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REEL 1154 PAGE 815

DECLARATION OF COVENANTS AND RESTRICTIONS OF LAGUNA ROBLES

RECORDED AT REC'D

Wade J. Cigna
JUN 14 1 37 PM '77

OFFICE OF THE CLERK
COUNTY OF MONTEREY

THIS DECLARATION made this 14 day of June 1977, by LAGUNA ROBLES, a California limited partnership, hereinafter called the "Declarant".

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W I T N E S S E T H

WHEREAS, Declarant is the owner of the real property located in Monterey County, California, which is more particularly described in EXHIBIT "A" attached to this Declaration; and

WHEREAS, said property is a "planned development" within the meaning of §11003 of the Business and Professions Code of California; and

WHEREAS, it is Declarant's intention to impose upon said property mutually beneficial restrictions under the general plan of improvement for the benefit of all parcels in said planned development and the owners thereof;

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NOW, THEREFORE, Declarant hereby declares that said real estate development is, and shall be, held, transferred, sold, conveyed, encumbered, leased, rented, used, occupied, and improved, subject to the following limitations, restrictions, covenants and conditions, all of which are declared and agreed to be in furtherance of a plan for the improvement of said property as a planned development and are established and agreed upon for the purpose of enhancing and perfecting the value, desirability and attractiveness of the real estate development and every part thereof. All of the limitations, covenants, restrictions, and conditions shall run with the real property and shall be binding upon all parties having or acquiring any right, title or interest therein or any part thereof, and shall be for the benefit of each owner of any portion of said real estate development or any interest therein and shall inure to the benefit of and be binding upon each successor in interest of the owners thereof.

ARTICLE I

Section 1. Property Subject to Declaration.

The real property subject to this Declaration, and which hereinbefore and hereinafter is referred to as "said property" or "subject property", is situated in Carmel Valley, County of Monterey, State of California, and is more particularly described as set forth in EXHIBIT "A" hereof, which is made a part of this Article I as if set forth herein at full length.

ARTICLE II

Definitions

Certain terms as used in this Declaration, the deeds conveying the lots, and maps filed for record pertaining to this real estate development, shall be defined as follows, unless the context clearly indicates a different meaning therefor:

1. Declaration: This Declaration as the same may be amended, changed or modified from time to time, as provided herein.
2. Declarant: LAGUNA ROBLES, a California limited partnership.

3. Committee: The Architectural Committee, with powers as hereinafter provided.

4. Board: Board of Directors of LAGUNA ROBLES COMMUNITY ASSOCIATION, as that Board shall be defined and constituted by the By-Laws of that Association.

5. Recorded, Recording, and of Record: Recorded, recording, or of record in the Office of the County Recorder of Monterey County, California.

6. Person: A "person" shall include a natural person, a partnership, an association, and a corporation unless the context indicates a contrary meaning.

7. Articles: The Articles of Association of LAGUNA ROBLES COMMUNITY ASSOCIATION.

8. Association: The LAGUNA ROBLES COMMUNITY ASSOCIATION, its successors and assigns.

9. Member: A person entitled to membership in the Association as set forth in the Articles and By-Laws of the Association.

10. By-Laws: The By-Laws of the Association.

11. Map: The subdivision map of LAGUNA ROBLES filed for record in Volume 13 of Maps, Cities and Towns, Page 38, Official Records of Monterey County, California, on January 5, 1977.

12. Lot: The real property lying within the boundaries of the areas designated as Lots 1 through 18 on the map, together with any improvements thereon.

13. Common Area: All parts of the real property described on Exhibit "A" attached hereto, which are not included within the boundaries of any lot as shown on the map.

14. Single Family Dwelling: Any building or portion thereof designed or used exclusively as the residence of a person, or persons related by blood, marriage, or legal adoption, or a group of not more than four (4) natural persons not related by blood, marriage, or legal adoption, living together as a single housekeeping unit.

ARTICLE III

Restrictions on the Use, Occupancy, Lease, and Transfer of Property.

Section 1. Uses of Property.

(a) Residential Use. No building or other structure shall be constructed, erected, altered, or maintained upon any portion of subject property which shall be used, designed, or intended to be used for any purpose other than a permanent single-family dwelling or in connection therewith as part of the common area to serve such single-family dwellings; the Association, in accordance with the procedures established in its By-Laws shall establish and determine those facilities which shall serve the single family dwellings, subject to the control of the Architectural Committee as defined in this Declaration.

(b) Building Setback Lines and Height Limits. No building, structure, grade or excavation shall be constructed, used, maintained or made closer to any exterior line (front, rear or side) of any lot embraced within any portion of said property covered by this

Declaration than is permitted by the Architectural Committee, and no building or structure shall be constructed, altered, used or maintained upon any lot, of a height in excess of twenty-five (25) feet, nor shall any grade or excavation be made upon said property or any part thereof which does not conform to the depth, slope and area permitted by said Committee.

(c) Mining and Drilling: No derrick, pump or any other equipment or structure for boring, drilling, mining or extracting any oil, gas or mineral of any kind or nature whatsoever shall be erected, placed or permitted upon any part of subject property, nor shall any oil, gas, petroleum or other hydrocarbon substance be extracted from the surface of subject property; provided, however, that nothing herein contained shall prevent the extraction or capturing of any oil, gas, petroleum or other hydrocarbon substance or mineral or mineral substance by slant well drilling or other similar operations so long as nothing shall be permitted to disturb the surface of said property or any improvements thereon or occupants thereof; provided, further, however, that nothing herein is intended to prohibit the drilling for and capture of water by the Association for use by the subject property and for the occupants thereof.

(d) Animals and Poultry. The raising and/or keeping of cattle, horses, sheep, rabbits, pigs, hogs, cats, dogs and/or other animals, poultry, birds and/or reptiles, either in the singular or plural number, for pleasure or for commercial gain upon any part of said property is prohibited, except that dogs, cats and other household pets may be kept in a residence for pleasure and not for commercial purposes, provided that they do not become a nuisance to other owners and/or occupants of property subject to the control of the Association. If after notice and hearing as provided in Article X hereof, any such animal is declared to be a nuisance by the Board of Directors of the Association, such dog, cat or other household pet or pets shall be forthwith removed from the subject property.

(e) Rubbish and Debris: No rubbish or debris of any kind shall be placed or permitted to accumulate upon any portion of said property and no odor shall be permitted to arise therefrom which is or may be detrimental to any of the property in the vicinity thereof or the occupants thereof, and no nuisance shall be permitted to exist or operate upon any portion of said property which is offensive or detrimental to any property in the vicinity thereof or to its occupants.

