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11/21/2019

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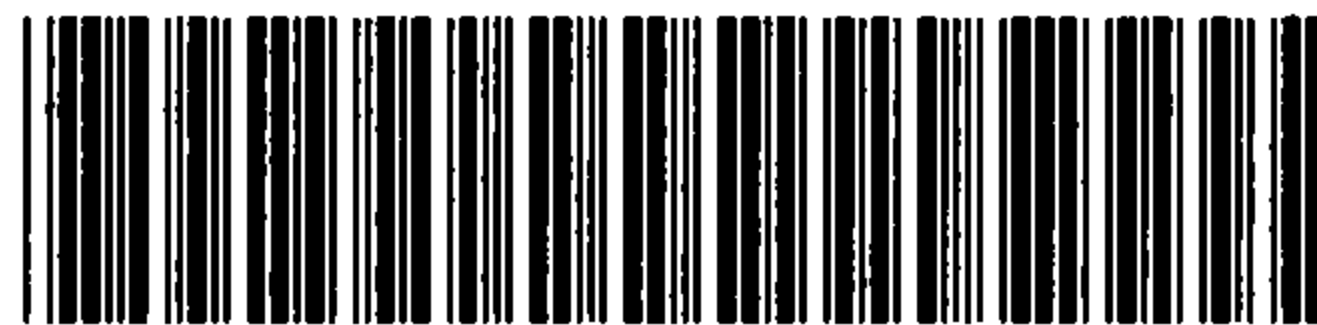
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41

Placer Title

Doc # **201900085788**

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| Title: | 1 | Pages: | 35 |
| Fees | | | \$125.00 |
| Taxes | | | \$0.00 |
| SB2 Fee | | | \$0.00 |
| Other | | | \$0.00 |
| Paid | | | \$125.00 |



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Julian Austria
022AA442020411

DocuSigned by:
Mona Austria
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RECORDING REQUESTED BY:

SYNRGO
Placer Title Company
Branch Number: 501

WHEN RECORDED MAIL TO.

DZIDA, CAREY & STEINMAN (CED)
3 PARK PLAZA, SUITE 750
IRVINE, CA 92614

Order No: P-359587

APN: 0138-104-060

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR BRIGHTON LANDING

(Please fill in document title(s) on this line)

- Exempt from fee per GC27388.1(a)(2) due to being recorded in connection with concurrent transfer that is subject to the imposition of documentary transfer tax, or,
- Exempt from fee per GC27388 1(a)(1) due to the maximum fees being paid on documents in this transaction, or,
- Partially exempt from fee per GC27388.1(a)(1). Only \$75.00 to be charged as \$150.00 in fees has been paid on documents recorded immediately prior hereto or,
- Exempt from fee per GC27388 1(a)(2) due to being recorded in connection with concurrent transfer that is a residential dwelling to an owner-occupier, or,
- Exempt from the fee per GC27388 1(a) (1); Not related to real property, or,
- Exempt from fee under GC27388 1(a)(1) for the following reasons:

NOTE. The following exemptions may not be acceptable for use in all counties:

- Exempt from fee per GC27388 1 due to being recorded in connection with a transfer that was subject to documentary transfer tax which was paid on document recorded previously on (date) as document number of Official Records, or,
- Exempt from fee per GC27388.a due to the maximum fees having been paid on documents in the transaction(s) recorded previously on (date) as document number(s) of Official Records, or,
- Partially exempt from fee per GC27388.1. Only \$75.00 to be charged as \$150.00 in fees having been paid on documents in this transaction(s) recorded previously on (date) as document number(s) of Official Records, or,
- Exempt from fee per GC27388.1 due to it being recorded in connection with a transfer of real property that is a residential dwelling to an owner-occupier. The recorded document transferring the dwelling to the owner-occupier was recorded on (date) as document number(s).

THIS PAGE ADDED TO PROVIDE SENATE BILL 2 EXEMPTION INFORMATION

(Additional recording fee applies)

RECORDING REQUESTED BY:

WHEN RECORDED, MAIL TO:

DZIDA, CAREY & STEINMAN (CED)
3 Park Plaza, Suite 750
Irvine, CA 92614

(Space Above for Recorder's Use)

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS
FOR
BRIGHTON LANDING
(Sheffield & Preston – Phase 1)**

***THIS DOCUMENT REQUIRES THAT HOMEOWNERS
RESOLVE ALL DISPUTES WITH THE DEVELOPER,
INCLUDING WITHOUT LIMITATION CONSTRUCTION
DEFECT CLAIMS THROUGH ARBITRATION AND NOT BY A
JURY TRIAL.***

DocuSigned by:
Julian Austria
022AA4A3252D411

DocuSigned by:
Mona Austria
287927238E04C5

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AND RESERVATION OF EASEMENTS
FOR
BRIGHTON LANDING
(Sheffield & Preston – Phase 1)

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS
FOR
BRIGHTON LANDING
(Sheffield & Preston – Phase 1)**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS is made by THE NEW HOME COMPANY NORTHERN CALIFORNIA LLC, a Delaware limited liability company (“*Declarant*”). The capitalized terms used in the Preamble are defined in Article I.

P R E A M B L E:

A. The undersigned own that real property (“*Phase 1*”) located in the City of Vacaville, Solano County, California, described as follows:

Lots 14 to 49, inclusive, 63 to 72, inclusive, 112 to 127, inclusive, and 132 to 155, inclusive, Brighton Landing Villages 9-10, as shown on a Final Map, Filed on November 20, 2018, in Book 93, Pages 53 to 59, inclusive, of Maps, in the Office of the Solano County Recorder.

B. The Properties are to be held, conveyed, encumbered, leased, used and improved subject to the limits, restrictions, reservations, rights, easements, conditions and covenants in this Declaration, all of which are in furtherance of a plan for the subdivision, maintenance, improvement and sale of the Properties. All provisions of this Declaration are imposed as equitable servitudes on the Properties. All limits, restrictions, reservations, rights, easements, conditions and covenants in this Declaration shall run with and burden the Properties and shall be binding on and for the benefit of all of the Properties and all Persons having or acquiring any interest in the Properties and their successive owners and assigns.

**ARTICLE I
DEFINITIONS AND INTERPRETATION**

1.1. **Definitions.** As used in this Declaration, the following capitalized words and phrases (including the above Preamble) have the following meanings:

1.1.1 **Annexable Territory.** Annexable Territory means the real property described in *Exhibit “A”* which may be made subject to this Declaration pursuant to Article XI. Any references in this Declaration to Annexable Territory are references to the Annexable Territory as a whole and to portions thereof.

1.1.2 **Best Management Practices.** Best Management Practices or BMPs means the water quality management practices and requirements set forth in, or otherwise required pursuant to, the Water Quality Management Plan. The BMPs are designed and intended to control runoff and must be implemented by the Owners and other residents within the Properties. BMPs are structural and non-structural.

(a) **Structural BMPs.** Structural and special structural BMPs may include, without limitation, bio-retention basins, pervious paving, dry weather low flow diversions into bio-filtration (wetland) swales and in-stream detention areas, detention basins and water quality wetlands, catch basins and water quality filters, inlet trash racks and other storm drain filtration devices, energy dissipaters, “V” ditches, bench drains, culverts, pipes, efficient irrigation technology and related storm drain and water quality facilities. The specific type of maintenance activity and the maintenance frequency matrix applicable to the structural and special structural BMPs are set forth in the Water Quality Management Plan.

(b) **Non-structural BMPs.** Non-structural BMPs generally require the Owners and other residents within the Properties to be aware of the sensitive natural environment surrounding the Properties and to take appropriate actions to control runoff from the Properties. The non-structural BMPs applicable to the Owners and other residents within the Properties may include, among other things, restricting certain activities to protect the quality of water entering the storm drain system (e.g., prohibiting the disposal of motor oil, paint products, car detergents and other pollutants into the storm drains in the Properties). The specific type of maintenance requirement and/or activity restriction and the maintenance frequency matrix applicable to the non-structural BMPs may vary within the Properties such that Owners and other residents of certain areas may be subject to more stringent BMPs than in other areas.

Subject to the Water Quality Management Plan, the BMPs may be modified from time to time by Declarant or any Governing Authority having jurisdiction regarding water quality for water runoff from the Properties in order to control runoff as the Properties develop and runoff conditions change. Compliance with BMPs by the Owners and other residents within the Properties, as they may be modified from time to time, may be monitored and enforced by any Governing Authority having jurisdiction regarding water quality for water runoff from the Properties.

1.1.3 **City.** City means the City of Vacaville, California, and its various departments, divisions, employees and representatives.

1.1.4 **Close of Escrow.** Close of Escrow means the date on which a deed is Recorded conveying a Lot to a member of the home-buying public.

1.1.5 **Co-owner.** Co-owner means a Person who holds an interest in a Lot with at least one other Person.

1.1.6 **County.** County means Solano County, California, and its various departments, divisions, employees and representatives.

1.1.7 **Declarant.** Declarant means THE NEW HOME COMPANY NORTHERN CALIFORNIA LLC, a Delaware limited liability company, its successors and any Person to which it shall have assigned any of its rights under this Declaration by an express written assignment. As used in this Section, “successor” means a Person who acquires Declarant or substantially all of its assets, or who merges with Declarant, by sale, merger, reverse merger, consolidation, sale of stock or assets, operation of law or otherwise. Unless otherwise expressly provided in this Declaration, all actions that may be taken by Declarant may be chosen by

Declarant, in its sole discretion. Declarant is a “builder” as described in California Civil Code Section 6000.

1.1.8 Declaration. Declaration means this instrument as it may be amended from time to time.

1.1.9 Drainage Improvements. Drainage Improvements means any sub-drains and appurtenant improvements constructed or installed by Declarant to provide for subterranean drainage of water from and to various portions of the Properties.

1.1.10 Family. Family means (a) one or more natural individuals related to each other by blood, marriage or adoption, or (b) a group of natural individuals not all so related, but who live as a common household in a Residence.

1.1.11 First Mortgage. First Mortgage means a Mortgage with first priority over other Mortgages or Deeds of Trust on a Lot.

