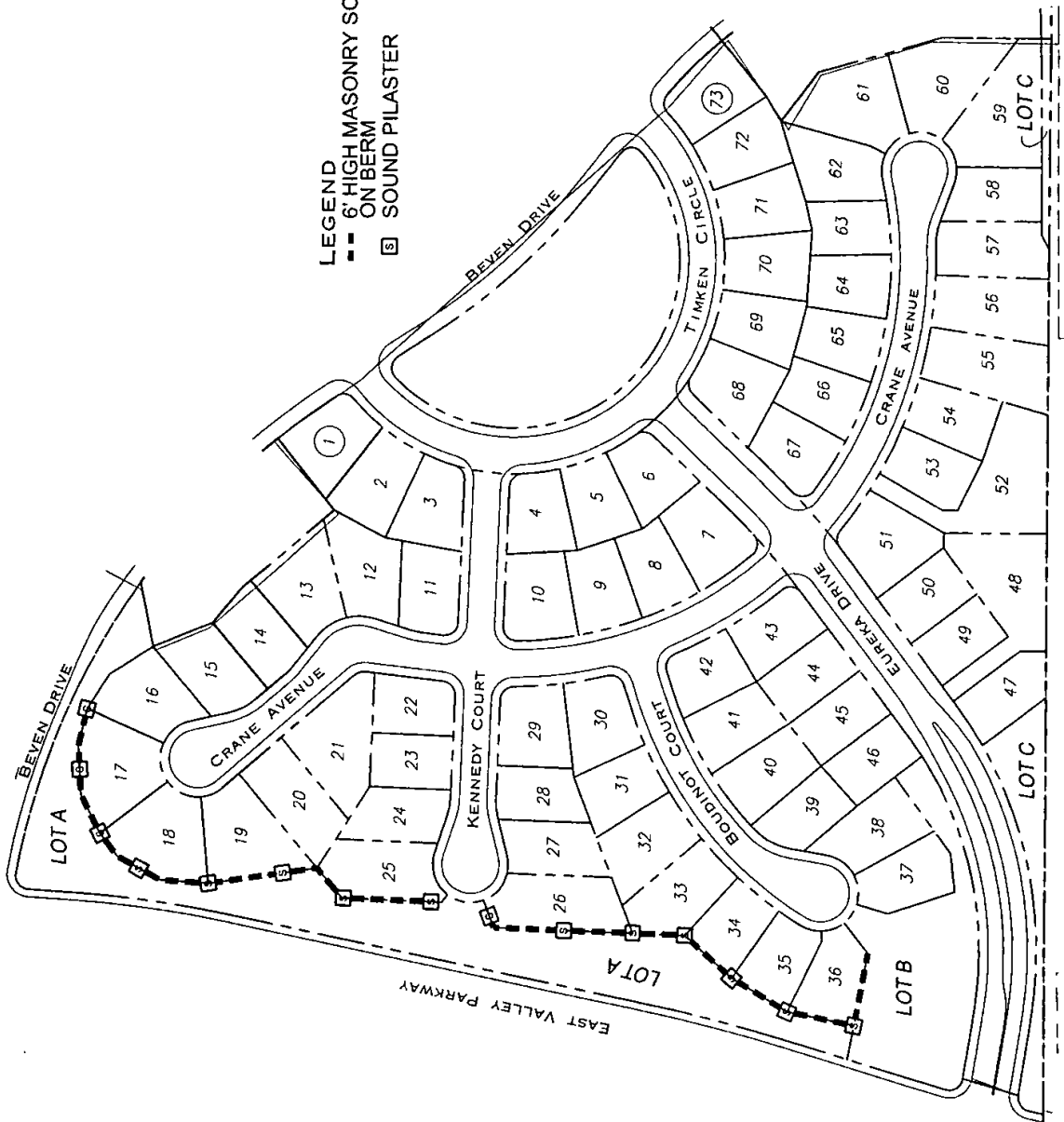
LEGEND

- 6' HIGH MASONRY SOUND WALL ON BERM
- Ⓢ SOUND PILASTER



EXHIBIT "MSW"
EUREKA SPRINGS
MASONRY SOUND WALLS - UNIT 3

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.