(f) Clothes Drying. Unless otherwise approved by the Association, no clothes, sheets, blankets, or other articles shall be hung out to dry or for any other purpose on any part of said property or within the private open yard of any residence apartment.

(g) Condition and Repair. No building or structure upon any property covered by this Declaration shall be permitted to fall into disrepair, and each such building and structure shall at all times be kept in good condition and repair and adequately painted; the Association may make repairs to lots at the expense of owner, to improvements which have fallen into disrepair, after hearing and notice as provided in Article X hereof.

(h) Trailers, Boats, and Motor Vehicles. Except as provided in Article V, Section 1(1), no mobile homes, trailers of any kind, permanent tent, or similar structure and no truck, camper or boat shall be kept, placed, maintained, constructed, reconstructed or repaired, nor shall any motor vehicle be constructed, reconstructed, or repaired upon any property covered by this Declaration.

(i) Maintaining Drainage. No obstruction, diversion, bridging or confining of existing channels upon, under and/or across any portion

of said property through which water in time of storms or otherwise naturally flows or through which water has been caused to flow artificially by Declarant in the development of the said property shall be made by any person in such manner as to cause damage to any property. The Architectural Committee may determine that a new channel or a diverted, bridged or reconstructed existing channel is adequate to carry the amount of storm and other water liable to flow therein, and may approve the same; provided, however, that the right is hereby expressly reserved to Declarant, as an incident to the development of the entire property, to change existing channels for the natural flow of water and also create channels and means of artificial drainage and water flow and, further to cause reasonable increases or decreases in the amount of water which would in a state of nature flow into and through any such natural or artificial water channels or means of drainage.

(j) Compliance With Rules and Regulations. The owner of each lot shall not interfere with the rights of owners of other lots nor annoy any of such by unreasonable noises or otherwise; no owner shall construct anything upon or alter any part of the common area without prior consent of the Association; said owner shall comply with all laws, ordinances, rules and regulations promulgated by any competent governmental authority and all ground rules now or hereafter promulgated by the Association pursuant to the By-Laws thereof and Article V, Section 1, of this Declaration with respect to occupancy and use of such lots and the improvements thereon, the common area, and the community facilities.

(k) No Business Activity. No trade, craft, commercial or manufacturing enterprise or business activity of any kind shall be conducted or carried on upon any lot or plot or within any building located in this subdivision, nor shall any goods, equipment, vehicles or materials used in connection with any trade, service or business be kept or stored outside of any building nor in any manner objectionable to other residents of this tract.

(l) Insurance. The owner of each lot shall provide a policy or policies of insurance for the full insurable replacement value of the improvements on his lot. Such policy or policies shall provide a separate loss payable endorsement in favor of the mortgagee or mortgagees as their interests, if any, may appear. Each owner shall provide the Board with a current memorandum of paid-up insurance issued by the insurer or other evidence of effective coverage in accordance with the above requirements. In the event of the owner's failure to provide such evidence of effective insurance, the Board is authorized to procure the required policy or policies on behalf of the owner and to assess the owner for the cost thereof in accordance with the provisions of Section 3 (f) of Article V.

(m) Parking. The parking area to the immediate right of the entrance to the subject property from Esquiline Road containing six (6) parking spaces is hereby designated as a limited time parking area and no vehicle shall be parked in said parking area for longer than 15 minutes at any time. All other parking areas on the subject property are limited to parking for visitors only and no resident of the subject property shall park in the parking areas. There shall be no parking along the interior drive on the subject property.

Section 2. Restrictions on Judicial Partition.

No owner shall seek through judicial partition, action to dissolve a trust or in any other manner seek to divide or partition his interest by virtue of his Membership Certificate, or by virtue of any cotenancy that he may assert, in the common area. Nothing herein shall be deemed to prevent partition of a cotenancy in a lot. In the event that any owner of any lot may be permitted a judicial partition

or allowed to separate any beneficial interest that he may have in the common area from the beneficial interest of the remaining owners, notwithstanding the provisions of this Section, the Association shall have an easement through the common area for ingress and egress, maintenance of utility lines and for the exercise of any powers granted to the Association in connection with the management and control of the common area for the benefit of the remaining members.

Section 3. Inseparability of Lot and Membership Certificate In Association.

No occupant who is not an owner of a lot may use the common area, or any of the facilities thereon, except pursuant to regulations of the Association. It is intended that the ownership of a lot and the ownership of a Membership Certificate in the Association be inseparable, and such Membership Certificate shall be transferable only by transfers of the separately owned lot. Ownership of a Membership Certificate shall not be deemed to create any legal ownership or title to the common area. The holder or holders of a Membership Certificate is by this Declaration granted a license for purposes of ingress to and egress from the respective member's lot and may use the common area and any of the facilities thereon or which may in the future be placed thereon in such a manner as is prescribed by this Declaration and the By-Laws and Articles of the Association. A member of the Association shall be entitled to one (1) vote for each lot which he owns.

ARTICLE IV

Architectural Committee

Section 1. Members of Committee.

The Architectural Committee shall consist of three members, each of whom shall be appointed or elected for the term and be subject to the provisions set out in this Declaration.

Section 2. Appointment and Election of Committee Members.

(a) Declarant shall appoint all of the original members of the Committee and appoint replacements for all vacancies until the first anniversary of the issuance of the Public Report by the California Department of Real Estate for the subject property. Declarant further reserves to itself the power to appoint a majority of the members of the Committee until ninety per cent (90%) of all the lots in the subject property have been sold, or until the fifth (5th) anniversary of the issuance of said final Public Report for the subject property, whichever first occurs. The original members of such Committee are hereby appointed as follows:

LARRY CUMMINGS
STEVE NELSON
NADER T. AGHA

(b) After one (1) year from the date of the sale of the first lot of the subject property, the Board shall have the power to appoint one (1) member to the Committee until ninety per cent (90%) of all of the lots in the subject property have been sold, or until the fifth (5th) anniversary date of the issuance of said final Public Report for the subject property, whichever occurs first. Thereafter, the Board shall have the power to appoint all of the members of the Committee.

(c) The persons appointed to the Committee by the Board shall be from the membership of the Association. The persons appointed to the Committee by the Declarant need not be members of the Association.

Section 3. Powers of the Architectural Committee.

The powers and authorities of the Architectural Committee shall be

as provided in this Declaration and shall apply to the property covered by this Declaration. The powers and authority of the Architectural Committee shall not be enlarged or diminished, except by modification or amendment of this Declaration as provided hereafter, and the same shall not be limited or changed by the Board of Directors of the Association.