1.1.12 First Mortgagee. First Mortgagee means the Mortgagee of a First Mortgage.

1.1.13 Governing Authority. Governing Authority means the City and County and the various departments, divisions, employees and representatives thereof and any other governmental or quasi-governmental authority with jurisdiction over the Properties.

1.1.14 Hazardous Materials. Hazardous Materials means any toxic substance, material or waste which is or becomes (i) regulated by any local governmental authority, the State of California or the United States government, or (ii) defined as “hazardous waste,” “extremely hazardous waste,” “restricted hazardous waste,” “Non-RCRA hazardous waste,” “RCRA hazardous waste” or “recyclable material” under any federal, state or local statute or regulation promulgated thereunder.

1.1.15 Improvements. Improvements means all structures and appurtenances thereto, including buildings, walkways, irrigation systems, garages, recreational facilities, electrical and mechanical systems and equipment, roads, driveways, parking areas, fences, all types of walls, awnings, stairs, decks, all types of landscaping and plantings, antennae, windbreaks, the exterior surfaces of any visible structure and the paint on such surfaces, poles, signs, exterior air conditioning and water softener fixtures or equipment.

1.1.16 Includes, Including. Whether capitalized or not, includes and including means “includes without limitation,” and “including without limitation,” respectively.

1.1.17 Lot. Lot means any residential Lot or parcel of land shown on any Recorded subdivision map or Recorded parcel map of the Properties.

1.1.18 Maintain. Whether capitalized or not, maintain means maintain, repair and replace.

1.1.19 Maintenance Guidelines. Maintenance Guidelines means any current written guidelines or manuals setting forth procedures, standards or schedules for inspection, maintenance or operation of Improvements within the Properties which may be provided to the Owners by Declarant or any applicable Governing Authority.

1.1.20 Mortgage. Mortgage means any Recorded document, including a deed of trust, encumbering a Lot or other portion of the Properties to secure the performance of an obligation.

1.1.21 Mortgagee. Mortgagee means a Person to whom a Mortgage is made, unless the Person has assigned his rights under the Mortgage by a Recorded assignment. If the Person has assigned his rights under the Mortgage by a Recorded assignment, then the assignee of the rights is the Mortgagee. Mortgagee shall include the beneficiary under a deed of trust.

1.1.22 Mortgagor. Mortgagor means a Person who Mortgages his property to another and shall include the trustor under a deed of trust.

1.1.23 Notice of Addition. Notice of Addition means an instrument Recorded pursuant to Article XI to annex additional real property to the Properties. A Notice of Addition may include a Supplemental Declaration.

1.1.24 Owner. Owner means the Person or Persons, including Declarant, holding fee simple interest to a Lot. The term "Owner" includes a seller under an executory contract of sale but excludes Mortgagees.

1.1.25 Party Wall. Party Wall means a wall or fence placed on the boundary line between two (2) residential Lots (but does not include the structural wall of a Residence).

1.1.26 Person. Person means a natural individual recognized as such under California law. When the word "person" is not capitalized, the word only refers to natural persons.

1.1.27 Phase. Phase means each of the following: (a) Phase 1 and (b) all the real property covered by a Notice of Addition, unless "Phase" is otherwise defined in such Notice of Addition.

1.1.28 Phase 1. Phase 1 means all of the real property described in Paragraph A of the Preamble of this Declaration.

1.1.29 Properties. Properties means (a) Phase 1, and (b) each Phase described in a Notice of Addition. Any references in this Declaration to the Properties are references to the Properties as a whole and to portions thereof.

1.1.30 Record, File, Recordation. Record, File, or Recordation means, with respect to any document, the entry of such document in the Official Records of the County Recorder.

1.1.31 Supplemental Declaration. Supplemental Declaration means an instrument executed, acknowledged and Recorded by Declarant which imposes conditions, covenants, or restrictions or reserves easements for a Phase in addition to the conditions, covenants, restrictions and easements established by this Declaration. A Supplemental Declaration may affect one or more Phases. Declarant may Record a Supplemental Declaration so long as Declarant owns all of the real property to be encumbered by the Supplemental Declaration. Supplemental Declarations may modify this Declaration as it applies to the property encumbered by the Supplemental Declaration.

1.1.32 Residence. Residence means a building located on a Lot designed and intended for use and occupancy as a residence by a single Family.

1.1.33 Water Quality Management Plan. Water Quality Management Plan means any water quality management plans that may be prepared for the Properties and applicable to the Properties, in compliance with applicable federal, state and local laws and approved by the applicable Governing Authorities. The Water Quality Management Plan contains, among other things, certain Best Management Practices that must be followed by the Owners and other residents within the Properties. The Water Quality Management Plan and the related Best Management Practices may be amended or otherwise modified at any time by Declarant and/or the Governing Authorities having jurisdiction over such matters.

1.2. Interpretation.

1.2.1 General Rules. This Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for subdividing, improving, maintaining and selling the Properties. As used in this Declaration, the singular includes the plural and the plural the singular; and the masculine, feminine and neuter each includes the other, unless the context dictates otherwise.

1.2.2 Articles, Sections and Exhibits. The Article and Section headings have been inserted for convenience only, and may not be considered in resolving questions of interpretation or construction. Unless otherwise indicated, any references in this Declaration to articles, sections or exhibits are to Articles, Sections and exhibits of this Declaration. Exhibits attached to this Declaration are incorporated herein by this reference.

1.2.3 Severability. The provisions of this Declaration are independent and severable. A determination of invalidity or partial invalidity or unenforceability of any one provision of this Declaration by a court of competent jurisdiction does not affect the validity or enforceability of any other provisions of this Declaration.

1.2.4 Statutory References. All references made in this Declaration to statutes are to those statutes as currently in effect or to subsequently enacted replacement statutes.

ARTICLE II RESIDENCE AND USE RESTRICTIONS

The Properties shall be held, used and enjoyed subject to the following restrictions and exemptions and rights of Declarant set forth in this Declaration.

2.1. **Single Family Residences.** Each Lot shall be used as a dwelling for a single Family and for no other purpose. Subject to any Owner occupancy requirements that may be separately imposed by Declarant and subject to the restrictions in Section 2.10 below, an Owner may rent or lease such Owner's entire Residence (not just a portion thereof) pursuant to a lease agreement provided that the Residence is rented pursuant to a lease or rental agreement which (a) is in writing, (b) includes a lease term that is not less than six (6) consecutive calendar months, (c) provides that the tenant will occupy the Residence as such tenant's principal place of residence, (d) is expressly made subject to all of the provisions of this Declaration and (e) provides that all tenants and their Families, agents and invitees are bound by the Declaration when present in the Properties and any failure by the tenants and their Families, agents and invitees to comply with the Declaration constitutes a default under the lease or rental agreement.

2.2. **Business or Commercial Activity.** No part of the Properties may ever be used for any business, commercial (including auctions or similar events), manufacturing, mercantile, storage, vending or other nonresidential purposes, including any activity for which the provider is compensated or receives any consideration, regardless of whether the activity is engaged in full or part-time, generates or does not generate a profit, or requires or does not require a license. This Section does not preclude any of the above-described activities, provided that: (a) such activities comply with law; (b) the patrons or clientele of such activities do not visit the Lot or park automobiles or other vehicles in the Properties; (c) the existence or operation of such activities is not apparent or detectable by sight, sound or smell from outside the boundaries of the Lot; and (d) such activities are consistent with the residential character of the Properties and conform with the provisions of this Declaration.

2.3. **Nuisances.** Noxious and offensive activities are prohibited on the Properties or on any public street abutting or visible from the Properties. All horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of a Residence or vehicle and its contents, are also prohibited. Noisy, unsightly, unusually painted or smoky vehicles, large power equipment and large power tools (excluding lawn mowers and other equipment used in connection with ordinary landscape maintenance), off-road motor vehicles or items which may unreasonably interfere with television or radio reception to any Residence, and objects which create or emit loud noises or noxious odors may not be located, used or placed in the Properties or on any public street abutting or visible from the Properties, or exposed to the view of other Owners.

No Owner may (a) permit or cause anything to be done or kept on the Properties or on any public street abutting or visible from the Properties which may (i) increase the rate of insurance on the Properties, (ii) result in the cancellation of such insurance, or (iii) obstruct or interfere with the rights of other Owners, or (b) commit or permit any nuisance thereon or violate any law. Each Owner shall comply with all requirements of the local or state health authorities and with all other laws regarding occupancy and use of a Residence.

No exterior fires are permitted, except barbecue fires contained within receptacles designed therefor and fire pits in enclosed areas and designed in such a manner that they do not create a fire hazard. No clothing, fabrics or unsightly articles may be hung, dried or aired on or over any Lot, however clotheslines commercially designed for the hanging of clothing articles may be used in the backyard of each Lot, provided that such clotheslines are used solely for the

hanging of clothing articles and are reasonably screened from the view of the adjacent Residences (but excluding the upper stories of the adjacent Residences).

No plants or seeds infected with noxious insects or plant diseases may be brought upon, grown or maintained on the Properties. .

2.4. Signs; Displays. Subject to Section 2.3 of this Declaration and California Civil Code Sections 712, 713, 4705 and 4710, (a) no commercial, business or similar sign, advertising device or other display of any kind (collectively, “**Signs**”) shall be displayed in or from the Properties or any portion thereof or on any public street in or abutting the Properties other than one (1) sign displayed on a Lot advising of the existence of security services protecting a Residence and/or one (1) sign displayed on a Lot advertising the Lot for sale or lease and (b) non-commercial Signs may be displayed on Lots if such Signs (i) are made of paper, cardboard, cloth, plastic, or fabric; (ii) are posted or displayed from the yard of the Lot or the balcony of the Lot or on the window or door of the Lot; (iii) do not include lights, balloons or any other similar decorative component, or include the painting of architectural surfaces; (iv) are not more than nine (9) square feet in size with respect to solid Signs and fifteen (15) square feet in size for flags or banners; (v) do not endanger public health or safety or violate a local, state or federal law; and (vi) are not otherwise a nuisance under Section 2.3.