LEGEND
 --- 6' HIGH MASONRY SOUND WALL
 --- ON BERM
 S SOUND PILASTER

16417

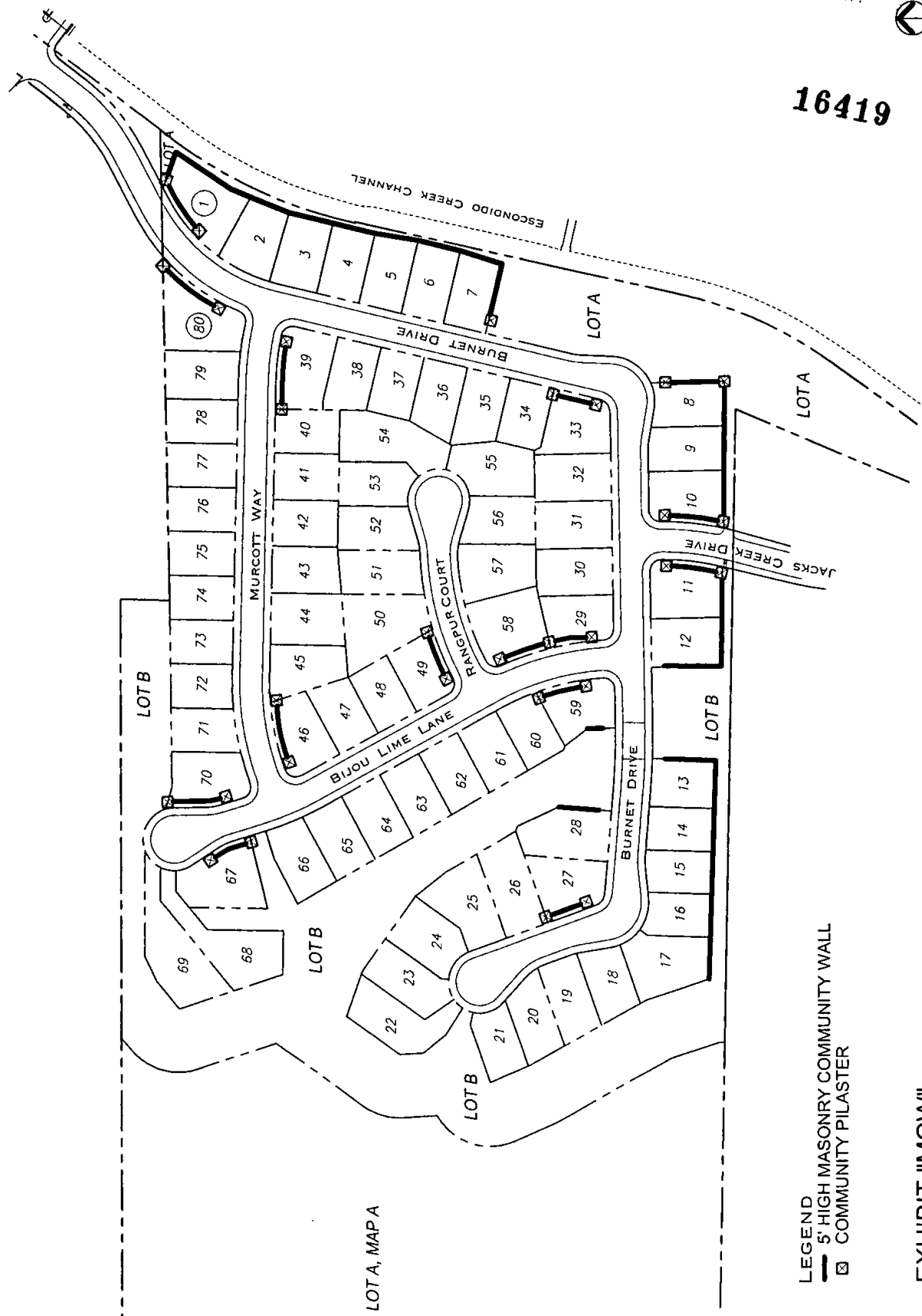


EXHIBIT "MSW"
 EUREKA SPRINGS
 MASONRY SOUND WALLS - UNIT 4

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

16418

**EXHIBIT "MCW"
MASONRY COMMUNITY WALLS**

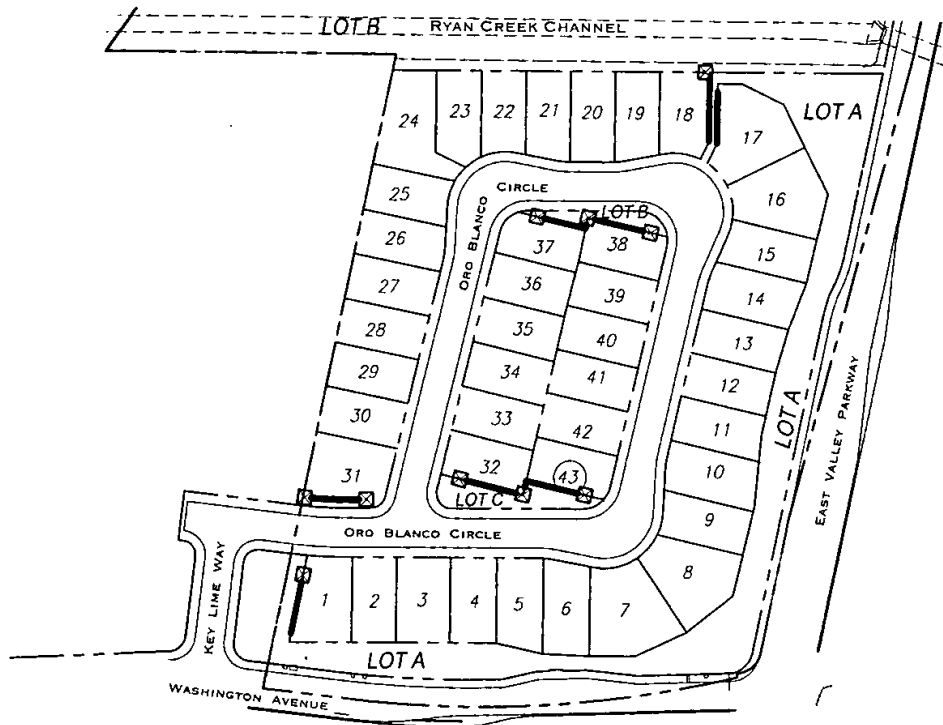


LEGEND
 — 5' HIGH MASONRY COMMUNITY WALL
 □ COMMUNITY PILASTER

EXHIBIT "MCW" EUREKA SPRINGS MASONRY COMMUNITY WALLS - UNIT 1

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

16420

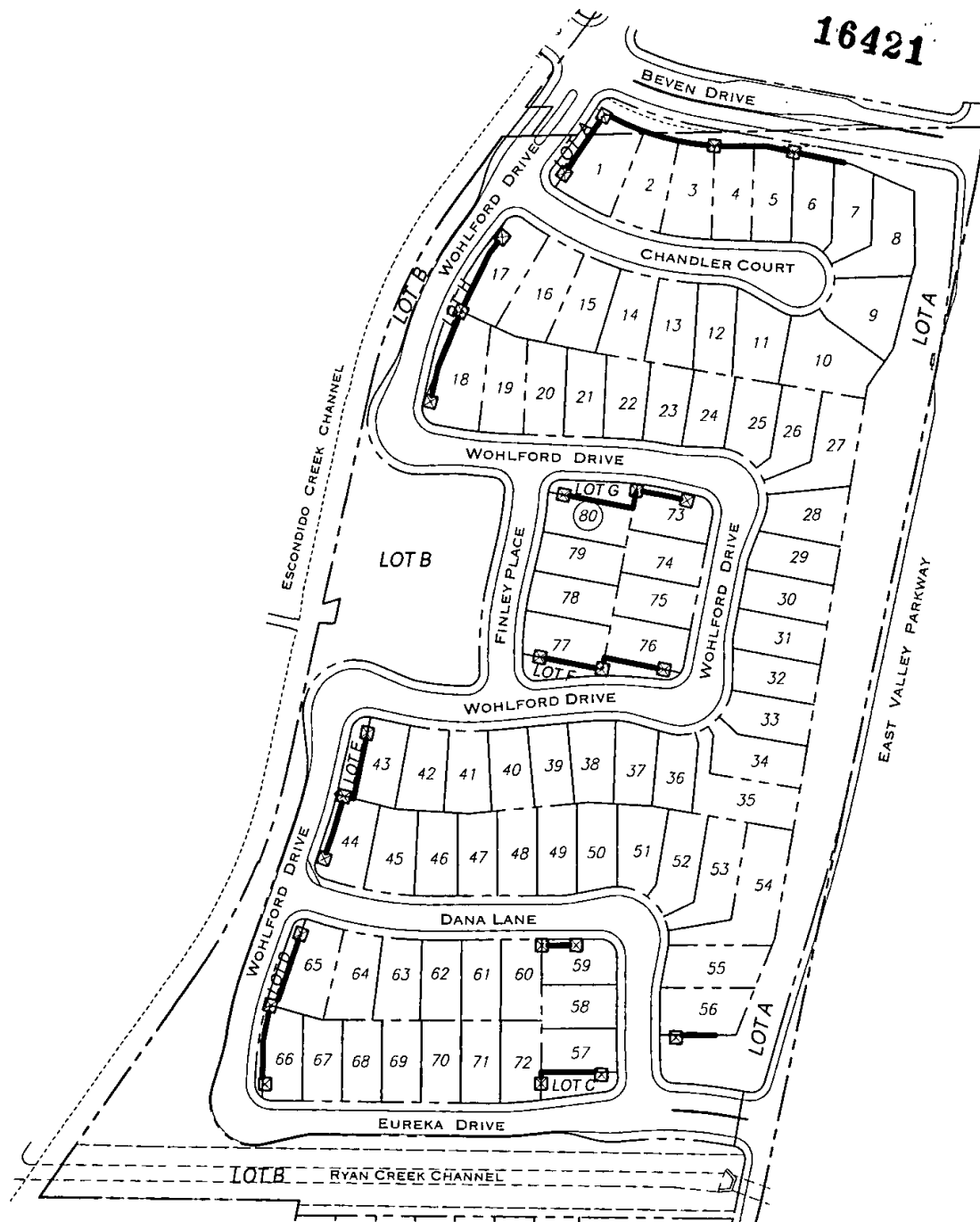


LEGEND

- 5' HIGH MASONRY COMMUNITY WALL
- COMMUNITY PILASTER

EXHIBIT "MCW" EUREKA SPRINGS MASONRY COMMUNITY WALLS - UNIT 2

*DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.



LEGEND

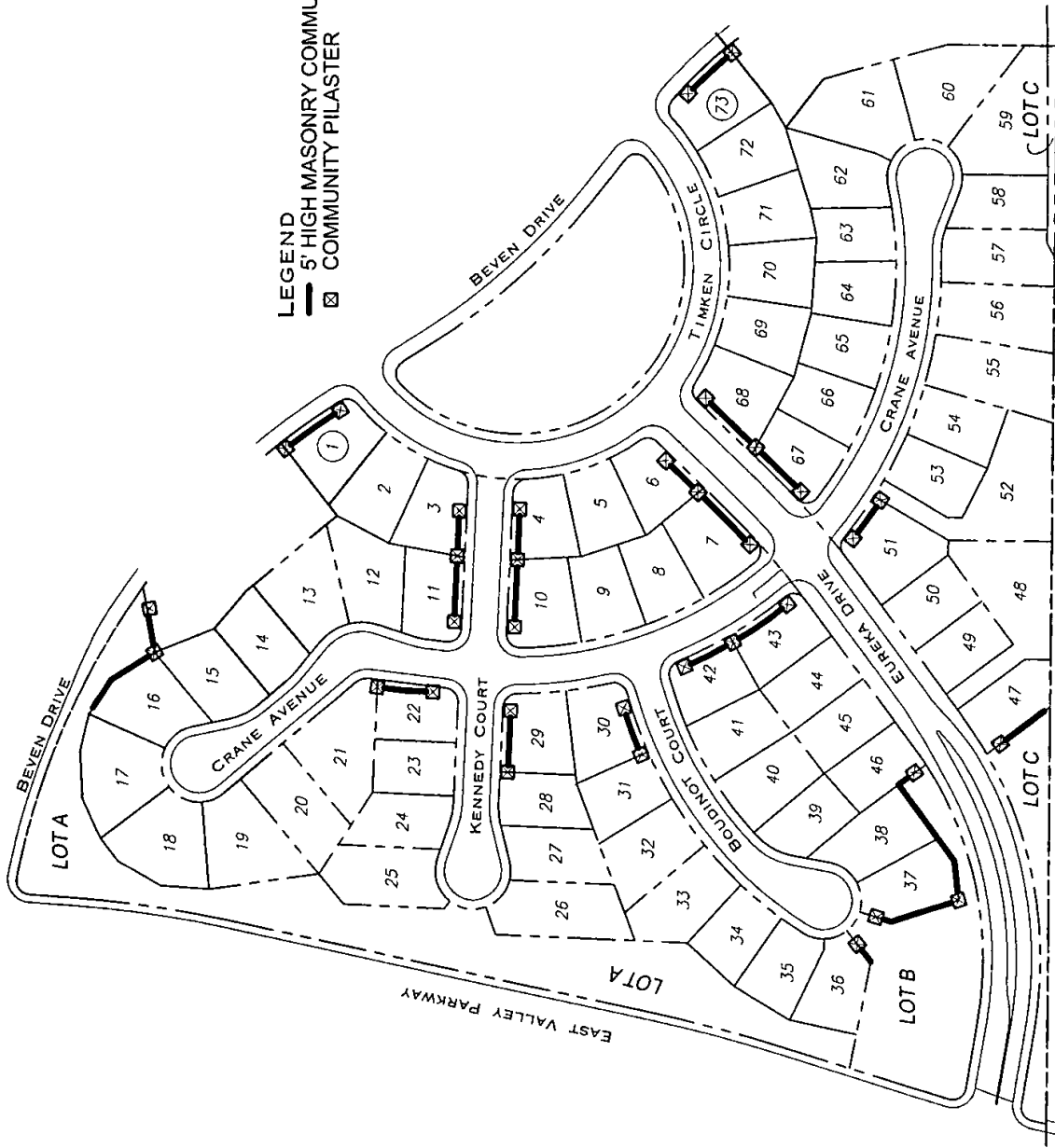
- 5' HIGH MASONRY COMMUNITY WALL
- ⊠ COMMUNITY PILASTER

EXHIBIT "MCW"
EUREKA SPRINGS
 MASONRY COMMUNITY WALLS - UNIT 3

3 OF 5



* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.



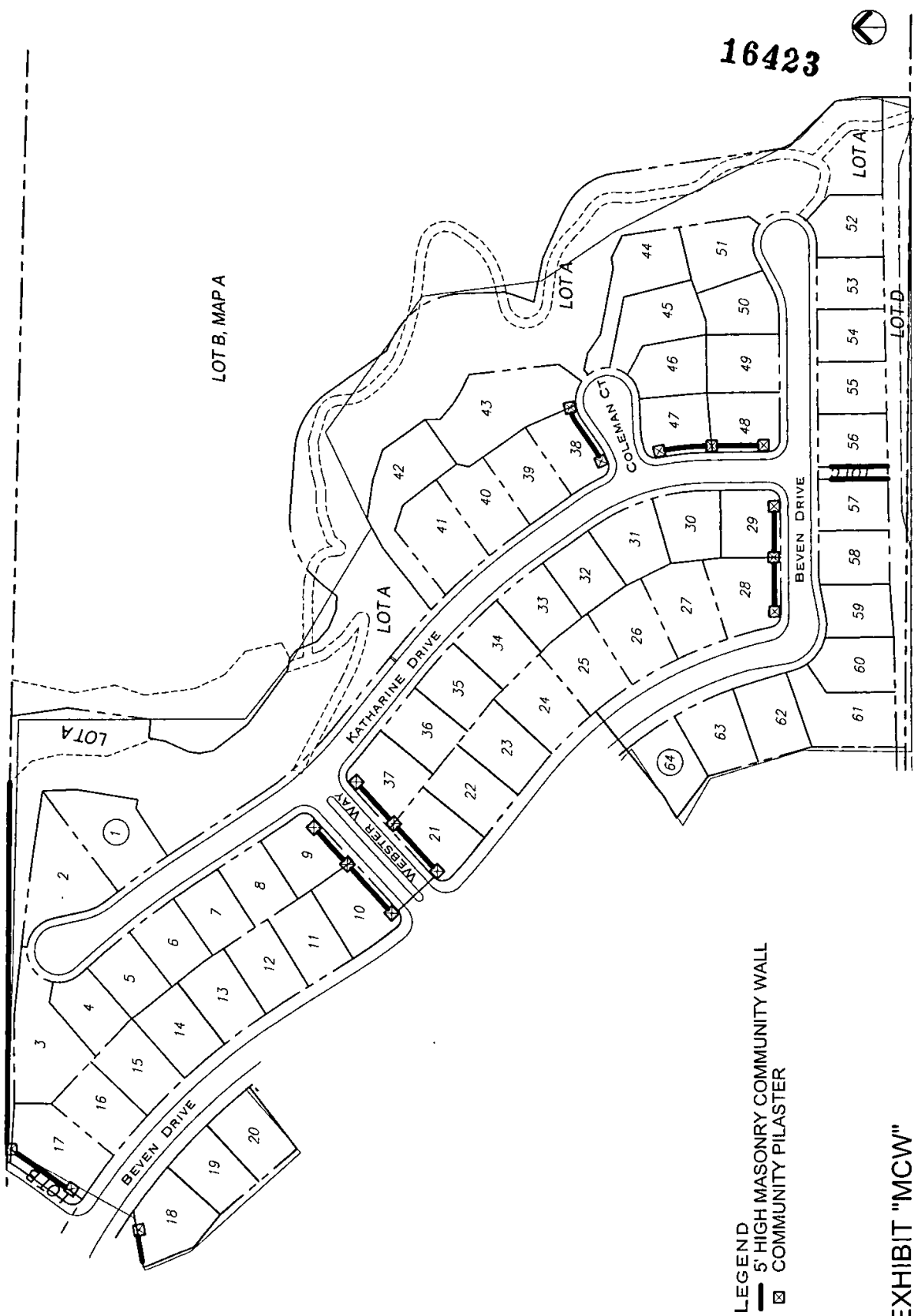
LEGEND
 — 5' HIGH MASONRY COMMUNITY WALL
 □ COMMUNITY PILASTER

16422



EXHIBIT "MCW"
 EUREKA SPRINGS
 MASONRY COMMUNITY WALLS - UNIT 4

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.