Section 4. Action by Committee.

(a) Any action by the Architectural Committee shall require the affirmation of at least two (2) of its members. The Committee may act in any writing signed by at least two (2) of its members.

Section 5. General Building Architectural and Planning Requirements.

(a) Approval of Plans, Planting and Alterations.

(1) Building Plans, Etc. No building, fence, wall, tent or any other structure shall be erected, constructed, altered or maintained upon, under or above or moved upon any part of said property, and no grading, cut, fill or excavation shall be done, changed or altered unless the plans and specifications thereof showing the construction, nature, kind, shape, height, material and exterior color scheme thereof, and a plot plan indicating the location of such structure on the building site to be built upon, and grading plans (if requested) of the building site, shall have been submitted to and approved by the said Architectural Committee, and a copy of such plans and specifications, plot plan and grading plan (if requested) as finally approved is deposited for permanent record with the Association.

(2) Billboards and Signs. No billboard, poster or sign (other than professional signs of customary and reasonable dimensions advertising a unit for sale) shall be erected, maintained or displayed upon or about any part of said property either by individual unit owners or by the Association without the approval of the Architectural Committee, and any billboard or sign not so permitted shall be summarily removed and destroyed.

(b) Approval of Completed Works of Improvement. Upon compliance with subparagraph (1) of subsection (a) of this Section 2, all construction, work of improvement, alterations, and other work of whatsoever kind covered by the plans and specifications, plot plans, grading plans (if requested), and other plans and matters requiring Architectural Committee approval, shall be done and performed in accordance with the approval given; and upon the proper completion thereof in accordance with this subsection (b), the Architectural Committee shall, upon written request, issue its certificate of completion and compliance or its written specific objection within thirty (30) days after such request; and in the event the Committee fails to issue such certificate or objection within said thirty (30) days, proper completion of the construction, work, or alteration involved shall be conclusively presumed. Approval by the Architectural Committee shall be deemed to be given by the Architectural Committee if plans duly submitted to the Architectural Committee shall not be approved or rejected by said Architectural Committee within thirty (30) days after written demand to the Architectural Committee and the Association; provided, however, that such approval shall extend only to the exact plans submitted and shall not be a waiver of the right to object to any further plans submitted by the applicant.

(c) Right of Inspection. During reasonable hours after twenty-four (24) hours notice to the occupant of the property to be inspected, or the owner thereof if there be no occupant, any member of the Board of Directors of the Association shall have the right to enter upon and inspect any portion of the buildings and improvements

thereon on any lot on the subject property for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with and shall not become liable therefor nor be deemed guilty of trespass nor any other tort by reason thereof.

(d) Waiver and Liability.

(1) The approval of the Architectural Committee of any plans and specifications, plot plan, grading, or any other plan or matter requiring approval under this Declaration shall not be deemed to be a waiver of any right to withhold approval as to a similar or any other feature or element embodied therein when subsequently or additionally submitted for approval.

(2) Except as hereinafter specifically provided in this Declaration, neither the Architectural Committee, nor any member thereof, nor the Association nor its Board of Directors or officers, nor Declarant or its agents, shall be in any way responsible or liable for any loss or damage in any case or instance for any error or defect which may or may not be shown on any plans and specifications, or in any plot or grading plan or planting or other plan or in any building or structure or part or portion thereof, nor work done in accordance with any such plans and specifications or plan, nor for any error or defect, nor for any act or omission in the premises, nor in creating or maintaining drainage channels, diversions or facilities, nor in any instance whatsoever in developing or maintaining subject or adjoining property, nor in connection with any such other matter whether or not the same has been approved by said Architectural Committee and/or any member thereof and/or the Association and/or its Board of Directors.

(e) The Architectural Committee as referred to in this section shall mean a committee created in accordance with Article V of this Declaration.

ARTICLE V

The Association

Prior to or coincident with the first transfer or conveyance by Declarant of a lot of the subject property, Declarant shall transfer to LAGUNA ROBLES COMMUNITY ASSOCIATION all of the common area and facilities. The Association shall have all the rights, powers and duties as set forth in its Articles and By-Laws, and to do and perform each and every of the following for the benefit, maintenance, and improvement of the property covered by this Declaration, and for the benefit of the owners thereof, subject, however, to any limitations imposed by the By-Laws:

Section 1. Powers of Association.

The Association shall have the following powers:

(a) Management and Control of the Common Area. To construct, improve, maintain and repair each and every portion of the common area and each and every improvement on the subject property which is within the common area, as defined in Article II above; to incur expenses therefor; to enter into any and all contracts for the management, maintenance and control of the common area not inconsistent with this Declaration, and to determine what improvements and facilities shall be constructed in the common area, subject to the restrictions of this Declaration; said powers shall include specifically, but shall not be limited to, the following: Maintenance and lighting of streets and roadways and holding easement therefor, construction of buildings, improvements, parks and recreational facilities, improvement purchasing and maintenance of sewer systems, storm water sewers and drains, provision for the collection and disposition of street sweepings, ashes, garbage, rubbish and the like, and to make and

collect charges therefor; the granting of franchises, rights-of-way and easements for public utilities and other purposes, over and under said property, insofar as the Association is legally empowered to do so; issuance of permits to make cuts or excavations in streets, roads, and in the common areas when necessary, and erection and maintenance of adequate signs.

(b) Removal of Rubbish. After notice and hearing as provided in Article X hereof, to remove, clean up and/or burn grass and weeds and to remove any unsightly or obnoxious things from subject property and from any lot and to take such action with reference to such lots as may be necessary or desirable to keep such and the subject property neat and in good order; and to make and collect additional charges therefor as provided in Subsection (b) of Section 3 of this Article V.

(c) Operation of Community Facilities. To operate recreational facilities and any other community facilities within the common area.

(d) Payment of Taxes. To pay all real property taxes and assessments levied upon any part or portion of the common area by a duly authorized governmental or quasi-governmental authority, and to discharge any tax lien levied thereon.

(e) Insurance. To purchase, carry, and at all times maintain in force insurance covering all of the subject property and improvements and appurtenances thereto, including individual lots and improvements thereof, in such amounts and with such endorsements and coverage as shall be considered sound insurance coverage for like structures, locations, and developments in Carmel, California, including but not limited to (1) fire insurance, including extended coverage and all physical loss endorsements; (2) public liability and property damage insurance; (3) such other forms of insurance as shall be deemed from time to time necessary or desirable by the Board of Directors of the Association; provided, however, that owners of units shall be expected to maintain insurance on any personal property stored or maintained by them in individual units or storage areas. The Association shall be empowered to assess payments for the premiums for said insurance to owners of lots on a pro rata basis. This Section shall apply only in the event owners fail to comply with Article III, Section 1 (1).