2.5. Parking and Vehicular Restrictions.

2.5.1 Authorized Vehicles. The following vehicles are “Authorized Vehicles”: standard passenger vehicles, including automobiles, passenger vans designed to accommodate ten (10) or fewer people, motorcycles and pickup trucks having a manufacturer’s rating or payload capacity of one (1) ton or less. Authorized Vehicles may be parked in any portion of the Properties intended for parking of motorized vehicles; provided, however, that no Owner may park a vehicle in a manner which restricts the passage of pedestrians or vehicles over garage areas, driveways, streets or sidewalks in the Properties or extends beyond the limits of the space where the vehicle is parked.

2.5.2 Prohibited Vehicles. Vehicles that are not Authorized Vehicles shall be considered “Prohibited Vehicles.” Prohibited Vehicles include the following without limitation: (a) recreational vehicles (e.g., motor homes, travel trailers, camper vans and boats), (b) commercial-type vehicles (e.g., stakebed trucks, tank trucks, dump trucks, step vans, concrete trucks and limousines), (c) buses or vans designed to accommodate more than ten (10) people, (d) vehicles having more than two (2) axles, (e) trailers, (f) inoperable vehicles or parts of vehicles, and (g) aircraft. Prohibited Vehicles may not be parked, stored or kept on any public or private street in, adjacent to or visible from the Properties except for brief periods for loading, unloading, making deliveries or emergency repairs. If a vehicle qualifies as both an Authorized Vehicle and a Prohibited Vehicle, then the vehicle is presumed to be a Prohibited Vehicle. Prohibited Vehicles may only be parked in an Owner’s fully enclosed garage with the door closed so long as their presence on the Properties does not otherwise violate the provisions of this Declaration.

2.5.3 General Restrictions. Subject to the restrictions on Prohibited Vehicles, any vehicle owned or operated by or in the control of an Owner or a resident of an Owner’s Lot and kept in the Properties must be parked in the assigned garage of that Owner to the extent of

the space available; provided that each Owner shall ensure that any such garage accommodates at least the number of Authorized Vehicles for which it was originally constructed by Declarant. No repair, washing, maintenance or restoration of any vehicle may be conducted on the Properties except in an enclosed garage when the garage door is closed. However, these activities may not be undertaken as a business, and shall not be allowed if they constitute a nuisance under Section 2.3.

2.6. Animal Regulations. The only animals that may be raised, bred or kept in any Residence are (a) dogs, cats, fish, birds and other usual household pets ("**Household Pets**"), provided that they are not kept, bred or raised for commercial purposes, in unreasonable quantities or sizes, or (b) any animal other than a Household Pet (collectively "**Authorized Pets**"). As used in the Declaration, "unreasonable quantities" ordinarily means more than two (2) pets per Residence. Authorized Pets must be either kept in an enclosed area or on a leash held by a person capable of controlling the animal. Each Person is liable for any unreasonable noise and for damage to person or property caused by any animals brought or kept on the Properties by such Person. Each Person shall clean up after such Person's animals. None of the foregoing shall serve to allow any Owner or Owner's family, guests, tenants and invitees to maintain any animal, insect, fish or reptile on the Properties other than an Authorized Pet.

2.7. Satellite Dishes and Antennae.

2.7.1 Dishes. A satellite dish and antenna designed to receive direct broadcast satellite service (including direct-to-home satellite service), or video programming services via multi-point distribution services, or to receive or transmit fixed wireless signals, may be installed on an Owner's Lot so long as such antenna or satellite dish is (i) one meter or less in diameter, (ii) installed in the least visually obtrusive portion of an Owner's Lot where an acceptable quality signal can be received, so long as such installation is not unreasonably expensive, and (iii) either screened from view or painted to match the surrounding area so as to blend in with the surrounding area, so long as such screening or painting is not unreasonably expensive.

2.7.2 Broadcast Antennae. An antenna designed to receive television broadcast signals may be installed on an Owner's Lot so long as (i) an acceptable quality signal cannot be received via an indoor antenna (e.g., an antenna mounted in an attic, "rabbit ears," etc.), (ii) the antenna used is the smallest size available at a reasonable cost that receives an acceptable quality signal, and (iii) the antenna is installed in the least visually obtrusive portion of an Owner's Lot where an acceptable quality signal can be received, so long as such installation is not unreasonably expensive. Notwithstanding the foregoing, no radio station or short-wave operations of any kind may operate from any Lot.

2.8. Trash. No trash may be kept or permitted upon the Properties or on any public street abutting or visible from the Properties, except in containers located in appropriate areas screened from view, and no odor may be permitted to arise therefrom so as to render the Properties offensive. Such containers may be exposed to the view of neighboring Lots only for a reasonable period of time (not to exceed twelve (12) hours before and after scheduled trash collection hours).

2.9. **Window Coverings.** All exposed window coverings shall be white in color. No paper, cardboard or other temporary window coverings shall be permitted; provided, however, for a period not to exceed thirty (30) days following the Close of Escrow for a Residence, the Owner of such Residence may use clean pressed white sheets, neatly hung, as temporary window coverings.

2.10. **Further Subdivision.** Except as otherwise provided in this Declaration, no Owner may physically or legally subdivide his Lot in any manner, including any division of such Owner's Lot into time-share estates or time-share uses. This provision does not limit the right of an Owner to (a) rent or lease his entire Lot by a written lease or rental agreement subject to this Declaration; (b) sell such Owner's Lot; or (c) transfer or sell any Lot to more than one Person to be held by them as tenants-in-common, joint tenants, tenants by the entirety or as community property. Each lease and/or rental agreement respecting a Lot shall provide that any failure by the tenant of the Lot to comply with the Declaration constitutes a default under the lease or rental agreement.

2.11. **Drainage.** No one may interfere with or alter the established drainage pattern over the Properties unless an adequate alternative provision is made for proper drainage. For the purpose of this Section, "established" drainage means the drainage which (a) exists at the time of the first Close of Escrow, or (b) is shown on any plans approved by the Board. To ensure adequate drainage throughout the Properties, it is essential that the Drainage Improvements, if any, not be altered, removed, blocked or replaced without having first made alternative drainage arrangements. Therefore, no Owner may alter, remove, block or replace any Drainage Improvements located within such Owner's Lot. Any alteration, removal or replacement of Drainage Improvements must comply with applicable law.

2.12. **Water Supply System.** No individual water supply, sewage disposal or water softener system is permitted in any Lot unless such system is designed, located, constructed and equipped in accordance with the requirements, standards and recommendations of any water district having jurisdiction, the applicable Governing Authority, and all other governmental authorities with jurisdiction.

2.13. **View Obstruction.** Each Owner acknowledges that (a) there are no protected views in the Properties, and no Lot is assured the existence or unobstructed continuation of any particular view, and (b) any construction, landscaping or other installation of Improvements by Declarant, other Owners or owners of other property in the vicinity of the Properties may impair and/or completely block the view from any Lot, and each Owner hereby consents to such view impairment.

2.14. **Solar Facility/Shading Restrictions.**

2.14.1 **Solar Facilities.** In connection with the initial sale and development of the Properties, Declarant will offer Residences improved with solar power facilities (each, a "**Solar Facility**", collectively, "**Solar Facilities**"), including without limitation roof-integrated photovoltaic roof tiles, roof-mounted panels or other roof-mounted devices ("**Solar Array**") that collect and transform solar energy into thermal, chemical or electrical energy. Each Owner will be required to either (a) purchase the Solar Facility from Declarant or a third party or (b) lease

the Solar Facility from a third party. The components of the Solar Facilities may change in the future as newer technology becomes available. Any Solar Facility which serves an Owner's Residence and replaced by such Owner after the Close of Escrow shall (a) meet the requirements of all applicable governmental ordinances, including without limitation requirements regarding the design and location of the Solar Facility, and (b) comply with the solar shading restrictions set forth below.

2.14.2 Solar Shading Restrictions. The generation of energy by the Solar Facilities will be reduced or even eliminated if trees, shrubs other landscaping, structures or other Improvements cause shading of the Solar Array. To insure direct access to sunlight for optimal operation and efficiency of the Solar Facilities, all Owners shall comply with the following:

(a) **California Solar Shade Control Act.** Owners shall not engage in any activity that is prohibited by the California Solar Shade Control Act (California Public Resources Code, Sections 25980 et. seq., as it may be amended from time to time ("*Act*"), including without limitation the installation and/or maintenance of Improvements in violation of the Act. If there is a conflict between the Act and the "Shading Restrictions" as described below, the more restrictive requirement shall control.

(b) **Shading Restrictions.** Except as expressly provided otherwise herein, no Owner shall allow any Improvement(s) to be installed or maintained on such Owner's Lot which will, upon installation, or at any time in the future may cast a shadow over more than ten percent (10%) of the solar absorption area on the surface of any Solar Array between 10 a.m. and 2 p.m. ("*Prohibited Shading*"). Owners must consider the location and height at maturity of all trees, shrubs and other landscaping and the location and the height of all Improvement installed on their respective properties, to prevent Prohibited Shading of any Solar Array, whether the Solar Array is located on the Owner's Lot or on a neighboring Lot. Notwithstanding the foregoing, pursuant to Section 25984 of the Act the Shading Restrictions shall not apply to (i) any Improvements that were installed or constructed prior to the installation of the Solar Array ("*Existing Improvements*") unless the Solar Array that is being shaded is installed by Declarant after the Existing Improvements as part of the original construction of a Residence by Declarant ("*Declarant Installed Array*") or (ii) any trees or shrubs that are subject to a city or county ordinance. The Shading Restrictions are intended to apply regardless of any approval, authorization or permit for an Improvement by an applicable governmental agency.

(c) **Maintenance Requirements.** Each Owner must continually prune, cut-back and otherwise limit the height and fullness of trees, shrubs and other landscaping to prevent Prohibited Shading.

(d) **Impact of Shading Restrictions.** The Shading Restrictions mean that the dimensions of some Lots may not accommodate (i) the planting of any trees, or the planting of medium or large trees, in the yard area of the Lot, (ii) the installation of any upper-floor additions, roof-top structures or other Improvements and (iii) the growth of trees and shrubs to mature heights.