16423

LEGEND
 — 5' HIGH MASONRY COMMUNITY WALL
 □ MASONRY COMMUNITY PILASTER

EXHIBIT "MCW"
 EUREKA SPRINGS
 MASONRY COMMUNITY WALLS - UNIT 5

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

16424

EXHIBIT "CLF"
CHAIN LINK FENCE

16425

ESCONDIDO CREEK CHANNEL

LOT A

LOT B

MURCOTT WAY

BURNET DRIVE

BIJOU LIME LANE

HANGERS COURT

JACKS CREEK DRIVE

LOT A

LOT B

LOT B

LOT B

LOT A, MAP A

LEGEND
--- 5' HIGH CHAIN LINK FENCE

EXHIBIT "CLF"
EUREKA SPRINGS
CHAIN LINK FENCE - UNIT 1

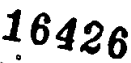
* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.

1 OF 4

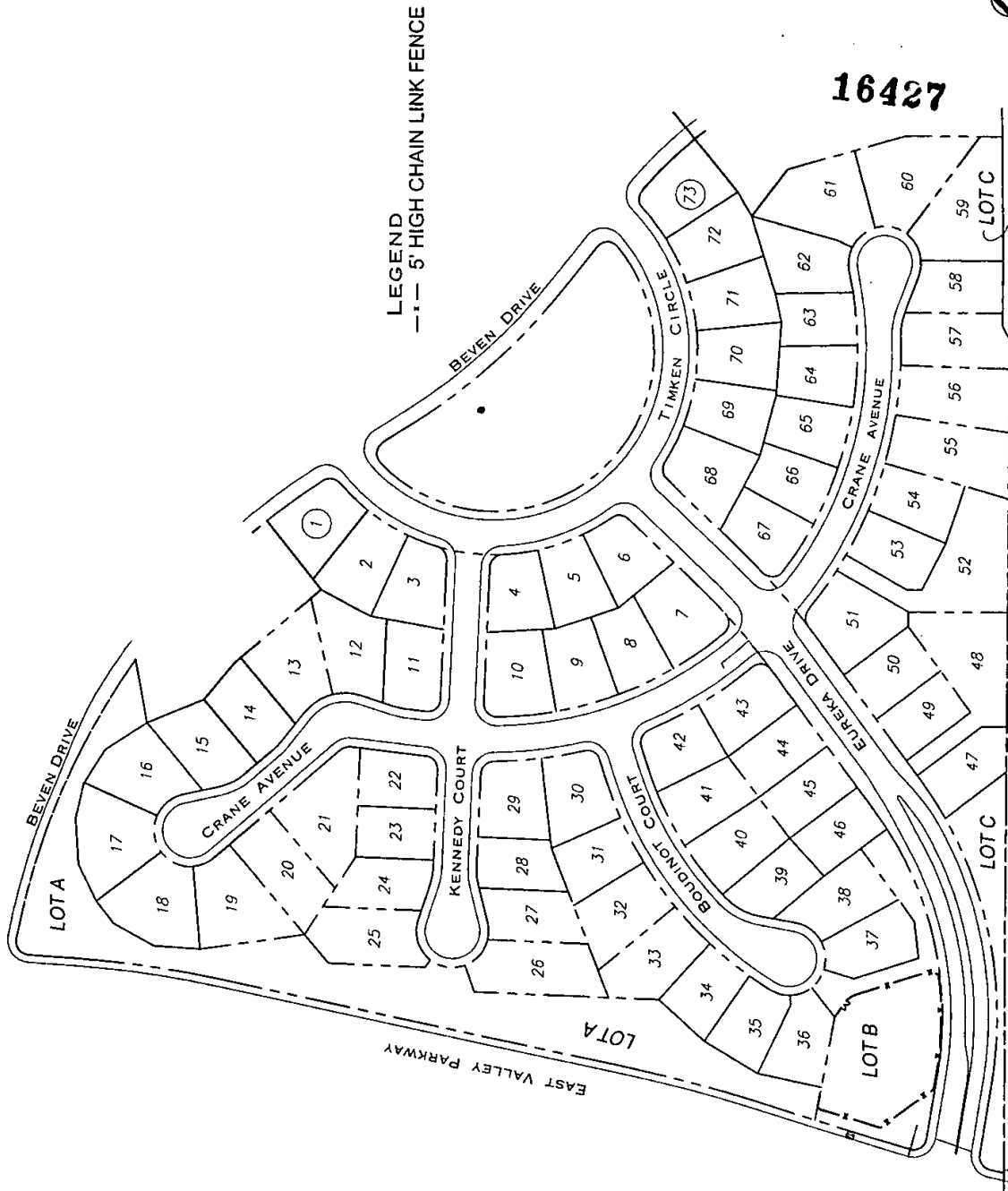
LEGEND
--- 5' HIGH CHAIN LINK FENCE



EXHIBIT "CLF"
EUREKA SPRINGS
CHAIN LINK FENCE - UNIT 1

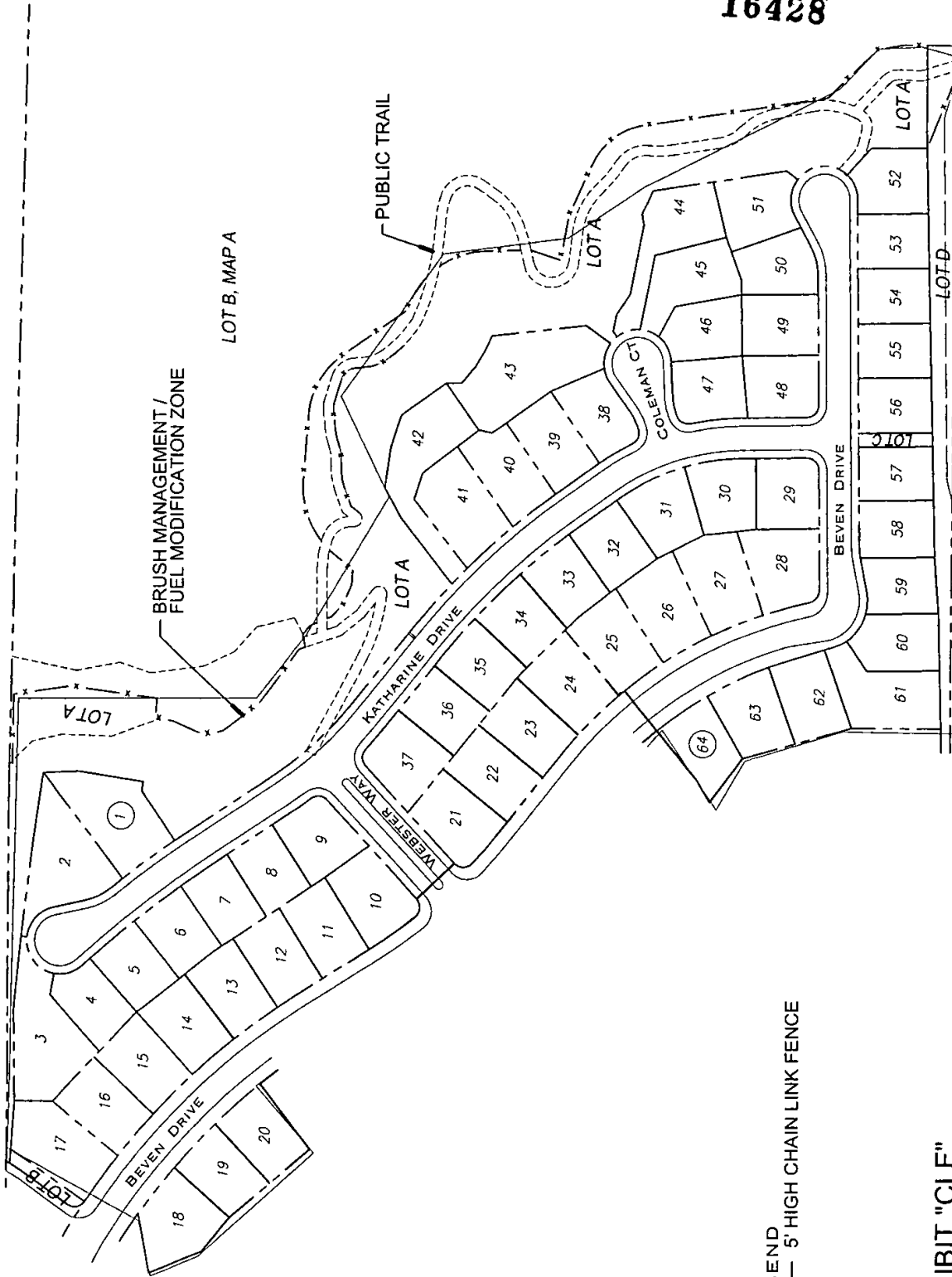


LEGEND
-x- 5' HIGH CHAIN LINK FENCE



* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

16428



LEGEND
---x--- 5' HIGH CHAIN LINK FENCE

EXHIBIT "CLF" EUREKA SPRINGS CHAIN LINK FENCE - UNIT 5

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.