(f) Payment for Public Utilities and Community Services. To pay for all water use and services in, under, or upon the subject property, and such electrical, gas, telephone, or other services provided to the owners of all lots, and to assess the owners of the lots for the payment of said services.

(g) Repairs and Maintenance of Community Facilities and Individual Lots. To keep in good order and repair all facilities in all necessary buildings and structures in the common area, and all conduits carrying water, gas, electrical wires and sewerage in or under the subject property.

In order to effectuate the above delegated powers, the Association may perform any acts which may be performed by an unincorporated non-profit association in California, including but not limited to the following:

(h) Rental of Space in Common Area. Upon obtaining an appropriate use permit for such purpose, the Association shall have the power to designate a portion or portions of the common area appropriate for the storage of trailers, boats and motor vehicles and to rent space in such areas to members for the purpose of storing trailers, boats, truck campers and motor vehicles upon such terms as the Association shall determine from time to time.

(j) To enter into, make, perform and carry out contracts of every kind and character for any lawful purpose, consistent with its status as an unincorporated non-profit association, with any person or persons, partnership, firm, association, corporation, private, public or municipal, any body public, any state, territory or municipality of the United States, or with the government of the United States or any department, branch, board, commission or contracting authority thereof or with any foreign government, including the right to make agreements with municipal, county, township, state, national or other public officials or with any political subdivision or any corporation, or individual, for and on behalf of the owners of said property covered by this Declaration and other property owned or subject to the jurisdiction of the Association for a division of the work or the doing of the work on the streets, roads, ways, walks, drives, driveways, parks, or other portions of said property or for any other work to be done or utilities to be furnished as will enable the Association to cooperate with said officials, corporation or individuals to secure the benefits for the said property referred to or portions thereof that can be derived for the pro rata share of any municipal, county, state, national or other funds that may be available for use thereon, or in connection therewith or which might otherwise benefit the subject property.

(k) To exercise such powers of enforcement, control, interpretation, modification and cancellation of this Declaration which now are or hereafter may be vested in, delegated to or assigned to the Association, and to pay all expenses incident thereto; to commence and maintain in its own name, on behalf of itself and/or any owner of any lot (with the owner's consent) or in the name of or on behalf of and as the agent of any owner of any such lot, actions and suits to restrain and enjoin the breach or threatened breach of this Declaration or any portion thereof and/or to enforce this Declaration, and to pay the expenses therefor.

(l) To establish, maintain and operate in addition to said Architectural Committee, such departments, boards and committees as may be provided for in the By-Laws of the Association, with such powers and authority as said By-Laws may provide, and to make funds of the Association available for the use of such departments, boards and committees; to employ a manager, secretaries, engineers, auditors, legal counsel, technical consultants, nurses, or any other employees or assistants provided for by the By-Laws of the Association or authorized by its Board of Directors; to pay all expenses necessary or incidental to the conduct and carrying on of the business of the

Association; to keep records of all matters pertaining to the operations and affairs of the Association; to publish reports and bulletins of the operations and affairs of the Association from time to time; and to issue certified copies of its records and documents and to make and collect a charge therefor.

(m) To make, establish, publish, promulgate, amend, repeal and to enforce Ground Rules governing the use of the common area on the subject property and governing the conduct of the owners of the respective lots with relation thereto, which Ground Rules and each of them, as the same are established from time to time, shall be binding upon each and every of such owners and all of the occupants of each such lot; provided, however, no Ground Rule shall ever be established which shall not apply equally to all such owners; and, provided further, that no such Ground Rule amendment or repeal thereof shall be effective until and unless the same, or a copy of same, shall be furnished to each owner by mailing by ordinary mail or by delivering same to each lot.

(n) Generally to do any and all things that an unincorporated non-profit association may lawfully do in operating for the benefit of its members and without profit to said association, except as expressly limited in its By-Laws and in this Declaration, and to do any and all lawful things which may be authorized, required or permitted to be done by the Association under and by virtue of this Declaration and to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers of the Association or for the peace, health, comfort, safety, and/or general welfare of the owners of any property subject to the jurisdiction of the Association.

(o) Amendments of this Declaration of Covenants and Restrictions may be enacted by the vote or written consent of members of the Association representing not less than fifty-one per cent (51%) of the voting power of the Association residing in members other than the Declarant. Further, any vote for amendment shall require fifty-one per cent (51%) of the voting power of the Association residing in members other than the Declarant.

(p) The Association shall have the right to declare the violation of any condition, restriction or covenant set forth in this Declaration, or the violation of any Ground Rule promulgated by the Association under Section (m) of this Article V, Section 1, or the persistence by any owner in a use prohibited by this Declaration, as a nuisance; and the Association may thereafter proceed to remove the nuisance summarily at the Owner's expense; any such expense incurred by the Association shall constitute a special assessment which the Association may proceed to collect in the manner set forth in Article V, Section 3; provided, however, that all owners shall have a right to notice and hearing as set forth in Article X prior to any action being taken by the Association to declare a nuisance.

(q) The Association, upon affirmative vote of the number of members required for the amendment of By-Laws, may incorporate as a non-profit California corporation by filing with the Secretary of State Articles of Incorporation consistent with this Declaration. Upon such incorporation, any reference in this Declaration or in the By-Laws to "the Association", "this Association", or "Laguna Robles Community Association", shall be deemed to refer to the corporation so formed; any reference to "By-Laws" shall be deemed to refer to the duly adopted By-Laws of such corporation; and, the covenants, conditions, restrictions, provisions, limitations and procedures stated herein shall become binding upon the corporation so formed.

(r) To apply for the creation of a special assessment district consisting of all lots and lot owners when deemed to be in the best interests of lot owners by the Association.

(s) The authorized powers of the Association are as set forth in its By-Laws and in this Declaration of Protective Restrictions. The Association is irrevocably appointed agent of each and all of the unit owners and their successors to exercise the powers delegated to the Association by this Declaration of Covenants and Restrictions.

Section 2. Membership in the Association.

Membership in the Association and the voting rights of members shall be as is provided in the By-Laws of the Association.

Section 3. Charges, Assessments and Liens.

Each lot and the improvements thereon, except such as are owned by the Association, shall be subject to general and special charges and assessments and liens to secure the payment of same. The Association shall have the sole authority to fix and establish the amounts of the general and specific charges and assessments provided for in this Declaration and the amounts of such interest, costs (including reasonable attorneys' fees) and penalties for the late payment or non-payment thereof.