(e) **Height and Distance Guidelines.** The following table ("*Horizontal Distance Table*") is based on the horizontal distance guidelines established by the

California Energy Commission to minimize the shading of Solar Arrays (Committee Guidebook, New Solar Homes Partnership, Seventh Edition, California Energy Commission (“CEC”), December 2013). This Horizontal Distance Table, as may be modified by the CEC, is a guide to the planting of trees or installation of other Improvements. The table describes the closest horizontal distance that trees (as measured from the vertical prolongation of the tree trunk at grade) or other Improvements may be located from the nearest point of a nearby Solar Array on the roof of a one-, two- or three-story residence. The criterion used to determine these height and distance guidelines (the “*Minimal Shading Criterion*”) is as follows: No obstruction can be closer than a distance of twice the height the obstruction extends above the lowest point of the Solar Array.

| Solar Array Location | Small Tree Distance (up to 20 feet tall) | Medium Tree Distance (up to 35 feet tall) | Large Tree Distance (up to 50 feet tall) |
|---|---|---|---|
| 1 story residence (lowest point of Solar Array is 12 ft above grade) | 16 feet (minimum distance from nearest point on Solar Array) | 46 feet (minimum distance from nearest point on Solar Array) | 76 feet (minimum distance from nearest point on Solar Array) |
| 2 story residence (lowest point of Solar Array is 22 ft above grade) | Any distance | 26 feet (minimum distance from nearest point on Solar Array) | 56 feet (minimum distance from nearest point on Solar Array) |
| 3 story residence (lowest point of Solar Array is 32 ft above grade) | Any distance | 6 feet (minimum distance from nearest point on Solar Array) | 36 feet (minimum distance from nearest point on Solar Array) |

(f) **Application of Guidelines.** When planning to plant a tree or install any Improvements, the Minimal Shading Criterion and Horizontal Distance Table must be used to determine the areas of maximum height at minimum distance from the lowest point or points on the Solar Array. For example, using the Minimum Shading Criterion, a tree having a mature height of forty feet (40’) should be planted at a distance not less than fifty-six feet (56’) from the nearest point on a Solar Array on the roof of a one-story home.

(g) **Tree Selection.** Once the planned height and distance of planted trees has been determined, a tree variety must be selected that has the appropriate mature height characteristics. To select a tree variety with an appropriate mature height (small, medium or large) for the proposed location, refer to the current edition of Sunset Western Garden Book or if such book is no longer printed then another similar publication providing the same information.

(h) **Resolution of Shading Disputes.** If a dispute between Owners arises regarding the Shading Restrictions, including without limitation the interpretation and/or enforcement thereof, and the parties to the dispute are not able to resolve the dispute by communication between themselves, the parties shall follow the alternative dispute resolution procedure set forth in Section 7.2.

2.15. Accessory Structures. Owners are advised that the City has enacted certain codes and regulations regarding the construction of accessory structures, and that Owners are required to obtain permit(s) (as required by code) from the City to erect accessory structures. Failure to comply with City permitting requirements may result in fines imposed by the City and/or City-mandated remedial work including, but not limited to, the removal of accessory structures, as determined appropriate by the City. Accessory structures are defined as a structure detached from the principal residence which are not designed for human habitation, or a structure attached to the principal building by a breezeway. Accessory structures may include, but are not limited to, shade structures, garden trellises, arbors, pergolas, storage sheds, gazebos, pool houses or decks which are detached from the principal residence on the Lot. Accessory structures do not include secondary living units, carports directly attached to the main dwelling unit and additions to the main dwelling unit. Accessory structures may be located in the rear yard and must comply with all City setbacks, building standards, code requirements, Master Plan standards, zoning standards and other guidelines, as the same may be amended from time to time. Owners are advised to contact the City for the most current requirements regarding accessory structures. No garage, carport, trailer, camper, motor home, recreation vehicle or other vehicle may be used as a residence in the Properties, either temporarily or permanently.

2.16. Trees. Each Lot shall include a minimum of one (1) street tree (minimum 15-gallon with one-and-one-half inch (1½”) trunk caliper measured four (4) feet above finished grade). Prior to cutting down, removing or destroying one or more trees on the Lot, the Owner of such Lot or such Owner’s representative shall submit an application for a Tree Removal Permit to the Community Development Department of the City. Should an existing tree be destroyed, uprooted, cut or removed on any Lot, the Owner of such Lot shall promptly thereafter replace such tree with a tree of like size and species.

2.17. Drilling. No oil drilling, oil, gas or mineral development operations, oil refining, geothermal exploration or development, quarrying or mining operations of any kind may be conducted on the Properties, nor are oil wells, tanks, tunnels or mineral excavations or shafts permitted upon the surface of any Lot or within five hundred feet (500’) below the surface of the Properties. No derrick or other structure designed for use in boring for water, oil, geothermal heat or natural gas may be erected, maintained or permitted on any Lot.

2.18. Toxic or Noxious Matter; Disposal of Toxic and Hazardous Waste Products; Erosion and Drainage Control. Hazardous Materials shall not be stored or used in the Properties except in accordance with all applicable laws. Hazardous Materials such as toxic chemicals or hydrocarbon compounds such as gasoline, motor oil, anti-freeze, solvents, paints, paint thinners, wood preservatives and other such fluids shall not be discharged into any street or any storm drain or storm water conveyance system within the Properties. The use and disposal of Hazardous Materials, including, pesticides, fungicides, herbicides, insecticides, fertilizers and other such chemical treatments shall meet the applicable Governing Authority requirements as prescribed in their respective containers.

2.19. Pollutant Control.

2.19.1 NPDES Requirements. The Properties are subject to all federal, state and local requirements of the National Pollutant Discharge Elimination System (“**NPDES**”)

adopted pursuant to the Federal Clean Water Act. Pursuant to a NPDES General Permit adopted by the state Water Resources Control Board and the County NPDES Storm Water Permit Program, Drainage Area Management Plan (“**DAMP**”), the applicable Governing Authority has adopted the Water Quality Management Plan for the Properties which identifies BMPs to reduce the discharge of pollutants to storm water facilities, before, during and after construction on the Properties is completed. The Owners and other residents within the Properties shall comply with all BMPs and perform all maintenance imposed by DAMP and the Water Management Plan, as amended.

2.19.2 BMP Guidelines. All landscape irrigation on the Properties shall be implemented in accordance with the BMPs, including without limitation (a) the provision for water sensors and programmable irrigation times allowing for short cycles, (b) the use of planting material similar to that installed by Declarant and with similar water requirements in order to reduce excess irrigation runoff and to promote surface filtration, and (c) maintenance of all permanent slopes with required landscaping with native or other drought tolerant planting materials.

ARTICLE III DISCLOSURES

Much of the information included in this Article (a) has been obtained from third party sources (e.g., governmental and other public agencies and public records) and (b) is subject to change for reasons beyond the control of Declarant. Therefore, Declarant does not guarantee the accuracy or completeness of any of the information in this Article. Further, Declarant does not undertake to advise any Person of any changes affecting the disclosures in this Article.

3.1. No Representations or Warranties. No representations or warranties, express or implied, have been given or made by Declarant or its agents in connection with the Properties, including its physical condition, zoning, compliance with laws or fitness for intended use, nor in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulation thereof as a planned unit development, except as provided in this Declaration or provided by Declarant to the first Owner of a Lot.

3.2. Effect of Expansive Soil. The soil within the Properties may be composed of formations that have “expansive” characteristics. Owners should perform soils testing, use special construction techniques and take precautions when constructing new Improvements or modifying existing Improvements because the soil expands when it is wet and can cause Improvements to lift and crack. The following information and recommendations should be considered prior to making or modifying any Improvements:

3.2.1 Concrete and Masonry Improvements. Special attention is required in designing concrete and masonry Improvements such as masonry walls and planters, concrete slabs, pools, spas and decking. For example, steel reinforcing bars may be required in lieu of steel mesh in concrete patio slabs. Block walls may require extra horizontal and vertical steel reinforcing bars. Pools and spas located at the top or bottom of a slope or on expansive soils require special design.

3.2.2 Drainage and Irrigation. Owners must use adequate drainage and irrigation control. The construction or modification of Improvements should not result in ponding of water. The landscape irrigation system should be designed and operated to prevent excessive saturation of soils. Water must drain away from footings and other Improvements and obstructions such as walls should not be constructed across swales unless adequate replacement Drainage Improvements have been installed or created. Planters should be lined with an impervious surface and should contain outlets to drain excess water.

3.3. Grading. The grading and drainage design in the Properties should not be altered in the course of installing Improvements in a manner that will redirect surface water flow toward the Residences or onto adjacent property or that will trap water so that it ponds or floods. Drainage devices such as concrete ditches, area drain lines and gutters should be carefully designed and installed with professional assistance then maintained in an unobstructed condition. Drainage devices installed by Declarant should not be altered in a manner that will redirect or obstruct the drainage through these drainage devices. Grading and drainage modifications are subject to law and the terms of any drainage easements of Record.

3.4. Electric Power Lines and Electromagnetic Fields. Underground or overhead electric transmission and distribution lines and transformers are located in and around the Properties. The lines and transformers are owned, operated and maintained by Pacific Gas & Electric Company. Power lines and transformers produce extremely low-frequency electromagnetic fields ("**ELF-EMF**") when operating. For some time, there has been speculation in the scientific community about health risks associated with living near ELF-EMF sources. In 1992, the United States Congress authorized the Electric and Magnetic Fields Research and Public Information Dissemination Program ("**EMF-RAPID Program**") to perform research on these issues and to analyze the existing scientific evidence in order to clarify the potential for health risks from exposure to ELF-EMF. In May of 1999, the National Institute of Environmental Health Sciences ("**NIEHS**") issued a report to Congress summarizing its review of scientific data from over three hundred studies on ELF-EMF health risks. The ELF-EMF studies consists of both epidemiological studies (studies of exposure in human populations) and controlled laboratory experiments on animal and cell models. While some epidemiological studies suggested some link between certain health effects and exposure to ELF-EMF, the laboratory experiments did not support such a link. According to the NIEHS report, the scientific evidence shows no clear pattern of health hazards from ELF-EMF exposure, and the NIEHS report did not find evidence of any link sufficient to recommend widespread changes in the design or use of electrical transmission equipment. However, because the evidence does not clearly rule out any effect, NIEHS advocated continuing inexpensive and safe reductions in exposure to ELF-EMF and endorsed current utility practices regarding design and siting of new transmission and distribution lines. Further information on this subject is available from the Electric and Magnetic Fields Program, California Department of Health Services, 1515 Clay Street, 17th Floor, Oakland, California 94612, at (510) 622-4500, or from Pacific Gas & Electric Company. Additional information on ELF-EMF and copies of the NIEHS report are available from the EMF-RAPID website at <http://www.niehs.nih.gov/emfrapid/home.htm>.