16429

**EXHIBIT "CW"
COMBINATION WALLS**



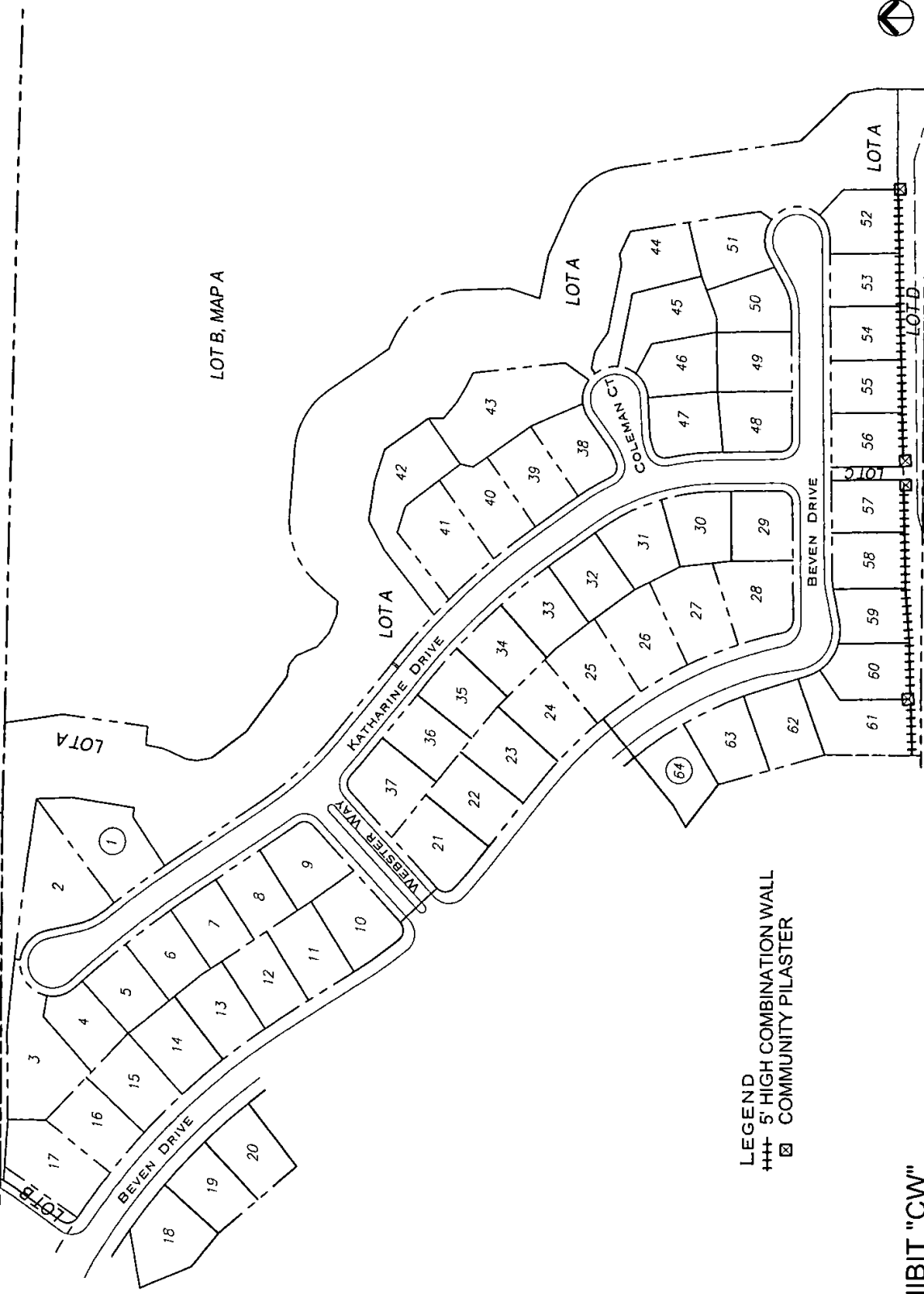
LEGEND
 +++ 5' HIGH COMBINATION WALL
 ☒ COMMUNITY PILASTER

16430



EXHIBIT "CW"
 EUREKA SPRINGS
 COMBINATION WALLS - UNIT 4

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.



LEGEND
+++ 5' HIGH COMBINATION WALL
□ COMMUNITY PILASTER

EXHIBIT "CW"
EUREKA SPRINGS
COMBINATION WALLS - UNIT 5

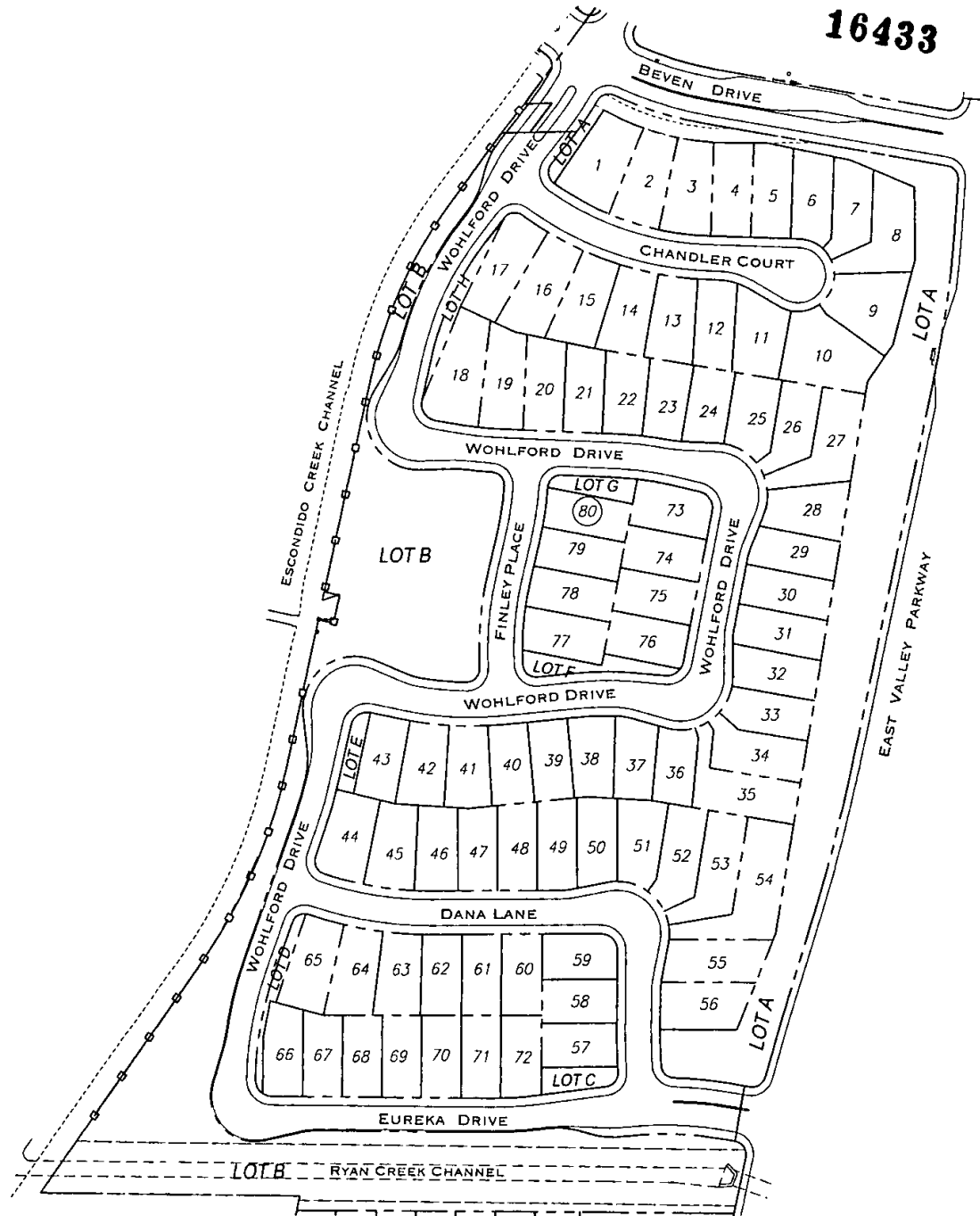
* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.

16432

EXHIBIT "PRF"
POST AND RAIL FENCE

6LENNAR/EUREKA/CC&RS 13C1M3
8-15-06

16433



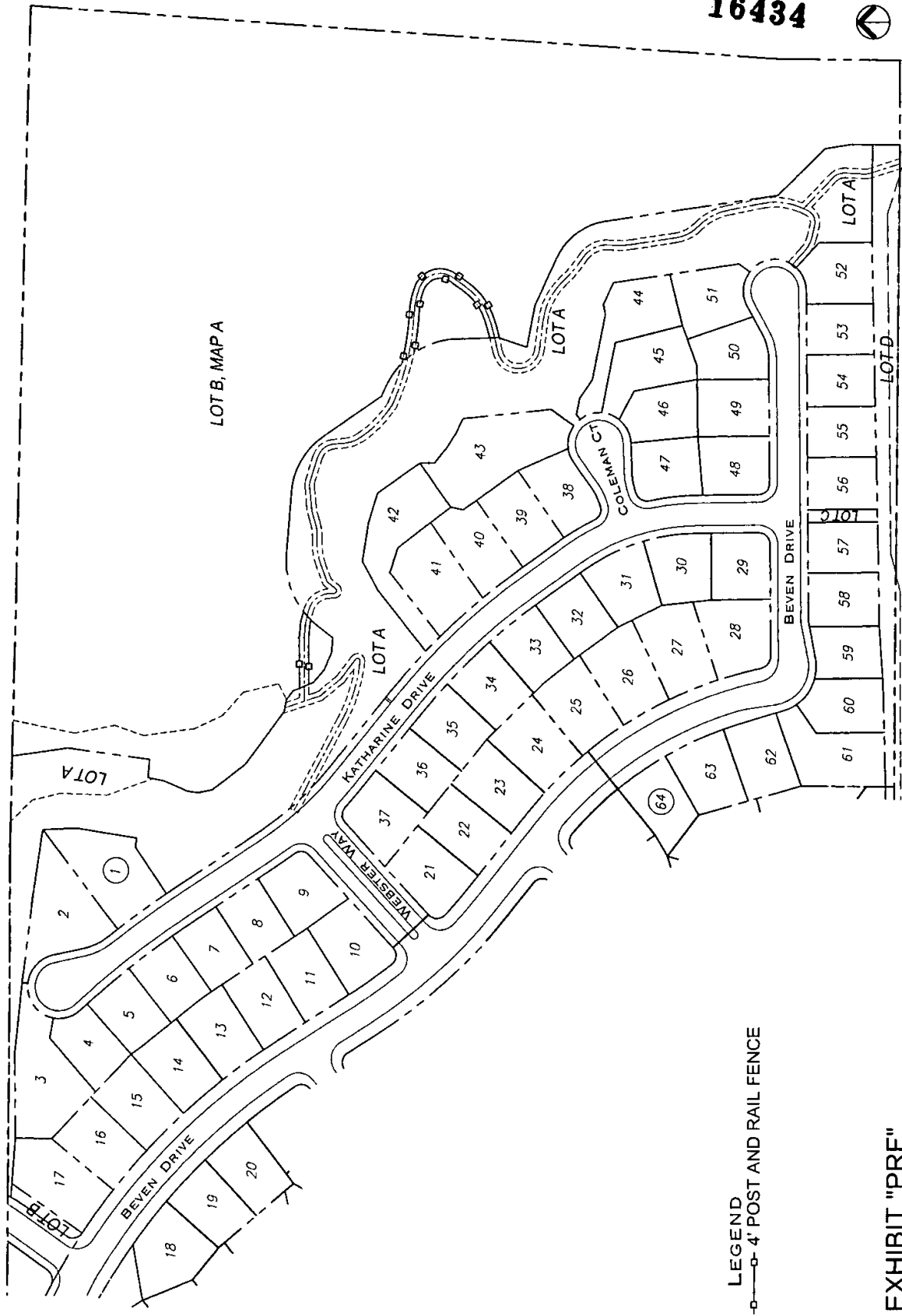
LEGEND
 -o-o- 4' POST AND RAIL FENCE



EXHIBIT "PRF"
 EUREKA SPRINGS
 POST AND RAIL FENCE - UNIT 3

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

16434



LEGEND
—○— 4' POST AND RAIL FENCE

EXHIBIT "PRF"
EUREKA SPRINGS
POST AND RAIL FENCE - UNIT 5

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.