(a) Determination of General Charges, Assessments and Liens.
The general charge and assessment shall be fixed and established annually or more often by the Board of Directors of the Association and shall be collected monthly by the Association as hereinafter provided.

(1) The Board of Directors of the Association shall annually as hereinafter provided by resolution duly adopted estimate in its best judgment the cash requirements reasonably necessary or proper (a) for the operation of the Association and the operation, maintenance, care, and improvement of the common area and other property subject to its care and control for the year or portion of the year for which such estimate is made, which estimate of cash requirements may include, among other things, taxes, assessments, sewer, electrical, water, gas, and telephone charges, insurance premiums, operating expenses, legal and accounting fees, management fees, employees gratuity fund, maintenance costs, alterations, replacements and repairs relative to the common area and any other part of the subject property, salaries, costs of leasing or purchasing units, interest on mortgage, trust deed or other indebtedness and principal on the same, the payment of any other liens or charges and expenses for any other association purposes; (b) the creation of such reserve or reserves for future maintenance and such reserve for contingencies as may seem proper; and, (c) the payment of or establishment of a reserve for any obligations, liabilities incurred (even though incurred during a prior period), or to be incurred.

(2) The Board of Directors of the Association may, from time to time, by resolution adopted at any regular or special meeting establish an estimate and fix general charges and assessments or modify any estimate or estimates previously made and increase or diminish the amount previously estimated as cash requirements of the Association for any year or portion thereof and increase or diminish the amount of the general charge and assessment, provided that no such determination by the Board of Directors shall have any retroactive effect on the amount of charge or assessment payable by any owner for any period elapsed prior to the date of such determination.

(3) The Board of Directors of the Association shall at least once during each year make an estimate of cash requirements as

hereinbefore provided for the ensuing calendar year. Such estimate of cash requirements, and the whole thereof, shall be apportioned among all the lots which are subject to general charge and assessment according to the class thereof, and the sum allocable to each such lot shall be the general charge and shall be the assessment against such lot for the ensuing calendar year; such general charge and assessment shall be due and payable monthly in the amount of one-twelfth (1/12th) of the total amount of such general charge and assessment charged and assessed against each such lot on or before the first day of each calendar month.

(4) The Association may assess different classes of lots at a different rate, provided, however, that assessments within the same class of lots must be uniform.

(5) Unsold lots held by Declarant shall be assessed for a proportionate share of expenses related to operation, maintenance and protection of the common area on the same basis as other owners of lots.

(6) The maximum annual charge per lot may be increased by an amount not in excess of twenty per cent (20%) of the prior year, provided, however, that such charge may not be increased above twenty per cent (20%) annually, unless an increase is approved at a regular or special meeting duly called as provided in the By-Laws by a majority of lot owners, excluding Declarant, present or represented by proxy at said meeting, or unless approved in writing by fifty-one per cent (51%) of all lot owners, excluding Declarant. If this Section is amended as provided herein, the Secretary of the Association shall issue a Certificate of Amendment and record same.

(b) Determination and Special Charges, Assessments and Liens. The special charges and assessments and the lien securing the same provided for in this Subsection (b) shall be fixed, levied, and enforced in and to the same effect as the general charges and assessments provided for in Subsection (2) of this Section 3; provided, however, that any such special charges and assessments shall be and are payable in full on the first day of the second calendar month next after the date that the same shall be affixed and established by the Board of Directors of the Association.

(1) After notice and hearing as provided in Article X hereof, the Association shall have authority to do cleanup work on a lot and the improvements thereof and to levy a special charge and assessment therefor and may levy fines for infractions of Ground Rules. The Board of Directors may annually or more often fix and establish the amount of such special charge and assessment against any such lot including in the amount thereof the cost of such cleanup work on such lot or the fine; provided, however, that such special charge and assessment shall only be made when the cost of the work done on any such lot is greater than the ordinary proportionate amount of the funds which are available for such purpose out of the general charge and assessment; and, provided further, that the charges and assessments collected from the owner of any such lot shall be or shall have been expended solely for the cleaning up and keeping in good order of such lot.

(c) Collection and Expenditure of Charges and Assessments. The Association shall have sole authority to collect and enforce the collection of all charges and all assessments provided for in this Declaration, and may in addition to such charges and assessments, charge and assess costs, penalties and interest for the late payment or nonpayment thereof (costs may include reasonable attorneys' fees), and to expend all monies collected from such charges, assessments, costs, penalties and/or interest for the payment of expenses and costs in carrying out the rights and powers of the Association as provided

for in this Declaration and/or By-Laws of the Association.

(d) Delinquency of Charges and Assessments. Thirty (30) days after any general or special charge and assessment shall be due and payable, and unpaid or not otherwise satisfied, the same shall be and become delinquent, and shall so continue until the amount of said charge and assessment, together with all costs, penalties, and interest as herein provided, have been fully paid or otherwise satisfied.

(e) Notice of Delinquency. At any time after any general or special charge and assessment against any lot has become delinquent, the Association may record a Notice of Delinquency as to such lot, which Notice shall state therein the amount of such delinquency, and the interest, costs (including attorneys' fees) and penalties which have accrued thereon, a description of the lot against which the same has been assessed, and the name of the record or reputed record owner thereof, and such notice shall be signed by an officer of the Association; provided that upon the payment of said charges and assessments, interest, penalties and costs in connection with such notice which has been so recorded, or other satisfaction thereof, the Association shall record a further notice stating the satisfaction and the release of the lien thereof.

(f) Attachment of Lien. Immediately upon the recording of any Notice of Delinquency pursuant hereto, the amounts of the delinquency set forth therein and the interest, costs and penalties accrued and accruing thereon shall be and become a lien upon the lot or lots described therein, which lien shall continue until the amount of such delinquency and the interest, costs and penalties accrued thereon has been fully paid or the lien foreclosed or the lot or lots sold pursuant to a power of sale as provided for herein. Satisfaction and release of said liens shall be recorded.

(g) Enforcement of Liens. Each lien established pursuant to the provisions of this Declaration by the recording of a Notice of Delinquency as hereinabove provided, may be foreclosed as and in the same manner as is provided for the foreclosure of a mortgage upon real property by the laws of the State of California at the date of the commencement of such foreclosure action. Such lien may, at the option of the Board, be enforced by sale by the Board acting on behalf of all of the owners (or the Board shall be permitted to appoint a duly authorized representative for said sale) after failure of the owner of the lot to discharge such delinquency and the interest, costs and penalties accrued thereon, such sale to be conducted in accordance with the provisions of Section 2924, 2924b and 2924c of the Civil Code of the State of California, or in such other manner permitted by law. Interest shall accrue at the rate of seven per cent (7%) per annum upon all unpaid charges or assessments from the date of delinquency. In any action to foreclose any such lien or sell any lot or lots pursuant to the power of sale herein given, the Association shall be entitled to such costs, including reasonable attorneys' fees, and such penalties for delinquent charges and assessments as shall have been established by the Board of Directors of the Association, or shall otherwise be allowable by law, or, if applicable, a court of competent jurisdiction.