3.5. Disclaimer of Liability. Declarant shall not be liable or responsible for any damage to Improvements constructed or modified by an Owner or that is the result of

Improvements constructed or modified by an Owner. Improvements should not be installed, constructed or modified without the assistance of qualified consultants.

3.6. **Property Lines.** The boundaries of each Lot in the Properties are delineated on subdivision (tract) maps, lot line adjustments or parcel maps that are public records and are available at the office of the County Recorder.

3.7. **Community Facilities Districts.** The Properties lie within the boundaries of special assessment district(s) and/or community facilities district(s) (collectively, "**Districts**") which require the levy of a special tax for repayment of bonds issued for the purpose of paying the cost of services or capital improvements. The Districts provide necessary funding to operate and maintain storm drainage and flood control facilities, to provide for the operation and maintenance of street lighting facilities, to provide for police and fire protection, to provide for the maintenance of certain utility services and to provide for the operation, maintenance and replacement of park and landscape facilities near the Lots. The City is responsible for the ongoing operations of the various Districts. The amount of the special tax and any other information pertaining to any District can be obtained from the County Assessor's office.

3.8. **Post Tension Concrete Slabs.** Concrete slabs for Residences constructed in the Properties may be reinforced with a grid of steel cable installed in the concrete slab and then tightened to create extremely high tension. This type of slab is commonly known as a "Post Tension Slab." Cutting into a Post Tension Slab for any reason (e.g., to install a floor safe, to remodel plumbing, etc.) is very hazardous and may result in serious damage to the Residence, personal injury, or both. All Owners shall determine if their Residence has been constructed with a Post Tension Slab and, if so, agree: (a) they shall not cut into or otherwise tamper with the Post Tension Slab; (b) they will not permit or allow any other Person to cut into or tamper with the Post Tension Slab so long as Owner owns any interest in the Residence; (c) they shall disclose the existence of the Post Tension Slab to any Person who rents, leases or purchases the Residence from Owner; and (d) they shall indemnify and hold Declarant and Declarant's agents, free and harmless from and against any and all claims, damages, losses or other liability (including attorneys' fees and costs of court) arising from any breach of this covenant by such Owner.

3.9. **No Enhanced Protection Agreement.** No provisions of this Declaration are intended, or shall be interpreted, to be an "enhanced protection agreement," as defined in Section 901 of the California Civil Code.

3.10. **Right to Farm.** Each Owner is hereby notified that there are preexisting agricultural operations on adjacent or neighboring parcels, and that those agricultural operations may emit noise, dust and odor and occasionally use fertilizers, pesticides and herbicides in the normal pursuit of agricultural operations. No Owner shall lodge complaints for dust, noise, odor or other descriptions associated with traditional agricultural operations so long as those operations are conducted within the applicable regulations, rules and guidelines of the City, County, State or the United States of America.

Owners of any portion of the Properties are notified that the Properties are subject to a Right to Farm ordinance:

NOTICE TO PURCHASERS OF REAL PROPERTY

Solano County is an agricultural county with many areas zoned for agricultural operations. The presence of farms and ranches yields significant aesthetic and economic benefits to the residents of the County. Thus, the County's agriculture must be protected, including in areas where it is near residential development. To do this, the County has enacted Chapter 2.2 of its County Code (the "**Ordinance**"), which provides that properly conducted agricultural operations will not be deemed a nuisance.

The ordinance further requires the County to give notice of the Ordinance and its provisions to buyers of real property located in Solano County. Accordingly, you are hereby notified that if the property you are purchasing is located close to agricultural lands or operations, you may be subject to inconvenience or discomfort from the following agricultural operations: cultivation and tillage of the soil; burning of agricultural waste products; lawful and proper use of agricultural chemicals including, but not limited to, the application of pesticides and fertilizers; and production, irrigation, pruning, growing, harvesting, and processing of any agricultural commodity, including horticulture, timber, apiculture, the raising of livestock, fish, poultry, and commercial practices performed as incident to or in conjunction with such agricultural operation, including preparation for market, delivery to storage or market, or to carriers or transportation to market. These operations may generate dust, smoke, noise and odor.

If you live near an agricultural area, you should be prepared to accept such inconveniences or discomfort as a normal and necessary aspect of living in a county with a strong rural character and a healthy agriculture sector.

To assist in resolving problems between residential and agricultural land use, an Agricultural Grievance Committee has been created in Solano County to arbitrate and mediate disputes concerning agricultural operations. For information concerning where agricultural operations are located in relation to your property, you may contact the Solano County Department of Resource Management. For questions concerning the specific kinds of agricultural operations in your area, including their use of fertilizers and pesticides, and information on the Agricultural Grievance Committee, you should contact the Solano County Agricultural Commissioner.

This notice is given for informational purposes only and nothing in the Ordinance or this Notice should be deemed to prevent you from complaining to any appropriate agency or taking any other available remedy concerning any unlawful or improper agricultural practice.

(Ord. No. 1270, §1; Ord. No. 1378, §1; Ord. No. 1630, §1; amended during August 2015 supplement)

Further, notice is hereby given that, pursuant to California Civil Code Section 3482.5, typical agricultural activities such as those conducted in the vicinity of the Properties shall not be considered a nuisance except as otherwise provided in that Civil Code Section and the County's Ordinance described above.

ARTICLE IV PROPERTY EASEMENTS AND RIGHTS

4.1. Easements.

4.1.1 Utility Easements. Declarant reserves the right to grant additional easements and rights-of-way over the Properties to utility companies and public agencies, as necessary, for the proper development and disposal of the Properties. Such right of Declarant shall expire on the Close of Escrow for the sale of the last Lot in the Properties.

4.1.2 Encroachments. Declarant reserves for its benefit and for the benefit of the Owners a reciprocal easement appurtenant to each Lot over the other Lots to accommodate (a) any existing encroachment of any wall or any other authorized Improvement, (b) authorized construction or repair, and (c) shifting, movement or natural settling of the Residences or other Improvements. Declarant reserves for the benefit of the Properties and the Owners reciprocal nonexclusive easements for drainage of water over, across and on the Properties. Use of the foregoing easements may not unreasonably interfere with each Owner's use and enjoyment of the burdened Lots.

4.1.3 Completion of Improvements. Declarant reserves the right and easement to enter the Properties to complete any Improvement which Declarant considers desirable to implement Declarant's development plan.

4.1.4 Telecommunications Easement. Declarant reserves blanket easements ("**Telecommunications Easements**") over the Properties for access and for purposes of constructing, installing, locating, altering, operating, maintaining, inspecting, upgrading, removing and enhancing Telecommunications Facilities ("**Telecommunications Purposes**") for the benefit of Declarant and the Properties. Such easements are freely transferable by Declarant to any other Person and their successors and assigns. No one, except for Declarant, and Declarant's transferees may use the Properties for Telecommunications Purposes. All Telecommunications Facilities shall be owned, leased or licensed by Declarant, as determined by Declarant, in its sole discretion and business judgment. Transfer of the Properties does not imply transfer of any Telecommunications Easements or Telecommunications Facilities. Exercise of Telecommunications Easements shall not unreasonably interfere with the reasonable use and enjoyment of the Properties by the Owners. If the exercise of any Telecommunications Easement results in damage to the Properties, the holder of the Telecommunications Easement shall, within a reasonable period of time, repair such damage.

4.2. Owners. Each Owner shall permit other Owners, and their representatives, to enter his Lot to perform installations, alterations or repairs to the mechanical or electrical services to a Lot if (a) such entry is reasonably necessary and for a limited period of time; (b) requests for entry are made in advance; (c) entry is made at a time reasonably convenient to the

Owner whose Lot is to be entered; and (d) the entered Lot is left in substantially the same condition as existed immediately preceding such entry. Any damage to the Lot caused by entry under this Subsection shall be repaired by the entering Owner.

ARTICLE V RIGHTS OF MORTGAGEES

5.1. **General Protections.** No amendment or violation of this Declaration defeats or renders invalid the rights of the Mortgagee under any Mortgage encumbering one (1) or more Lots made in good faith and for value, provided that after the foreclosure of any such Mortgage such Lot(s) will remain subject to this Declaration. For purposes of any provisions of this Declaration which require the vote or approval of a specified percentage of First Mortgagees, such vote or approval is determined based on one (1) vote for each Lot encumbered by each such First Mortgage.

5.2. **Additional Rights.** Each Owner, including each First Mortgagee of a Mortgage encumbering any Lot who obtains title to such Lot pursuant to (a) the remedies provided in such Mortgage, (b) foreclosure of the Mortgage, or (c) deed or assignment in lieu of foreclosure, is exempt from any "right of first refusal" created or purported to be created by this Declaration.

ARTICLE VI ENFORCEMENT

6.1. **Enforcement of this Declaration.** All disputes arising under this Declaration shall be resolved as follows:

6.1.1 **Legal Proceedings.** Failure to comply with any of the terms of the Declaration by any Person is grounds for relief which may include an action to recover damages, injunctive relief, foreclosure of any lien, or any combination thereof.

6.1.2 **No Waiver.** Failure to enforce any provision of this Declaration does not waive the right to enforce that provision, or any other provision of this Declaration.

6.1.3 **Right to Enforce.** Any Owner may enforce this Declaration as described in this Article, subject to Sections 5925 through 5960 of the California Civil Code. Each remedy provided for in this Declaration is cumulative and not exclusive or exhaustive.