16435

**EXHIBIT "TSF"
TUBULAR STEEL FENCING**

6LENNAR\EUREKA\CC&RS 13C\113
8-15-06



16436

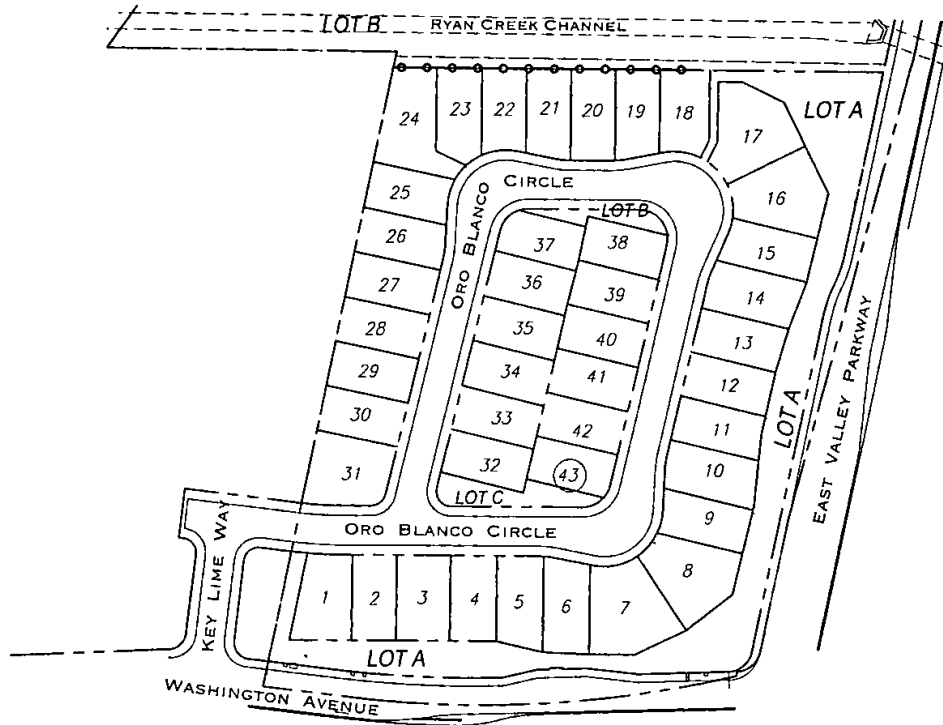
LEGEND
 -○- 5' TUBULAR STEEL FENCE



* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

EXHIBIT "TSF"
 EUREKA SPRINGS
 TUBULAR STEEL FENCE - UNIT 1

16437



LEGEND
—○— 5' TUBULAR STEEL FENCE

EXHIBIT "TSF"
EUREKA SPRINGS
TUBULAR STEEL FENCE - UNIT 2

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.





EXHIBIT "TSF"
EUREKA SPRINGS
TUBULAR STEEL FENCE - UNIT 5

16439

EXHIBIT "CP"
UPLANDS CONSERVATION PROPERTY

*** DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.**



EXHIBIT "Cp"
EUREKA SPRINGS
UPLANDS CONSERVATION PROPERTY - UNIT 1

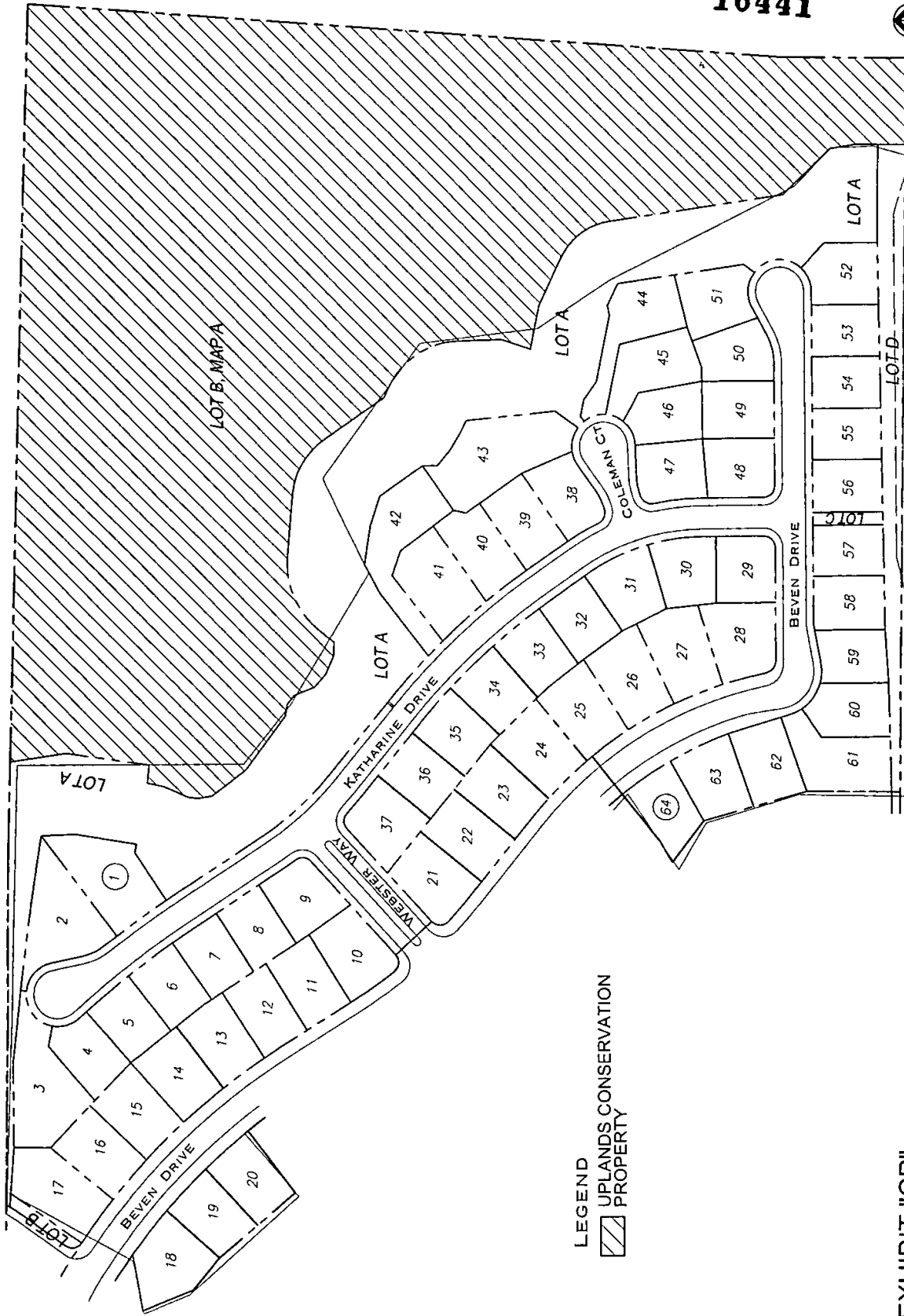


EXHIBIT "CP"
EUREKA SPRINGS
UPLANDS CONSERVATION PROPERTY - UNIT 5

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
AS-BUILT CONDITIONS WILL CONTROL.