(h) Lots of Association. So long as the Association owns a lot or lots, no vote nor any assessment shall be attributed to that lot or lots.

(i) Mortgages and Trust Deeds. Each and every lien, charge and assessment, together with any costs, penalties or interest, established, reserved or imposed under this Declaration shall be subordinate to any valid bona fide mortgage or trust deed (and the lien and/or title thereof) which has been or may hereafter be given in

good faith and for value on any lot covered by this Declaration; provided, however, that any subsequent owner who shall purchase at a foreclosure sale or a trust deed sale, or otherwise, any lot located on the subject property, shall be subject to all restrictions, conditions, covenants, reservations, charges and liens set out in this Declaration, except that no purchaser at a foreclosure sale or trust deed sale shall be subject to any liens or charges on a lot arising before said sale.

(j) Protection of Mortgages or Deeds of Trust. No breach of any of the covenants, conditions, restrictions, limitations or uses herein contained shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but all of said matters shall be binding upon any owner whose title is derived through foreclosure or Trustee's sale.

ARTICLE VI

Enforcement of Title

Section 1. Enforcement.

The Association, Declarant, or any owner or owners shall have the right and power to enforce all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration which shall be incorporated by reference and made part of any conveyance, lease or contract of sale upon said property covered by this Declaration or any portion thereof provided, however, that such right and/or power of the Association shall not be exclusive unless expressly so provided, and when not exclusive may be exercised severally or jointly with Declarant and/or any owner or owners.

Section 2. Nuisances and Violation of Provisions.

Every act or omission whereby any restriction, condition or covenant in this Declaration set forth or to which the said property or any portion is subject is violated in whole or in part, is declared to be and shall constitute a nuisance and may be enjoined or abated by the Association and/or Declarant. Each remedy provided for in this Declaration shall be cumulative and not exclusive. In the event it is necessary for the Association to bring any sort of legal action to enforce the conditions and covenants set forth in this Declaration, the party enjoined may be required to pay reasonable attorneys' fees for the bringing of said injunction or abatement proceedings.

ARTICLE VII

Remedies of Association and Owners

Any owner of a lot, including Declarant and the Association, shall be entitled to enforce all conditions, covenants and restrictions contained herein in the manner provided by law for enforcing equitable servitudes, and all conditions, covenants and reservations contained herein shall be construed as equitable servitudes against the real property subject hereto.

ARTICLE VIII

Duration and Modification

Section 1. Duration of Restrictions.

All of the restrictions, conditions, covenants, reservations, liens and charges set forth in this Declaration shall continue and remain in full force and effect at all times against said property

covered by this Declaration, and each part thereof, and the owners thereof, subject to the right to amend, change, modify, and terminate provided for in Section 2 of this Article VIII, until January 1, 2000; provided, however, that all of said restrictions, conditions, covenants, reservations, liens and charges in this Declaration contained which are subject to expiration shall, as the same are in force immediately prior to such expiration, be continued automatically without further notice from that time for a period of ten (10) years and thereafter for successive periods of ten (10) years each without limitation, unless within six (6) months prior to January 1, 2000, or within six (6) months prior to the expiration of any successive ten (10) year period thereafter, there shall be recorded a written agreement executed by the then record owners (including mortgagees under recorded mortgages and trustees and beneficiaries under recorded trust deeds) of more than two-thirds (2/3) of the units embraced within the property covered by this Declaration, exclusive of property owned by the Association, by the terms of which agreement any or all of said restrictions, conditions, covenants, reservations, liens, and charges are changed, modified, or extinguished in whole or in part as to all or any part of the property subject thereto in the manner and to the extent therein provided. In the event that any such written agreement of change or modification shall be duly executed and recorded as provided herein, the restrictions, conditions, covenants, reservations, liens, and charges as changed or modified thereby shall continue in force for successive periods of ten (10) years unless and until further changed, modified, or extinguished in the manner above provided.

Section 2. Amendment of Restrictions.

Amendments of this Declaration may be enacted by the vote or written consent of members representing not less than fifty-one per cent (51%) and not more than seventy-five per cent (75%) of the voting power of the Association residing in members other than the Declarant; provided, however, that the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

ARTICLE IX

Eminent Domain

Section 1. Total Taking. If all of the subject property shall be taken by a governmental authority under the power of eminent domain, said taking shall cause the fee to all lots to terminate, and the owner of each lot shall be considered to have an interest in the subject property, including the common area, as a tenant in common with a single undivided interest in said subject property for each lot owned on said subject property.

Section 2. Partial Taking. If a portion of the subject property shall be taken which shall include any lot or lots, under the power of eminent domain by a governmental authority, so as not to substantially impair the value of the remaining property, title to said lots shall not terminate, and the taking authority shall compensate the owners of the lots taken for the reasonable value thereof.

ARTICLE X

Hearings

Section 1. Written notice of the violation, default, failure to repair, failure to make payment, offending conduct, or condition, or other facts giving rise to the right of the Association to impose sanctions shall be given to the lot owner, and to the occupant of the

lot if the occupant does not own the lot, setting forth the facts of the complaint by the Association and setting a time not less than fourteen (14) days after the notice is given at which a hearing shall be held with respect to said complaint. The notice shall be given as set forth in Article XII, Section 10 hereof.

Section 2. The hearing shall be held before a quorum of the Board of the Association. At the hearing the facts of the complaint shall be made known to the person or persons to whom notice was given, if present, and the person or persons shall have the opportunity to present facts in opposition to and mitigation of the complaint. Action on said complaint may be taken by a majority vote of a quorum of the Board. In the event the person or persons notified do not appear at the hearing, the Board may take such action it deems appropriate in the same manner as if the person or persons had appeared and presented facts in opposition to and mitigation of the complaint.

ARTICLE XI

Miscellaneous

Section 1. Acceptance of Provisions by Grantees.

The Association and each grantee hereafter of any part or portion of the property covered by this Declaration and any purchaser under any contract of sale or lessee under any lease covering any part or portion of such property, accepts the same subject to all of the restrictions, conditions, covenants, reservations, liens, and charges and the jurisdiction, rights, and powers of the Association, Trustees, the Architectural Committee, and Declarant provided for in this Declaration.