ARTICLE VII CLAIM PROCESS AND ALTERNATIVE DISPUTE RESOLUTION PROCEDURE

7.1. **Owner's Acknowledgment of Statutory Standards and Claim Process.** Declarant hereby notifies each Owner of a Lot in the Properties of the existence of Chapter 2 of Title 7, Part 2 of Division 2 of the California Civil Code (Section 895 et seq.), as amended from time to time ("**Title 7**"), which provides standards for the installation, construction, design, specifications, surveying, planning, supervision, testing or observation of construction of such Owner's Residence. A complete copy of Chapter 2 of Title 7 is attached to the Master Homeowner Title 7 Declaration Recorded against the Properties. Declarant also hereby notifies each Owner of a Lot in the Properties of the existence of Chapter 4 of Title 7, which establishes

non adversarial procedures to address claims for damages arising from or relating to alleged deficiencies in the construction, design, specifications, surveying, planning, supervision, testing, or observation of construction related to an Owner's Residence. California Civil Code Section 914 provides that builders must notify buyers whether they intend to engage in the non adversarial procedures set forth in Chapter 4 of Title 7 or to enforce alternative non adversarial procedures. Declarant hereby notifies each Owner of a Lot in the Properties that it intends to utilize the non adversarial procedures set forth in Chapter 4 of Title 7 (referred to in this Article as the "**Claim Process**"). The Claim Process impacts the legal rights of each Owner. **Each Owner acknowledges (a) the existence of Chapter 4 of Title 7, (b) that Declarant intends to utilize the non adversarial procedures set forth in Chapter 4 of Title 7 and (c) that the Claim Process impacts the Owner's legal rights.**

7.2. Mandatory Binding Arbitration. Any "Dispute" defined below between an Owner and any of the "Declarant Parties" defined below which is not resolved by negotiations, mediation or other non-binding dispute resolution procedures as set forth in the Individual Dispute Resolution Agreement between each Owner and Declarant (each an "**Individual Agreement**"), including the Claim Process, shall be resolved by neutral, binding arbitration governed by the Federal Arbitration Act (9 U.S.C. §§1-16) ("**Federal Act**") and not by any court action except as provided for judicial review of arbitration proceedings under the Federal Act. As used in this Section 7.2, "**Dispute**" shall mean any claim, issue or controversy that arises from or is related in any way to (a) the Properties, (b) a Residence, and (c) the relationship between an Owner and Declarant, whether contractual, statutory or in tort, including without limitation, claims, issues or controversies that arise from or are related to the purchase, sale, condition, design, construction or materials used in construction of any portion of the Properties, any Residence, the agreement between Declarant and an Owner to purchase a Residence or any related agreement, any limited warranty provided to an Owner of the Residence by Declarant ("**Homebuyer Warranty**"), disclosures, or any alleged deficiencies in the construction, design, specifications, surveying, planning, supervision, testing, or observation of construction related to an Owner's Residence, including without limitation the following: (i) any claim, issue or controversy that arises from or is related in any way to any alleged violation of the standards set forth in California Civil Code Sections 895 through 897 ("**Title 7 Claim**"); (ii) any disagreement as to whether conditions that are the subject of a Title 7 Claim have been properly repaired; (iii) any disagreement as to the value of repairing damages which are the subject of a Title 7 Claim; (iv) the cost of repairing damage caused by the repair efforts, the cost to remove or replace an improper repair, and any alleged relocation expenses, storage expenses, lost business income, investigation costs and all other fees and costs recoverable by contract or statute as a result of a Title 7 Claim; and (v) any disagreement concerning the timeliness of Declarant's performance, an Owner's notification under the Homebuyer Warranty or the Claim Process.

7.2.1 Federal Arbitration Act. The construction of the Residences involved interstate commerce and therefore the arbitration procedures specified in this Section 7.2.1 are to be interpreted and enforced as authorized by the Federal Act, which is designed to encourage use of alternative methods of dispute resolution that avoid costly and potentially lengthy court proceedings. The Residences were constructed with materials and products manufactured throughout the United States which have been shipped to the Properties for installation and involved communications by interstate mail and telephone with out of state manufacturers, design professionals, contractors and their employees. The shipment of such materials and

products across state lines cause the products and materials to enter into the stream of interstate commerce and become subject to the Interstate Commerce Clause (Article I, Section VIII of the United States Constitution) and ensuing federal laws. Interpretation and application of the procedures set forth in this Section 7.2 shall conform to any applicable Federal court rules and decisions interpreting and applying the Federal Act. The arbitration proceedings (“**Proceedings**”) shall be conducted pursuant to the Federal Act and, to the extent not inconsistent, the procedures set forth in this Section 7.2. In addition, except as set forth herein, and to the extent it is not inconsistent with the Federal Act, the arbitration shall be conducted pursuant to Title 9 of the California Code of Civil Procedure (Section 1280 et seq.). References to California procedural law are for guidance only and shall not be construed as a waiver of any rights or duties of the parties under the Federal Act or the right of the parties to have the procedures set forth in this Section 7.2 interpreted and enforced under the Federal Act. If any party seeks review by a court of the enforceability of any of the procedures set forth or referenced herein (notwithstanding the provisions herein making that issue one to be resolved by the arbitrator), the exclusive jurisdiction and venue for any such review shall be the Superior Court for the County.

7.2.2 Declarant Parties. For purposes of this Section 7.2 only, the term “**Declarant Parties**” refers to Declarant and its partners, members or other principals and their respective officers, agents, employees, affiliated parent and subsidiary companies, successors and assigns, design centers, subcontractors, design professionals, engineers, inspectors and material suppliers who provided labor, services or materials to any portion of the Properties. Declarant has the sole and absolute right, in its discretion, to join any person or entity who is not a party to the Proceedings if the presence of such person or entity is required or is necessary for complete relief to be accorded in the Proceedings or if the interest or responsibility of such person or entity in the Dispute is not insubstantial. The parties shall cooperate in good faith and shall diligently perform such acts as may be necessary to ensure that all necessary and appropriate parties are included in the Proceedings.

7.2.3 JAMS. The Proceedings shall be conducted by and in accordance with the rules of Judicial Arbitration and Mediation Services, Inc. (“**JAMS**”) or any successor thereto. Should JAMS cease to exist as such, then all references to JAMS shall be deemed to refer to its successor or, if there is no successor, to the American Arbitration Association (in which case its commercial arbitration rules shall be used).

7.2.4 Statutes of Limitation. Except for procedural issues, and to the extent not inconsistent with the Federal Act, the Proceedings, the ultimate decisions of the arbitrator, and the arbitrator shall be subject to and bound by existing California case and statutory law including, but not limited to, applicable statutes of limitation established in Title 7.

7.2.5 Selection and Timing. The Proceeding shall be conducted by one (1) qualified arbitrator selected in accordance with the rules of JAMS. The term “**qualified**” shall mean a retired judge who has experience with the laws governing residential real estate development and construction or an attorney who has actively practiced law in California for at least fifteen (15) years and who has experience with the laws governing residential real estate development and construction.

7.2.6 Motions and Remedies. The arbitrator shall have the power to hear and dispose of motions, including motions relating to provisional remedies, demurrers, motions to dismiss, motions for judgment on the pleadings and summary judgment and/or adjudication motions, in the same manner as a trial court judge. In addition, the arbitrator shall have the power to summarily adjudicate issues of fact or law, including the availability of remedies, even if the issue adjudicated could dispose of an entire cause of action or defense. The arbitrator shall have the power to grant provisional remedies including preliminary injunctive relief. Prior to the selection of the arbitrator, any party shall have the right to petition the Superior Court of the County for any necessary provisional remedies. However, after obtaining any provisional remedies (pending selection of the arbitrator) the entire matter shall be referred to JAMS for all purposes and the Superior Court shall have no further jurisdiction to monitor or enforce the provisional remedies or to make further determinations or awards or to issue additional provisional remedies. JAMS shall have the sole power to enforce, extend, modify or vacate any such provisional remedies.

7.2.7 Discovery. The parties shall be entitled to limited discovery consisting of: (i) witness lists; (ii) expert witness designations; (iii) expert witness reports; (iv) exhibits; (v) reports of testing or inspections, including but not limited to, destructive or invasive testing; (vi) arbitration briefs; and (vii) the deposition, under oath, of any designated experts and two other depositions of their choosing without obtaining the consent of the arbitrator. All other discovery shall be permitted by the arbitrator at his discretion upon a showing of good cause or based on the agreement of the parties. The arbitrator shall oversee discovery and may enforce all discovery orders in the same manner as any trial court judge.

7.2.8 Full Disclosure. Each party shall make, in good faith, a full disclosure of all issues and evidence to each other party prior to the hearing. Any evidence or information that the arbitrator determines was unreasonably withheld shall be inadmissible by the party who withheld it. Except as provided in Section 7.2.7 and in the preceding sentence, no party shall be entitled to bring any motion to exclude or limit the facts or evidence to be submitted to the arbitrator. The initiating party shall be the first to disclose all of the following, in writing, to each other party and to the arbitrator: (i) an outline of the issues and its position on each such issue; (ii) a list of all witnesses the party intends to call; and (iii) copies of all written reports and other documentary evidence, whether written or not or contributed to by its retained experts (collectively "**Outline**"). The initiating party shall submit its Outline to each other party and the arbitrator within thirty (30) days of the final selection of the arbitrator. Each responding party shall submit its written response as directed by the arbitrator. If the Dispute involves a Title 7 Claim, then the Owner shall be the first party to submit its written Outline, list of witnesses, and reports/documents and shall include a detailed description of the nature and scope of the alleged violation(s), its proposal for repair or restoration, all repairs made to date and an estimate of the cost of repair/restoration together with the calculations used to derive the estimate.