RYAN CREEK CHANNEL

16442

EXHIBIT "CQ"
ONSITE DRAINAGE CONSERVATION PROPERTY

16443

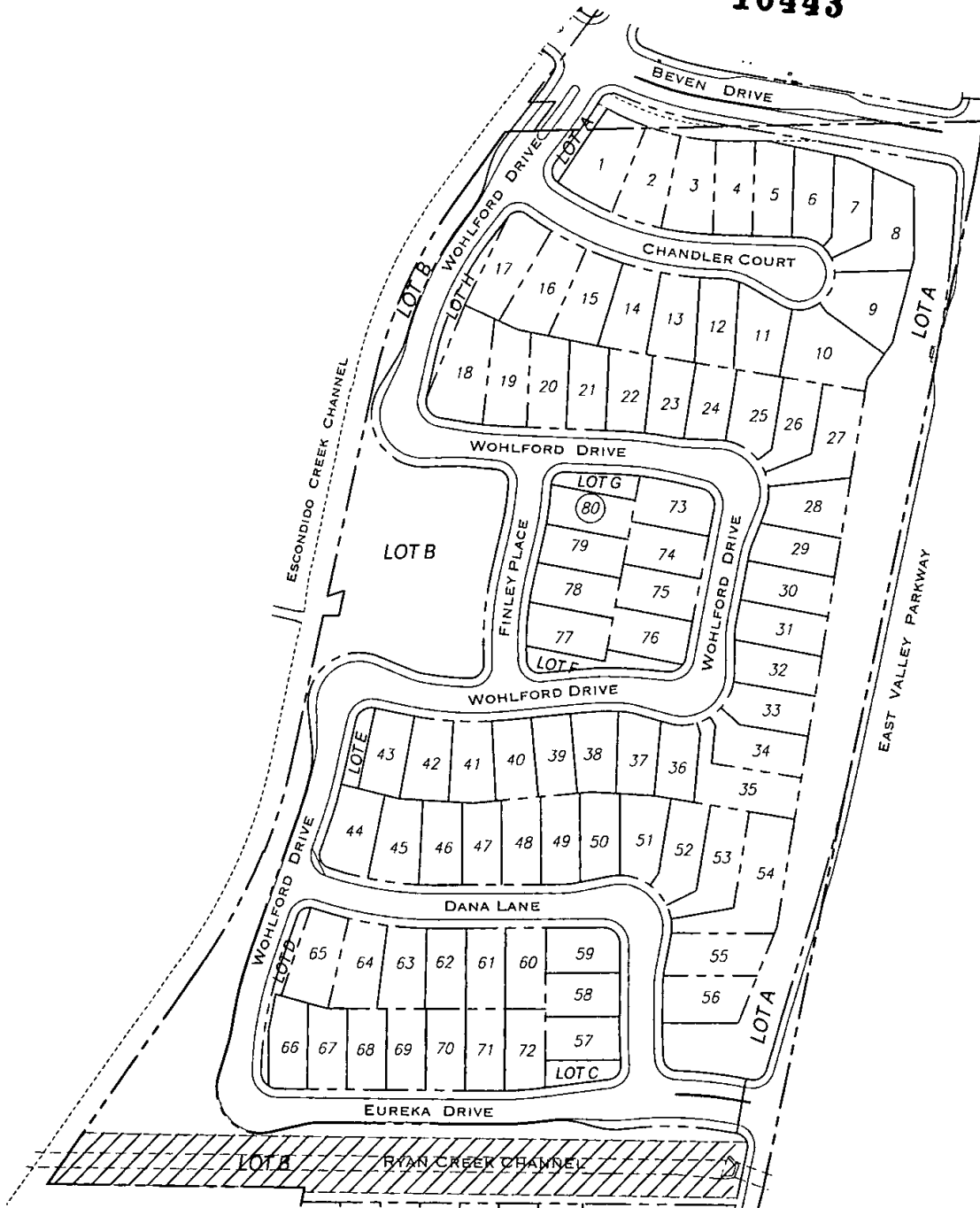


EXHIBIT "CQ"
EUREKA SPRINGS
 ON SITE DRAINAGE
 CONSERVATION PROPERTY - UNIT 3

LEGEND

 CONSERVATION EASEMENT OVER
 HOA PROPERTY



* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

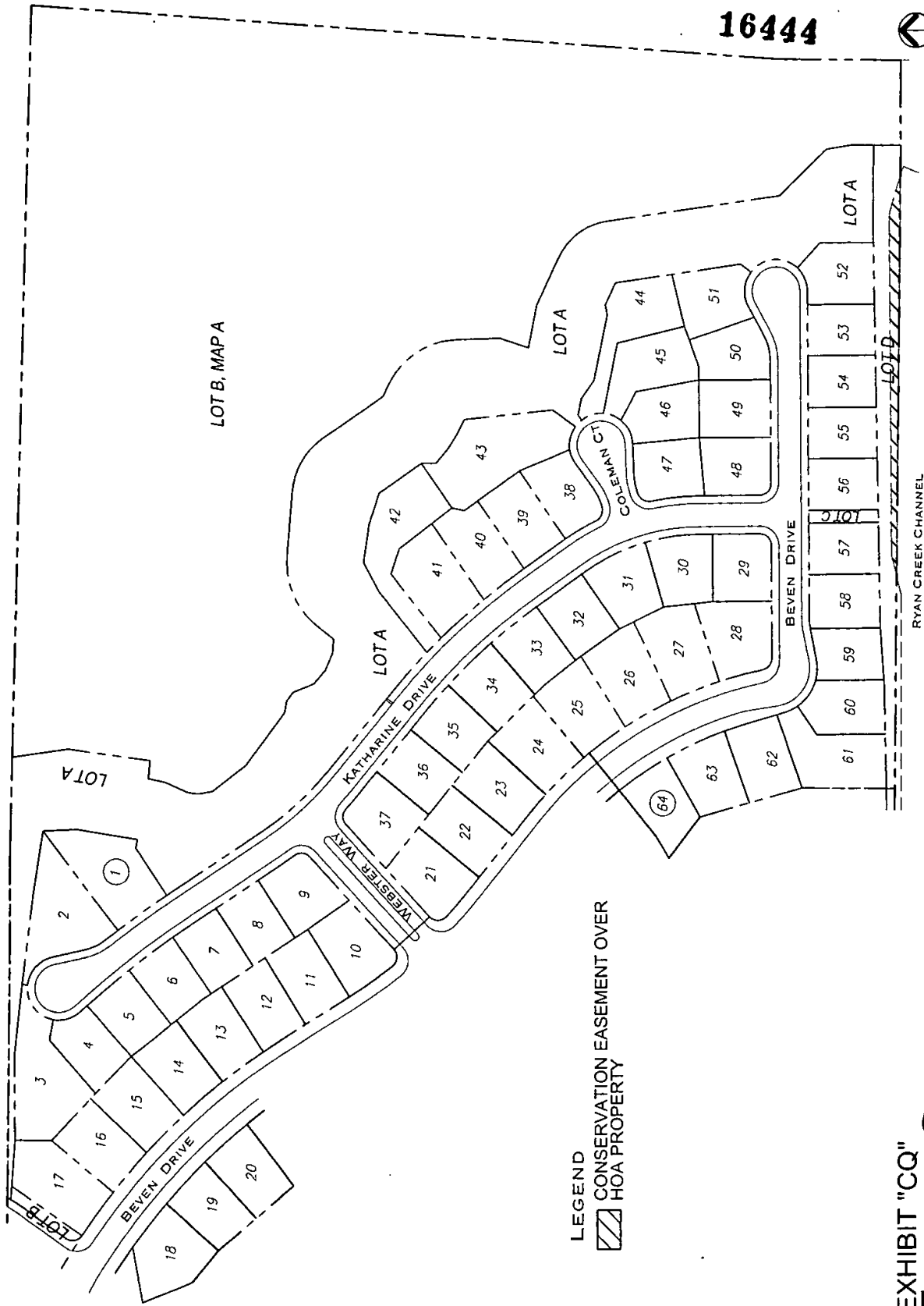
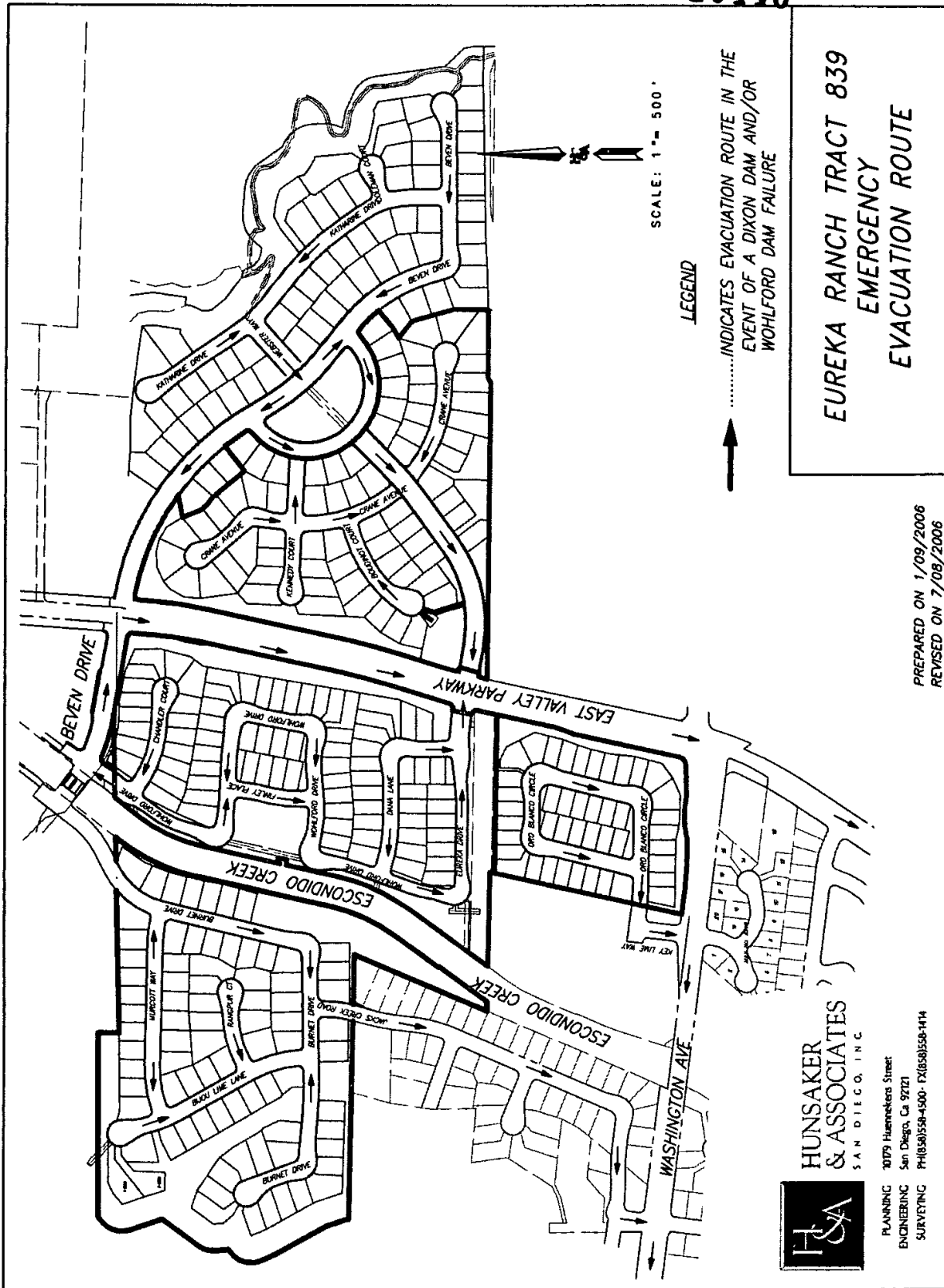


EXHIBIT "CQ"
EUREKA SPRINGS
ON SITE DRAINAGE CONSERVATION PROPERTY - UNIT 5
 2 OF 2

* DEPICTION IS FOR ILLUSTRATIVE PURPOSE ONLY.
 AS-BUILT CONDITIONS WILL CONTROL.

16445

EXHIBIT "EER"
EMERGENCY EVACUATION ROUTE



PREPARED ON 1/09/2006
REVISED ON 7/08/2006

**HUNSAKER
& ASSOCIATES**
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PLANNING
ENGINEERING
SURVEYING

EXHIBIT "WQMR"
WATER QUALITY MAINTENANCE REQUIREMENTS

The following documents are attached hereto:

Eureka Ranch Unit 1 Water Quality Technical Report – EXHIBIT "WQMR" UNIT 1

Eureka Ranch Unit 2 Water Quality Technical Report – EXHIBIT "WQMR" UNIT 2

Eureka Ranch Unit 3 Water Quality Technical Report – EXHIBIT "WQMR" UNIT 2

Eureka Ranch Unit 4 Water Quality Technical Report – EXHIBIT "WQMR" UNIT 4

Eureka Ranch Unit 5 Water Quality Technical Report – EXHIBIT "WQMR" UNIT 5

5.4 – Maintenance Requirements

Proper maintenance is required to insure optimum performance of the basins. General BMP inspections should check for structural integrity of the riser, debris and litter removal to prevent blockage of outlet orifices, etc. Fencing should be provided at the top of the basins to serve as protection to the public from the safety hazards inherent with standing water in the basin.

Maintenance of the extended detention basin will be the responsibility of the Homeowners Association until the time at which the City of Escondido assumes maintenance responsibilities. For proper maintenance to be performed, the storm water treatment facility must be accessible to both maintenance personnel and their equipment and materials.

Factors that affect the operational performance of a volume-based extended detention ponds include mowing, control of pond vegetation, removal of accumulated bottom sediments, removal of debris from all inflow and outflow structures, unclogging of orifice perforations, etc. Periodic inspections should be performed following each significant storm. These basins should be inspected at least twice a year to evaluate facility operation.

Periodic inspections of Water Quality Basins should be performed at regular intervals throughout the year. Additional inspections will be required after major rainfall events (defined per this Maintenance Plan as 24-hour rainfall events in excess of 1 inch).

During the periodic and post-major event rainfall inspections, the inspector must identify any repairs and maintenance activities deemed necessary, including the removal of trash, debris, and sediment from the upper chamber of the basin area. All riser orifices should be unclogged during the periodic and post-rainfall inspections.

A Registered Civil Engineer will conduct an annual inspection of each basin. This inspection will include a thorough inspection of the basin area, outlet structure and internal gabion structure. The engineer will identify any required repairs as well as corrective maintenance activity required to maintain the hydraulic performance of the basins. Annual maintenance activities will include the removal of the heavy vegetation that will inevitably grow in the basin. Roughly ½ half of the vegetation should be removed from the basin at each annual maintenance session, including all woody or aquatic vegetation and other obstructions to flow. All sediment, trash, and debris should be removed from the upper and lower chambers of the basin at the annual maintenance session.

Sediment removed during periodic, post-major rainfall event, and annual maintenance can be placed in a sanitary landfill or used for composting activities. If no basin maintenance takes places for a period of longer than 1 year, then trapped

EXHIBIT "WQMR" UNIT 1 CON'T.

16449

Eureka Ranch Unit 1
Water Quality Technical Report

pollutants may be deemed hazardous and special requirements may apply to disposal activities. In such a case, removals would require testing prior to disposal in a sanitary landfill.

5.5 - Annual Operations

Water Quality Basin Maintenance:

Annual Vegetation Removal = Clear 1/2 of Vegetation in Treatment Chambers

Ultimate-condition silt removal activities shall begin once the silt level in the Water Quality Basin reaches 2 feet.
Assume 2 cleanouts per year

Chapter 9 – FISCAL RESOURCES

9.1 Agreements (Mechanisms to Assure Maintenance)

There is one (1) Water Quality Basin on the proposed Eureka Ranch Unit 1 site for storm water quality treatment.

Funding for all water quality treatment is provided by the Home Owners Association of the Eureka Ranch development. The Home Owners Association will be responsible to perform the maintenance activities and to ensure adequate funding. The maintenance agreement(s) will be found with the Home Owners Association's secretary.