Section 2. Conclusiveness of Records.

For the purpose of making a title search upon or guaranteeing or insuring title to any lot or interest therein or lien or mortgage or trust deed thereon embraced within the property and for the purpose of protecting purchasers and/or encumbrances in good faith and for value, or for any other lawful purpose or purposes; (a) as to any act or nonact of the Association and/or its Board of Directors and/or any of the Association's departments, committees, or agents (excepting the Architectural Committee), and/or as to performance or nonperformance of any act of any owner of any lot embraced within subject property or of any interest therein or lien or mortgage or trust deed thereon, including but not limited to the payment of any dues, fees, charges, or assessments, interest, costs, and penalties, a certificate as to any matters contained in the records of the Association certified by the secretary thereof shall be conclusive proof as to all matters shown by such certificate; and (b) as to any act or nonact of Declarant a certificate as to any matters contained in the records of Declarant certified by the Secretary or agent thereof shall be conclusive proof as to all matters shown by such certificate; and (c) as to any act or nonact of the Architectural Committee, a certificate as to any matters contained in the records of the Architectural Committee certified by any two (2) members thereof shall be conclusive proof as to all matters shown by such certificate.

Section 3. Interpretation of Restrictions.

In interpreting and applying the provisions of this Declaration they shall be held to be minimum requirements adopted for the promotion of the health, safety, comfort, convenience, and general welfare of the owners and occupants of said property. It is not the intent of this Declaration to interfere with or abrogate or annul easements, covenants or other agreements between parties; provided,

however, that where this Declaration imposes a greater restriction upon the use and/or occupancy of any lot, or upon the construction of buildings or structures, or in connection with any other matters than are imposed or required by such provisions of law or ordinances or by such rules, regulations or permits or by such easements, covenants and agreements, then in that case the provisions of this Declaration shall control.

Section 4. Construction and Validity of Restrictions.

All of said restrictions, conditions, covenants, reservations, liens and charges contained in this Declaration shall be construed together; but if it shall at any time be held that any one or more of such restrictions, conditions, covenants, reservations, liens, or charges or any part thereof, is invalid or for any reason becomes unenforceable, no other restrictions, conditions, covenants, reservations, liens or charges, or any part thereof shall be thereby affected or impaired.

Section 5. Assignment of Powers.

Any and all rights and/or powers of Declarant provided for in this Declaration and/or modification and/or amendment thereof, may be delegated, transferred, assigned, conveyed, or released by Declarant to the Association, and the Association shall accept the same upon the recording of a notice thereof, and the same shall be effective for the period and to the extent stated therein.

Section 6. Waiver and Exemptions.

The failure by the Association and/or Declarant and/or any owner of any lot included in said property or any other person, to enforce any of the restrictions, conditions, covenants, reservations, liens, or charges to which said property or any part thereof is subject, shall in no event be deemed a waiver of the right to do so thereafter or to enforce any other restrictions, conditions, covenants, reservations, liens, or charges.

Section 7. Titles.

All titles used in this Declaration, including those of articles, sections, and subsections, are intended solely for convenience of reference, and the same shall not, nor shall any of them, affect that which is set forth in such article, section, or subsection, nor any of the terms or provisions of this Declaration nor the meaning thereof.

Section 8. Singular and Plural, Masculine and Feminine.

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

Section 9. Successors in Interest.

Reference herein to either the Association or Declarant shall include each successor to the affairs of such, and each such successor shall succeed to the rights, powers, and authority hereunder of such to whose affairs it succeeds.

Section 10. Notices.

Lot owners shall be notified not less than ten (10), nor more than sixty (60) days before any owners' meeting. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, it shall be

deemed to have been delivered twenty-four (24) hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed to each such person at the address given by such person to the Association for the purpose of service of such notice or to the lot of such person if no address has been given to the manager. Such address may be changed from time to time by notice in writing to the Association. Upon written request for notices delivered to the Association, the holder of any duly recorded mortgage against any lot ownership may promptly obtain a copy of any and all notices permitted or required herein to be given to the owner or owners whose lot ownership is subject to said mortgage. Said request for notice need not be renewed and shall entitle the holder of any mortgage requesting such notices to receive all notices sent to the owner or owners (or the voting owner representing said owner or owners) whose lot ownership is subject to the said mortgage from and after the date of said request until said request is withdrawn or said mortgage is discharged of record.

Section 11. Encroachments.

None of the rights and obligations of the owners shall be altered in any way by encroachments due to settlement or shifting of the buildings or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, provided, however, that in no event shall a valid easement for encroachment be created in favor of any owner or owners or in favor of the Trustees as owners of the common area if said encroachment occurred due to the willful conduct of said owner, owners, or officers, agents, or employees of the Association by their willful conduct in managing the common area.

Section 12. Warranty.

Declarant hereby warrants the property against defective workmanship and materials for a period of one (1) year after filing Notice of Completion as to the common area and one (1) year after transfer to the first owner of any lot.

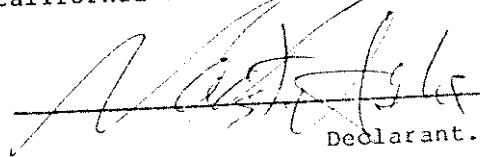
Section 13. Consent of County.

The right of the Association, or owners, to construct any additional improvements, or make any additions to existing improvements, as granted in this Declaration, shall be subject to the approval of the appropriate government authority or authorities which may include the Monterey County Planning Commissions, the Board of Supervisors, and other appropriate officials of the County of Monterey.

IN WITNESS WHEREOF, I have hereunto set my hand this 14 day of

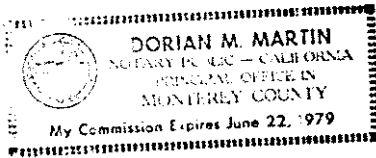
June, 1977.

LAGUNA ROBLES,
a California limited partnership

By  Declarant.

STATE OF CALIFORNIA)
) ss.
COUNTY OF MONTEREY)

On this 14 day of June, 1977, before me, the undersigned, a Notary Public in and for the State of California, personally appeared NADER T. AGHA, known to me to be the General Partner of LAGUNA ROBLES, a California Limited Partnership, the partnership that executed the within instrument, and acknowledged to me that such partnership executed the same.