7.2.9 Title 7 Claim and Measure of Damages. If the Dispute involves a Title 7 Claim, the arbitrator shall determine whether a violation exists and whether Declarant Parties are responsible for the violation. If the arbitrator finds that Declarant Parties are responsible for a Title 7 Claim, the arbitrator shall determine the scope of any repair and the reasonable value of repairing the nonconformity, based on evidence presented to him by the parties and their experts. The reasonable value of repairing any nonconformity shall be limited to the lesser of (i) the

repair costs, or (ii) the diminution in current value of the real property caused by the nonconformity, subject to the personal use exception as developed under common law. For all Title 7 Claims, an Owner is only entitled to damages for the reasonable value of repairing the nonconformity, the reasonable cost of repairing any damages caused by the repair efforts, the reasonable cost of repairing and rectifying any damages resulting from the failure of the Improvement to meet the applicable standards, the reasonable cost of removing and replacing any improper repair by Declarant, reasonable relocation and storage expenses, lost business income if the Owner's Residence was used as a principal place of business licensed to be operated within the Residence or if the Improvements were used as a principal place of business licensed to be operated within the Properties, reasonable and necessary investigative costs for each established violation, and all other costs or fees recoverable by contract or statute. If any of the damages described above are awarded to an Owner in any other cause of action not covered by this Section 7.2, the damages awarded pursuant to this Section 7.2.9 shall be reduced by the amounts recovered in such other causes of action. Declarant Parties shall not be responsible for, and shall be excused from, any obligation, damage, loss or liability to the extent that Declarant Parties can demonstrate any of the affirmative defenses set forth in California Civil Code Section 945.5.

7.2.10 Hearing. The arbitration shall be held in the County. The arbitration shall be conducted as promptly as possible after giving due consideration to the complexity of the issues, the number of parties and necessary discovery and other relevant matters. The arbitration shall be conducted as informally as possible. California Evidence Code Section 1152 et seq. shall apply for the purpose of excluding offers, compromises, and settlement proposals from evidence, unless there is agreement by all parties as to admissibility. The arbitrator shall be the sole judge of the admissibility of and the probative value of all evidence offered and is authorized to provide all legally recognized remedies whether in law or equity, except as otherwise limited in this Section 7.2. Attorneys are not required and either party may elect to be represented by someone other than a licensed attorney. The cost of an interpreter shall be borne by the party requiring the services of the interpreter in order to be understood by the arbitrator and the expenses of witnesses shall be borne by the party producing such witnesses.

7.2.11 Decision. The decision of the arbitrator shall be binding on the parties and may be entered as a judgment in any court of the State of California that has jurisdiction and venue. The arbitrator shall (i) cause a complete record of all proceedings to be prepared similar to those kept in the Superior Court, (ii) try all issues of both fact and law, and (iii) issue a written statement of decision consistent with that described in California Code of Civil Procedure Section 643 which shall specify the facts and law relied upon in reaching the arbitrator's decision within twenty (20) days after the close of testimony. A stenographic record of the hearing shall be made which shall remain confidential except as may be necessary for post-hearing motions and appeals. The cost of the record shall be borne one-half by the Owner and one-half by Declarant Parties, regardless of the outcome. Should any party refuse or fail to pay its pro-rata share, the remaining parties may pay such share, and the party or parties which pay such extra share shall be awarded such extra costs by the arbitrator in the arbitrator's decision.

7.2.12 Fees and Costs. Declarant shall advance any fee required by JAMS to initiate the Proceedings. The total cost of the Proceedings, including the advanced initiation fees and other fees of JAMS and any related costs and fees incurred by JAMS (such as experts and

consultants retained by it) shall be borne one-half by the Owner and one-half by Declarant Parties, regardless of the outcome. The arbitrator shall not award attorneys' fees to any party and the parties shall each be solely responsible for their own attorneys' fees. Nothing herein shall be construed to modify or abrogate any duty to defend and/or indemnify a third party pursuant to the terms of a contract between any such parties.

ARTICLE VIII DURATION AND AMENDMENT

8.1. Duration. This Declaration shall continue in full force unless a termination satisfying the requirements of an amendment to this Declaration described in Section 8.2 is Recorded.

8.2. Termination and Amendment.

8.2.1 Amendment Approval. To be effective, a proposed amendment must be adopted by the vote, in person or by proxy, or written consent of Owners of not less than sixty-seven percent (67%) of the Lots.

8.2.2 Mortgagee Consent. In addition to the consents required by Section 8.2.1, the Mortgagees of fifty-one percent (51%) of the First Mortgages on all the Lots in the Properties must approve any amendment to this Declaration which is of a material nature, as follows:

(a) Any amendment which affects or purports to affect the validity or priority of Mortgages or the rights or protection granted to Mortgagees, insurers or guarantors of First Mortgages.

(b) Any amendment which would or could result in a Mortgage being canceled by forfeiture, or in a Lot not being separately assessed for tax purposes.

(c) Any amendment which would subject any Owner to a right of first refusal or other such restriction, if such Lot is proposed to be transferred.

8.2.3 Termination Approval. Termination of this Declaration requires approval of the Owners as provided in Section 8.2.1.

8.2.4 Notice to Mortgagees. Each Mortgagee of a First Mortgage on a Lot in the Properties which receives proper written notice of a proposed amendment or termination of this Declaration with a return receipt requested is deemed to have approved the amendment or termination.

ARTICLE IX GENERAL PROVISIONS

9.1. No Public Right or Dedication. Nothing in this Declaration is a gift or dedication of all or any part of the Properties to the public, or for any public use.

9.2. **Notices.** Any notice permitted or required to be delivered under this Declaration must be in writing and shall be given either by personal delivery, e-mail, facsimile, federal express, overnight courier or by depositing such notice in the United States first class mail, certified, with return receipt requested and postage prepaid. If delivery is made by personal delivery, it shall be deemed to have been delivered upon delivery of such notice if addressed to any Person at the most recent address furnished by such Person or, if no such address has been furnished, to the street address of such Person's Residence (as applicable, the "**Authorized Address**"), whether or not the Person to whom such notice is addressed accepts such notice or is at the Authorized Address to which such notice is delivered, so long as such delivery is certified in writing by the Person making such delivery. If any notice or other document shall be sent by certified mail as set forth above, it shall be deemed to have been effectively served or delivered forty eight (48) hours following the deposit of such notice in the United States mail, addressed to the Authorized Address, in the manner set forth above. If any notice or other document shall be sent by e-mail, it shall be deemed to have been served upon transmission; provided that if such transmission occurs on a weekend or holiday or after 5:00 p.m. on a weekday, it shall be deemed to have been received at 8:00 a.m. on the immediately following business day. If any notice or other document shall be sent by facsimile, it shall be deemed to have been served or delivered upon electronic confirmation of transmission; provided that if such transmission occurs on a weekend or holiday or after 5:00 p.m. on a weekday, it shall be deemed to have been received at 8:00 a.m. on the immediately following business day.

9.3. **Constructive Notice and Acceptance.** Every Person who owns, occupies or acquires any right, title, estate or interest in or to any Lot or other portion of the Properties does consent and agree, and shall be conclusively deemed to have consented and agreed, to every limit, restriction, easement, reservation, condition and covenant contained in this Declaration, whether or not any reference to these restrictions is in the instrument by which such person acquired an interest in the Properties.

ARTICLE X DECLARANT'S RIGHTS AND RESERVATIONS

10.1. **Construction Rights.** Declarant has the right to (a) subdivide or re-subdivide the Properties, (b) complete or modify Improvements to and on any portion of the Properties owned solely or partially by Declarant, (c) alter Improvements and Declarant's construction plans and designs, (d) modify Declarant's development plan for the Properties, including constructing Residences of larger or smaller sizes, values, and of different types, and (e) construct such additional Improvements as Declarant considers advisable in the course of development of the Properties so long as any Lot in the Properties remains unsold. Without limiting the generality of this Article X, nothing set forth in this Declaration, including without limitation the provisions of Articles II of this Declaration shall limit the nature or type of construction, marketing or other activities that Declarant or any of its authorized agents, contractors, subcontractors or representatives may perform on the Properties.

10.2. **Sales and Marketing Rights.** Declarant shall be absolutely and unconditionally entitled to install and maintain such structures, displays, signs, billboards, flags and sales offices as may be deemed necessary by Declarant, in its sole discretion, to conduct Declarant's business of completing any and all work on the Properties and disposing of the Lots by sale, resale, lease

or otherwise. Declarant may use any Lots owned or leased by Declarant in the Properties as model home complexes, real estate sales offices, design centers or leasing offices.

10.3. Creating Additional Easements. At any time before acquisition of title to a Lot in the Properties by a purchaser from Declarant, Declarant reserves the right to establish on that Lot additional licenses, easements, reservations and rights-of-way to itself, to utility companies, or to others as Declarant determines are reasonably necessary to the Properties' proper development and disposal.

10.4. Use Restriction Exemption. Declarant and any Person to whom Declarant may assign all or a portion of its exemption under this Declaration is exempt from the restrictions established in Article II.

10.5. Assignment of Rights. Declarant may assign its rights under the Declaration to any successor in interest to any portion of Declarant's interest in the Properties by a written assignment.

10.6. Amendments. No amendment may be made to this Article without the prior written approval of Declarant. At any time before the first Close of Escrow, Declarant may unilaterally amend or terminate this Declaration by Recording a written instrument which effects the amendment or termination and is signed and acknowledged by Declarant. After the first Close of Escrow in the Properties and for so long as Declarant owns any portion of the Properties, Declarant may unilaterally amend this Declaration by Recording a written instrument signed by Declarant to (a) conform this Declaration to the rules, regulations or requirements of any lender or any governmental authority, (b) amend Article III, (c) amend any of the exhibits to this Declaration that depict portions of the Properties in which no Close of Escrow has yet occurred, (d) comply with any local, state or federal laws or regulations, (e) correct any typographical or inadvertent errors and (f) supplement this Declaration with provisions which pertain to the rights and obligations of Declarant or Owners arising under Division 2, Part 2, Title 7 (commencing with Section 895) of the California Civil Code. In addition, Declarant may delete any portion of the Properties from coverage of this Declaration so long as Declarant is the owner of all of such portion of the Properties and (a) an amending instrument or a Notice of Deletion of Territory, as applicable, is Recorded, and (b) Close of Escrow has not occurred for the sale of any Lot in such portion of the Properties.