The City of Escondido's Watershed Protection, Stormwater Management, and Discharge Control Ordinance require ongoing maintenance of BMPs to ensure the proper function and operation of these BMPs. Costs for this maintenance will be the responsibility of the Home Owners Association at the time of inception and by the contractor during construction of the development. The water quality basin will require maintenance activities as outlined in Chapters 5 of this report. The approximate total annual cost for maintenance is also located in Chapters 5.

EXHIBIT "WQMR" UNIT 2

Eureka Ranch Unit 2
Water Quality Technical Report

16451

5.4 – Maintenance Requirements

Flow-based storm water treatment devices should be inspected periodically to assure their condition to treat anticipated runoff. Maintenance of the proposed CDS units includes inspection and maintenance 1 to 4 times per year.

Maintenance of the CDS units involves the use of a "vector truck", which clears the grit chamber of the treatment unit by vacuuming all the grit, oil and grease, and water from the sump. Typically a 3-man crew is required to perform the maintenance of the treatment unit.

Proper inspection includes a visual observation to ascertain whether the unit is functioning properly and measuring the amount of deposition in the unit. Floatables should be removed and sumps cleaned when the sump storage exceeds 85 percent of capacity specifically, or when the sediment depth has accumulated within 6 inches of the dry-weather water level. The rate at which the system collects pollutants will depend more heavily on site activities than the size of the unit.

Maintenance of the site BMPs will be the responsibility of the Homeowners Association. A maintenance plan will be developed and will include the following information:

- Specification of routine and non-routine maintenance activities to be performed

- A schedule for maintenance activities

- Name, qualifications, and contact information for the parties responsible for maintaining the BMPs

For proper maintenance to be performed, the storm water treatment facility must be accessible to both maintenance personnel and their equipment and materials.

5.5 – Operations and Maintenance Plan

The operational and maintenance needs of a CDS unit include:

- Inspection of structural integrity and screen for damage.

- Animal and vector control.

- Periodic sediment removal to optimize performance.

- Scheduled trash, debris and sediment removal to prevent obstruction.

The facility will be inspected regularly and inspection visits will be completely documented:

Preventive maintenance activities to be instituted at a CDS are:

EXHIBIT "WQMR" UNIT 2 CON'T.

16452

Eureka Ranch Unit 2
Water Quality Technical Report

Trash and Debris Removal - trash and debris accumulation will be monitored during both the dry and wet season and after every large storm event (rainfall events in excess of 1 inch). Trash and debris will be removed from the CDS unit annually (at the end of the wet season). Trash and debris will also be removed when material accumulates to 85% of CDS unit's sump capacity, or when the floating debris is 12 inches deep (whichever occurs first).

Sediment Removal - sediment accumulation will be monitored during both the wet and dry season, and after every large storm (1.0 inch). Sediment will be removed from the CDS unit annually (at the end of the wet season). Sediment will also be removed when material accumulates to 85% of CDS unit's sump capacity, or when the floating debris is 12 inches deep (whichever occurs first). Disposal of sediment will comply with applicable local, county, state or federal requirements.

Corrective maintenance is required on an emergency or non-routine basis to correct problems and to restore the intended operation and safe function of a CDS unit. Corrective maintenance activities include:

Removal of Debris and Sediment

Structural Repairs - Once deemed necessary, repairs to structural components of a CDS unit will be completed within 30 working days. Qualified individuals (i.e., the manufacturer representatives) will conduct repairs where structural damage has occurred.

5.6 – Schedule of Maintenance Activities

CDS PMSU 20_20

Target Maintenance Date – March 15th

Maintenance Activity – Annual inspection and cleanout. Clear grit chamber unit with vactor truck. Perform visual inspection. Remove floatables.

Target Maintenance Dates – 15th of each month; October through May (Rainy Season Inspections)

Maintenance Activity - Regular inspection to ensure that unit is functioning properly, has not become clogged, and does not need to be cleared out;

5.7 – Annual Operations

The following costs are intended only to provide a magnitude of the costs involved in maintaining BMPs. Funding shall be provided by the Home Owners Association for the Eureka Ranch Unit 2 development.

EXHIBIT "WQMR" UNIT 2 CON'T.

Eureka Ranch Unit 2
Water Quality Technical Report

16453

9.2 Agreements (Mechanisms to Assure Maintenance)

There is one (1) CDS unit or approved equivalent flow based treatment unit on the proposed Eureka Ranch Unit 2 site for storm water quality treatment. Flow based treatment units such as these ("Filtration System") fall within maintenance category three based on the County's Guidelines for the Stormwater Maintenance Plan.

Funding for all water quality treatment is provided by the Home Owners Association of the Eureka Ranch Unit 2 development. The Home Owners Association will be responsible to perform the maintenance activities and to ensure adequate funding. The maintenance agreement(s) will be found with the Home Owners Association's secretary. Security to fund "backup" maintenance which would be performed by the City in the event that the HOA's maintenance is inadequate is required.

The City of Escondido's Watershed Protection, Stormwater Management, and Discharge Control Ordinance require ongoing maintenance of BMPs to ensure the proper function and operation of these BMPs. Costs for this maintenance will be the responsibility of the Home Owners Association at the time of inception and by the contractor during construction of the development. The CDS unit will require maintenance activities as outlined in Chapters 5 of this report.

Additionally, a BMP Maintenance Agreement with Easement and Covenant will be entered into with the City which will function in three ways. This agreement will commit the land to being used only for purposes of the BMP; The agreement will include an agreement by the landowner to maintain the facilities in accordance with the SWMP (which would be passed on to future purchasers or successors of the landowner as a covenant); this agreement will include an easement giving the City the right to enter onto the land and any adjacent land needed for access to maintain the BMPs.

The Developer must provide the City with Security to back up the maintenance agreement which would remain in place for an interim period of five years. The amount of the security shall equal the estimated cost of two years of maintenance activities. The security can be a Cash Deposit, Letter of Credit or other form acceptable to the City.

EXHIBIT "WQMR" UNIT 3

Eureka Ranch Unit 3
Water Quality Technical Report

16454

5.4 – Maintenance Requirements

Proper maintenance is required to insure optimum performance of the basins. General BMP inspections should check for structural integrity of the riser, debris and litter removal to prevent blockage of outlet orifices, etc. Fencing should be provided at the top of the basins to serve as protection to the public from the safety hazards inherent with standing water in the basin.

Maintenance of the extended detention basin will be the responsibility of the Homeowners Association until the time at which the City of Escondido assumes maintenance responsibilities. For proper maintenance to be performed, the storm water treatment facility must be accessible to both maintenance personnel and their equipment and materials.

Factors that affect the operational performance of a volume-based extended detention ponds include mowing, control of pond vegetation, removal of accumulated bottom sediments, removal of debris from all inflow and outflow structures, unclogging of orifice perforations, etc. Periodic inspections should be performed following each significant storm. These basins should be inspected at least twice a year to evaluate facility operation.

Periodic inspections of Water Quality Basins should be performed at regular intervals throughout the year. Additional inspections will be required after major rainfall events (defined per this Maintenance Plan as 24-hour rainfall events in excess of 1 inch).

During the periodic and post-major event rainfall inspections, the inspector must identify any repairs and maintenance activities deemed necessary, including the removal of trash, debris, and sediment from the upper chamber of the basin area. All riser orifices should be unclogged during the periodic and post-rainfall inspections.

EXHIBIT "WQMR" UNIT 3 CON'T.

Eureka Ranch Unit 3
Water Quality Technical Report

16455

A Registered Civil Engineer will conduct an annual inspection of each basin. This inspection will include a thorough inspection of the basin area, outlet structure and internal gabion structure. The engineer will identify any required repairs as well as corrective maintenance activity required to maintain the hydraulic performance of the basins. Annual maintenance activities will include the removal of the heavy vegetation that will inevitably grow in the basin. Roughly ½ half of the vegetation should be removed from the basin at each annual maintenance session, including all woody or aquatic vegetation and other obstructions to flow. All sediment, trash, and debris should be removed from the upper and lower chambers of the basin at the annual maintenance session.

Sediment removed during periodic, post-major rainfall event, and annual maintenance can be placed in a sanitary landfill or used for composting activities. If no basin maintenance takes place for a period of longer than 1 year, then trapped pollutants may be deemed hazardous and special requirements may apply to disposal activities. In such a case, removals would require testing prior to disposal in a sanitary landfill.

5.5 - Annual Operations

Water Quality Basin Maintenance:

Annual Vegetation Removal = Clear 1/2 of Vegetation in Treatment Chambers

Ultimate-condition silt removal activities shall begin once the silt level in the Water Quality Basin reaches 2 feet.
Assume 2 cleanouts per year

Periodic and Post-Major Rainfall Inspections and Trash/Debris/Sediment Cleanout:
Assume (4) periodic and post-major rainfall inspections per year

EXHIBIT "WQMR" UNIT 3 CON'T.

Eureka Ranch Unit 3
Water Quality Technical Report

16456

6.4 – Maintenance Requirements

6.4.1 – KatchAll Filtration Units

Maintenance of the KatchAll filtration units requires quarterly, annual inspections during the dry season (June through September) and monthly during the wet season (October through May). The units need to be cleaned out quarterly to remove trash, debris and excess sediment. The filter media within the units requires replacing annually at which time the filter shall be disposed of in accordance with state and federal environmental protection requirements. The replacement filter is then placed into the existing bracket below the storm drain entrance.

Maintenance of the site BMPs will be the responsibility of the Homeowners Association. A maintenance plan will be developed and will include the following information:

- Specification of routine and non-routine maintenance activities to be performed

- A schedule for maintenance activities

- Name, qualifications, and contact information for the parties responsible for maintaining the BMPs

For proper maintenance to be performed, the storm water treatment facility must be accessible to both maintenance personnel and their equipment and materials.

6.5 – Schedule of Maintenance Activities

KatchAll Treatment Units

Target Maintenance Dates – June 15th, September 15th (Dry Season Inspections)

Maintenance Activity - Regular inspection to ensure that filter unit is functioning properly, has not become clogged, and does not need to be replaced.

Target Maintenance Dates – 15th of each month; October 1st through April 1st (Rainy Season Inspections)

Maintenance Activity - Regular inspection to ensure that filter unit is functioning properly, has not become clogged, and does not need to be replaced.

Target Maintenance Date – March 15th, June 15th, September 15th, December 15th

Maintenance Activity – Quarterly cleanouts; Cleanout filter, remove trash, debris and excess sediment.

Target Maintenance Dates – March 15th

Maintenance Activity – Annual filter replacement; Remove and replace filter. Dispose of used filter according to state and federal environmental protection guidelines. Place new filter in existing bracket below the storm drain entrance.

EXHIBIT "WQMR" UNIT 3 CON'T.

Eureka Ranch Unit 3
Water Quality Technical Report

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For proper maintenance to be performed, the storm water treatment facility must be accessible to both maintenance personnel and their equipment and materials.

6.6 – Annual Operations

The following costs are intended only to provide a magnitude of the costs involved in maintaining BMPs. Funding shall be provided by the Home Owners Association for the Eureka Ranch Unit 3 development.

EXHIBIT "WQMR" UNIT 3 CON'T.

Eureka Ranch Unit 3
Water Quality Technical Report

16458

Chapter 10 – FISCAL RESOURCES

10.1 Agreements (Mechanisms to Assure Maintenance)

There is one Water Quality Basin and two (2) KatchAll curb inlet filter units on the proposed Eureka Ranch Unit 3 site for storm water quality treatment.