10.7. Exercise of Rights. Each Owner grants an irrevocable, special power of attorney to Declarant to execute and Record all documents and maps necessary to allow Declarant to exercise its rights under this Article.

10.8. Declarant Approval of Actions.

10.8.1 General Rights. Until Declarant no longer owns a portion of the Properties, Declarant's prior written approval is required for any amendment to this Article X which would impair or diminish Declarant's rights to complete the Properties or sell or lease dwellings therein.

10.8.2 Limit on Actions. Until Declarant no longer owns any Lots in the Properties, the following actions must first be approved in writing by Declarant:

- Mortgagees;
- (a) Any amendment or action requiring the approval of First
 - (b) The annexation to the Properties of any other real property;
 - (c) Any modification or termination of any provision of the Declaration benefiting Declarant.

10.9. **Marketing Name.** Declarant may change the marketing name of the Properties at any time in Declarant's sole discretion.

10.10. **Power of Attorney.** Each Owner of a Lot, by accepting a deed to a Lot, shall be deemed to have agreed to constitute and irrevocably appoint Declarant, for so long as Declarant owns all or any portion of the Properties, as such Owner's Attorney-in-Fact, for such Owner and each of such Owner's Mortgagees, optionees, grantees, licensees, trustees, receivers, lessees, tenants, judgment creditors, heirs, legatees, devisees, administrators, executors, legal representatives, successors and assigns, whether voluntary or involuntary, and thereby to have conveyed a Power of Attorney coupled with an interest to Declarant as his Attorney-in-Fact. Declarant shall have the right and power as a duly authorized Attorney-in-Fact to perform any of the following actions:

- (a) to prepare, execute, acknowledge and file for approval any application for lot line adjustments or any modification or re-subdivision of the Properties including without limitation the execution and recording of any lot line adjustment, parcel map or subdivision map;

- (b) to prepare, execute, acknowledge and Record any map or record of survey affecting the Properties required or permitted by the provisions of the California Subdivision Map Act or any other law, ordinances or rules or regulations of any Governing Authority having jurisdiction over the Properties, or which may be required or permitted by any title insurer, and, in connection therewith, to (1) perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by any applicable Governing Authorities, (2) appear before any such Governing Authorities and (3) execute, acknowledge and deliver any improvement agreements and bonds, and post deposits securing the performance of any such conditions and obligations;

- (c) to prepare, execute, acknowledge and file for approval any application for zoning or setback changes, or variance or conditional use permits or any other permits or reports required or permitted by any law, ordinances or rules and regulations of any Governing Authority having jurisdiction over the Properties, or which may be required or permitted by any title insurer, and, in connection therewith, to (1) perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by any applicable Governing Authorities and (2) execute, acknowledge and deliver any improvement agreements and bonds, and post deposits securing the performance of any such conditions and obligations;

- (d) to make applications for any property reports or public reports, or amendments thereto, or exemption from the requirements therefor required or permitted by

federal and state statutes or rules and regulations relating to the sale, lease, transfer or other disposition of subdivided lands, and, in connection therewith, to (1) perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by any applicable Governing Authorities and (2) execute, acknowledge and deliver any improvement agreements and bonds, and post deposits securing the performance of any such conditions and obligations;

(e) to deliver any public reports or property reports, or amendments thereto, obtain receipts and offer and administer rescission rights required by law;

(f) to prepare, execute, acknowledge and file for approval any registration or application for any permit, approval, exemption, ruling or entitlement, which registration or application is required or permitted pursuant to any applicable law or regulation in effect as of the date of the Recording of this Declaration, and as hereafter enacted or amended by any applicable Governing Authority, and, in connection therewith, to (1) perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by such Governing Authority and by any such laws and regulations, (2) appear before any such Governing Authority, (3) execute and deliver any improvement agreements and bonds, and post deposits securing the performance of any such conditions and obligations and (4) do all other things now or thereafter permitted or required by any such Governing Authority and any such laws and regulations;

(g) to prepare, execute, acknowledge and Record any deeds, waivers, releases, reconveyances or other documentation which may be permitted or required to clear title to any constructed or unconstructed Lots in the Properties;

(h) to prepare, execute, acknowledge and Record all documents and maps necessary to allow Declarant to exercise its rights under this Article; and

(i) to do any and all things necessary or desirable under the circumstances to effect and accomplish development of the Properties.

Each Owner hereby acknowledges and agrees that this irrevocable Power of Attorney is retained for the benefit of Declarant, and not Owners, and created by an Owner's acceptance of a deed to a Lot and as part of the consideration for the purchase and sale of a Lot. Based on the foregoing, each Owner further acknowledges and agrees that this irrevocable Power of Attorney is "coupled with an interest" and, pursuant to Section 2356 of the California Civil Code, may not be terminated by (i) the Owner's revocation of such Power of Attorney, (ii) Owner's death or (iii) Owner's incapacity to contract. The acceptance or creation of any Mortgage or other encumbrance whether or not voluntary, created in good faith, or given for value, shall be deemed to be accepted or created subject to each of the terms and conditions of the Power of Attorney described in this Section.

ARTICLE XI ANNEXATION OF ADDITIONAL PROPERTY

Additional real property may be annexable to Phase 1 and such additional real property may become subject to this Declaration by any of the following methods:

11.1. Additions by Declarant. Declarant may at any time and from time to time add the Annexable Territory to the Properties and bring such added territory within the general plan of this Declaration without the approval of the Owners, so long as Declarant, its successors or assigns owns the Annexable Territory.

11.2. Rights and Obligations – Added Territory. Subject to the provisions of Section 11.3, when a Notice of Addition containing the provisions required by this Section is Recorded, all provisions in this Declaration will apply to the real property described in the Notice of Addition (the “*Added Territory*”) in the same manner as if the real property were originally covered by this Declaration. Thereafter, the rights, powers and responsibilities of the parties to this Declaration with respect to the Added Territory will be the same as with respect to the property originally covered by this Declaration, and the rights, powers and responsibilities of the Owners, lessees and occupants of Lots in the Added Territory, as well as in the property originally subject to this Declaration, will be the same as if the Added Territory were originally covered by this Declaration.

11.3. Notice of Addition. The additions authorized under Section 11.1 2 must be made by Recording a Notice of Addition which will extend the general plan of this Declaration to such Added Territory. The Notice of Addition for any addition under Section 11.1 must be signed by Declarant. Recordation of the Notice of Addition effectuates annexation of the property described in the Notice of Addition as Added Territory. After the first Close of Escrow in the Added Territory covered by a Notice of Addition, the Added Territory will constitute a part of the Properties, become subject to this Declaration and encompassed within the general plan of covenants, conditions, restrictions, reservation of easements and equitable servitudes contained in this Declaration. The Notice of Addition may contain a Supplemental Declaration of the covenants, conditions, restrictions, reservation of easements and equitable servitudes in this Declaration if necessary to reflect the different character, if any, of the Added Territory, or as Declarant deems appropriate in the development of the Added Territory, and as are not materially inconsistent with the general plan of this Declaration.

11.4. Deannexation and Amendment. Declarant may amend a Notice of Addition or delete all or a portion of a Phase from coverage of this Declaration so long as Declarant is the owner of all of such Phase and (a) an amending instrument or a Notice of Deletion of Territory, as applicable, is Recorded in the same manner as the Notice of Addition was Recorded, and (b) Close of Escrow has not occurred for the sale of any Lot in such Phase.


This Declaration is dated for identification purposes November 20, 2019

[SIGNATURES ON FOLLOWING PAGE]

***[SIGNATURE PAGE TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS FOR
BRIGHTON LANDING]***

DECLARANT:

THE NEW HOME COMPANY NORTHERN
CALIFORNIA LLC, a Delaware limited
liability company

By: 
Its: Mark Kawahara
Sr. V.P.

By: _____

Its: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

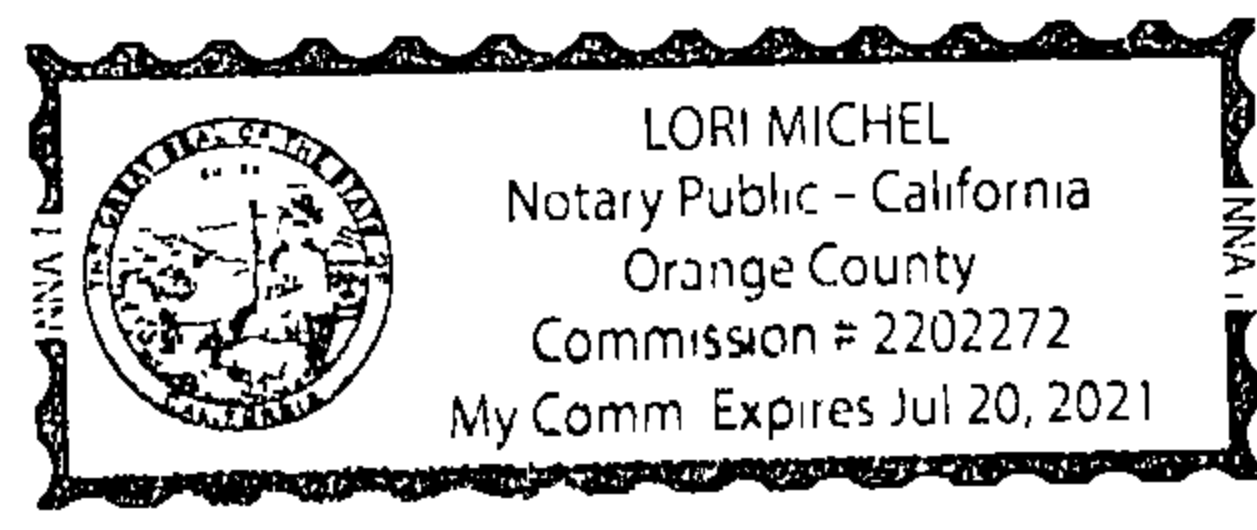
STATE OF CALIFORNIA)
)
COUNTY OF Orange)

On November 20 2019, before me, Lori Michel, a Notary Public, personally appeared Mark Kawarawai, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Lori Michel
Notary Public



(SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

END OF DOCUMENT