Funding for all water quality treatment is provided by the Home Owners Association of the Eureka Ranch Unit 3 development. The Home Owners Association will be responsible to perform the maintenance activities and to ensure adequate funding. The maintenance agreement(s) will be found with the Home Owners Association's secretary.

The City of Escondido's Watershed Protection, Stormwater Management, and Discharge Control Ordinance require ongoing maintenance of BMPs to ensure the proper function and operation of these BMPs. Costs for this maintenance will be the responsibility of the Home Owners Association at the time of inception and by the contractor during construction of the development. The water quality basin and curb inlet filters will require maintenance activities as outlined in Chapters 5 and 6 of this report. The approximate total annual cost for maintenance is also located in Chapters 5 and 6.

EXHIBIT "WQMR" UNIT 4

Eureka Ranch Unit 4
Water Quality Technical Report

16459

5.6 – Maintenance Requirements

Extended Detention Basin

Proper maintenance is required to insure optimum performance of the basin. General BMP inspections should check for structural integrity of the riser, debris and litter removal to prevent blockage of outlet orifices, etc. Fencing should be provided at the top of the basins to serve as protection to the public from the safety hazards inherent with standing water in the basin.

Maintenance of the water quality basin will be the responsibility of the Homeowners Association until the time at which the City of Escondido assumes maintenance responsibilities. For proper maintenance to be performed, the storm water treatment facility must be accessible to both maintenance personnel and their equipment and materials.

Factors that affect the operational performance of a volume-based extended detention ponds include mowing, control of pond vegetation, removal of accumulated bottom sediments, removal of debris from all inflow and outflow structures, unclogging of orifice perforations, etc. Periodic inspections should be performed following each significant storm. The basin should be inspected at least twice a year to evaluate facility operation.

Periodic inspections of the Water Quality Basin should be performed at regular intervals throughout the year. Additional inspections will be required after major rainfall events (defined per this Maintenance Plan as 24-hour rainfall events in excess of 1 inch).

During the periodic and post-major event rainfall inspections, the inspector must identify any repairs and maintenance activities deemed necessary, including the removal of trash, debris, and sediment from the upper chamber of the basin area. All riser orifices should be unclogged during the periodic and post-rainfall inspections.

A Registered Civil Engineer will conduct an annual inspection of the basin. This inspection will include a thorough inspection of the basin area, outlet structure and internal gabion structure. The engineer will identify any required repairs as well as corrective maintenance activity required to maintain the hydraulic performance of the basins. Annual maintenance activities will include the removal of the heavy vegetation that will inevitably grow in the basin. Roughly ½ half of the vegetation should be removed from the basin at each annual maintenance session, including all woody or aquatic vegetation and other obstructions to flow. All sediment, trash, and debris should be removed from the upper and lower chambers of the basin at the annual maintenance session.

Sediment removed during periodic, post-major rainfall event, and annual maintenance can be placed in a sanitary landfill or used for composting activities. If

EXHIBIT "WQMR" UNIT 4 CON'T.

Eureka Ranch Unit 4
Water Quality Technical Report

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no basin maintenance takes places for a period of longer than 1 year, then trapped pollutants may be deemed hazardous and special requirements may apply to disposal activities. In such a case, removals would require testing prior to disposal in a sanitary landfill.

FloGard Curb Inlet Filter Units

Maintenance of the FloGard curb inlet filter unit requires quarterly inspections during the dry season (June through September) and monthly during the wet season (October through May). The units need to be cleaned out quarterly to remove trash, debris and excess sediment. The filter media within the units requires replacing annually at which time the filter shall be disposed of in accordance with state and federal environmental protection requirements. The replacement filter is then placed into the existing bracket below the storm drain entrance.

Target Maintenance Dates – June 15th, September 15th (Dry Season Inspections)

Maintenance Activity - Regular inspection to ensure that filter unit is functioning properly, has not become clogged, and does not need to be replaced.

Target Maintenance Dates – 15th of each month; October 1st through April 1st (Rainy Season Inspections)

Maintenance Activity - Regular inspection to ensure that filter unit is functioning properly, has not become clogged, and does not need to be replaced.

Target Maintenance Date – March 15th, June 15th, September 15th, December 15th

Maintenance Activity – Quarterly cleanouts; Cleanout filter, remove trash, debris and excess sediment.

Target Maintenance Dates – March 15th

Maintenance Activity – Annual filter replacement; Remove and replace filter. Dispose of used filter according to state and federal environmental protection guidelines. Place new filter in existing bracket below the storm drain entrance.

5.7 - Annual Operations

Water Quality Basin:

Annual Vegetation Removal = Clear 1/2 of Vegetation in Basin

EXHIBIT "WQMR" UNIT 4 CON'T.

Eureka Ranch Unit 4
Water Quality Technical Report

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Ultimate-condition silt removal activities shall begin once the silt level in the Maintenance Chamber of the Water Quality Basin reaches 2 feet.
Assume 2 cleanouts per year

Periodic and Post-Major Rainfall Inspections and Trash/Debris/Sediment Cleanout:
Assume (4) periodic and post-major rainfall inspections per year

EXHIBIT "WQMR" UNIT 4 CON'T.

Eureka Ranch Unit 4
Water Quality Technical Report

16462

Chapter 9 – FISCAL RESOURCES

9.1 Agreements (Mechanisms to Assure Maintenance)

There is one Water Quality Basin and four (4) FloGard curb inlet filter units on the proposed Eureka Ranch Unit 4 site for storm water quality treatment.

Funding for all water quality treatment is provided by the Master Home Owners Association of the Eureka Ranch development. The Master Home Owners Association will be responsible to perform the maintenance activities and to ensure adequate funding. The maintenance agreement(s) will be found with the Home Owners Association's secretary.

The City of Escondido's Watershed Protection, Stormwater Management, and Discharge Control Ordinance require ongoing maintenance of BMPs to ensure the proper function and operation of this BMP. Costs for this maintenance will be the responsibility of the Home Owners Association at the time of inception and by the contractor during construction of the development. The water quality basin will require maintenance activities as outlined in Chapters 5 of this report. The approximate total annual cost for maintenance is also located in Chapters 5.

EXHIBIT "WQMR" UNIT 5

Eureka Ranch Unit 5
Water Quality Technical Report

16463

5.6 – Maintenance Requirements

Extended Detention Basin

Proper maintenance is required to insure optimum performance of the basin. General BMP inspections should check for structural integrity of the riser, debris and litter removal to prevent blockage of outlet orifices, etc. Fencing should be provided at the top of the basins to serve as protection to the public from the safety hazards inherent with standing water in the basin.

Maintenance of the water quality basin will be the responsibility of the Homeowners Association until the time at which the City of Escondido assumes maintenance responsibilities. For proper maintenance to be performed, the storm water treatment facility must be accessible to both maintenance personnel and their equipment and materials.

Factors that affect the operational performance of a volume-based extended detention ponds include mowing, control of pond vegetation, removal of accumulated bottom sediments, removal of debris from all inflow and outflow structures, unclogging of orifice perforations, etc. Periodic inspections should be performed following each significant storm. The basin should be inspected at least twice a year to evaluate facility operation.

Periodic inspections of the Water Quality Basin should be performed at regular intervals throughout the year. Additional inspections will be required after major rainfall events (defined per this Maintenance Plan as 24-hour rainfall events in excess of 1 inch).

During the periodic and post-major event rainfall inspections, the inspector must identify any repairs and maintenance activities deemed necessary, including the removal of trash, debris, and sediment from the upper chamber of the basin area. All riser orifices should be unclogged during the periodic and post-rainfall inspections.

A Registered Civil Engineer will conduct an annual inspection of the basin. This inspection will include a thorough inspection of the basin area, outlet structure and internal gabion structure. The engineer will identify any required repairs as well as corrective maintenance activity required to maintain the hydraulic performance of the basins. Annual maintenance activities will include the removal of the heavy vegetation that will inevitably grow in the basin. Roughly ½ half of the vegetation should be removed from the basin at each annual maintenance session, including all woody or aquatic vegetation and other obstructions to flow. All sediment, trash, and debris should be removed from the upper and lower chambers of the basin at the annual maintenance session.

EXHIBIT "WQMR" UNIT 5 CON'T.

Eureka Ranch Unit 5
Water Quality Technical Report

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Sediment removed during periodic, post-major rainfall event, and annual maintenance can be placed in a sanitary landfill or used for composting activities. If no basin maintenance takes places for a period of longer than 1 year, then trapped pollutants may be deemed hazardous and special requirements may apply to disposal activities. In such a case, removals would require testing prior to disposal in a sanitary landfill.

FloGard Curb Inlet Filter Units

Maintenance of the FloGard curb inlet filter unit requires bi-weekly year round inspections and inspections after every rain event. The units need to be cleaned out as necessary to remove trash, debris and excess sediment. The filter media within the units requires replacing annually at which time the filter shall be disposed of in accordance with state and federal environmental protection requirements. The replacement filter is then placed into the existing bracket below the storm drain entrance.

Target Maintenance Dates – Bi-weekly (year round)

Maintenance Activity - Regular inspection to ensure that filter unit is functioning properly, has not become clogged, and does not need to be replaced, trash to be removed as necessary.

Target Maintenance Dates – March 15th

Maintenance Activity – Annual filter replacement; Remove and replace filter. Dispose of used filter according to state and federal environmental protection guidelines. Place new filter in existing bracket below the storm drain entrance, trash to be removed as necessary.

EXHIBIT "WQMR" UNIT 5 CON'T.

16465

Eureka Ranch Unit 5
Water Quality Technical Report

5.7 - Annual Operations and Maintenance Costs

Water Quality Basin:

Annual Vegetation Removal = Clear 1/2 of Vegetation in Basin

Ultimate-condition silt removal activities shall begin once the silt level in the Maintenance Chamber of the Water Quality Basin reaches 2 feet.
Assume 2 cleanouts per year

Periodic and Post-Major Rainfall Inspections and Trash/Debris/Sediment Cleanout:
Assume (4) periodic and post-major rainfall inspections per year

EXHIBIT "WQMR" UNIT 5 CON'T.

Eureka Ranch Unit 5
Water Quality Technical Report

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Chapter 9 – FISCAL RESOURCES

9.1 Agreements (Mechanisms to Assure Maintenance)

There is one Water Quality Basin and two (2) FloGard curb inlet filter units on the proposed Eureka Ranch Unit 5 site for storm water quality treatment. These units are all located off site from the Unit 5 development.

Funding for all water quality treatment BMPs located throughout the overall Eureka Ranch development (inclusive of Units 1, 2, 3 & 4) is provided by the Master Home Owners Association of the Eureka Ranch development. The Master Home Owners Association will be responsible to perform the maintenance activities and to ensure adequate funding. The maintenance agreement(s) will be found with the Home Owners Association's secretary.

The City of Escondido's Watershed Protection, Stormwater Management, and Discharge Control Ordinance require ongoing maintenance of BMPs to ensure the proper function and operation of this BMP. Costs for this maintenance will be the responsibility of the Home Owners Association at the time of inception and by the contractor during construction of the development. The water quality basin will require maintenance activities as outlined in Chapters 5 of this report. The approximate total annual cost for maintenance is also located in Chapters 5.