Dorian M. Martin
Notary Public

EXHIBIT "A"

Situate in the COUNTY OF MONTEREY, State of California:

PARCEL 1:

BEGINNING at the Southwesterly corner of that certain 10.176 acre parcel shown on that certain map entitled, "Record of Survey of 10.176 acres in Parcel 4, Rancho Los Laureles", etc., recorded July 28, 1958 in Volume 5 of Surveys at Page 182, Records of Monterey County, California, and running thence from said point of beginning,

- 1) along the northerly line of De El Rio, N. 79° 10' W., 391.16 feet; thence
- 2) S. 87° 31' W., 54.27 feet; thence
- 3) curving to the right, 19.76 feet along a circular curve having a radius of 18.67 feet through a central angle of 60° 39' 30"; thence along the easterly line of Esquiline Road, formerly Robles Del Rio Road,
- 4) N. 31° 49' 30" W., 100.43 feet; thence
- 5) N. 31° 34' W., 177.37 feet; thence
- 6) N. 18° 22' 30" W., 136.97 feet; thence
- 7) N. 14° 02' 40" W., 130.21 feet; thence
- 8) N. 1° 26' W., 56.21 feet; thence
- 9) N. 7° 21' 20" E., 191.59 feet; thence
- 10) N. 13° 26' E., 102.13 feet; thence
- 11) N. 18° 31' E., 75.22 feet; thence
- 12) curving to the right, 61.54 feet along a circular curve having a radius of 470.18 feet through a central angle of 7° 30'; thence leaving said easterly line of Esquiline Road,
- 13) S. 59° 00' E., 696.76 feet to a point on the westerly line of said 10.176 acre parcel; thence along said westerly line of said 10.176 acre parcel,
- 14) S. 0° 49' 41" W., 305.65 feet; thence
- 15) S. 1° 46' 19" W., 381.94 feet to the point of beginning.

EXCEPTING ANY portion herein described under Parcel 2.

ALSO EXCEPTING ANY portion within the limits of the tract described in the deed from Marion S. Karr, to Philip Wilson, Jr., dated February 20, 1935 and recorded February 21, 1935 in Volume 427 Official Records, at Page 378, Monterey County Records, and being all that portion of said Wilson Tract lying westerly of the centerline of the old Robles Del Rio County Road, as it existed prior to its realignment in 1948.

PARCEL 2:

A PORTION OF RANCHO LOS LAURELES, County of Monterey, California, and being a portion of that 8.511 acre tract of land conveyed by Laura M. Parke and James H. Parke, to Henry A. Holme and Ruth A. Holme, by deed dated April 20, 1943 and recorded in Volume 798 Official Records, at Page 344, Monterey County Records, particularly described as follows:

BEGINNING at the northeasterly corner of the above described tract of land standing in the centerline of the Robles Del Rio Road, a county road, 60 feet wide, and running thence along the centerline of said road,

- 1) Southeasterly along the arc of a circular curve to the right (the center of which bears N. 88° 23' 10" W., 627.14 feet distant), for a distance of 18.82 feet to a point of compound curve; thence
- 2) Southwesterly along the arc of a circular curve to the right (the center of which bears N. 86° 40' W., 100.00 feet distant), for a distance of 85.70 feet; thence tangentially
- 3) S. 52° 26' W., 24.65 feet; thence leave road centerline
- 4) N. 14° 03' 40" W., 81.44 feet; thence
- 5) N. 1° 27' W., 56.20 feet; thence
- 6) N. 7° 20' 20" E., 12.89 feet to a point on the northeasterly boundary of said 8.511 acre tract of land; thence along the northeasterly boundary
- 7) S. 64° 00' E., 88.21 feet to the place of beginning.

END OF DOCUMENT

RECORDED AT REQUEST OF

ATTORNEY

MAY 1 4 34 PM '91

OFFICE OF RECORDER
COUNTY OF MONTEREY
SALINAS, CALIFORNIA

24817

Recorded at the request of
and when recorded return to:

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M	1
RF	5
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Gerald B. Dalton, Esq.
Hudson, Martin, Ferrante & Street
P. O. Box 112
Monterey, CA 93942-0112

FIRST AMENDMENT TO THE
DECLARATION OF COVENANTS AND RESTRICTIONS OF
LAGUNA ROBLES COMMUNITY ASSOCIATION

The Declaration of Covenants and Restrictions of LAGUNA ROBLES COMMUNITY ASSOCIATION, recorded on June 14, 1977 at Reel 1154, Page 815 through 835, inclusive, as Document G27655 of the Official Records of the County Recorder of the County of Monterey are hereby amended by this First Amendment, approved by resolution of the members of the LAGUNA ROBLES COMMUNITY ASSOCIATION at its annual meeting on May 6, 1990:

1. Article III, Section 1(h) is deleted and the following substituted:

"(h) Trailers, Trucks, Boats and Motor Vehicles. Except as provided in Article V, Section 1(h), no mobile homes, trailers of any kind, permanent tent, or similar structure and no camper, recreational vehicle, boat or commercial truck shall be kept, placed, maintained, constructed, reconstructed or repaired, nor shall any motor vehicle be constructed, reconstructed, or repaired upon any property covered by this Declaration. For the purposes of this paragraph, commercial trucks are those with a Gross Vehicle Weight greater than 10000 pounds as well as any size truck, including pickup trucks, that are used in business and display lettering or advertising."

2. Article III, Section 2(m) is deleted and the following substituted in its place:

"(m) Parking. There shall be no parking along the interior drive of the subject property."

3. Article IV, Section 1 is deleted and the following substituted in its place:

"Section 1. Members of Committee.

The Architectural Committee shall consist of three to five members, each of whom shall be appointed or elected for the term and be subject to the provisions set out in this Declaration."

4. Article IV, Section 4 is deleted and the following substituted in its place:

"Section 4. Action by Committee.

(a) Any action by the Architectural Committee shall require the affirmation of a majority of its members. The Committee may act in any writing signed by a majority of its members."

5. Article V, Section 3(d), (e) and (g) are deleted and the following substituted in place of said paragraphs:

"(d) Delinquency of Changes and Assessments. Fifteen (15) days after any general or special charge and assessment shall be due and payable, and unpaid or not otherwise satisfied, the same shall be and become delinquent, and shall so continue until the amount of said charge and assessment, together with all costs, penalties, and interest as herein provided, have been fully paid or otherwise satisfied. A lot which has become delinquent shall be assessed a late charge equal to ten dollars (\$10) or ten percent (10%) of the delinquent amount, whichever is greater.

(e) Notice of Delinquency. Not later than 30 days after declaring a charge or assessment delinquent, and before assessing any penalties, recording a lien or liens, or commencing foreclosure action, the Association shall notify the homeowner in writing of the exact nature and amount of the delinquency. At any time after any general or special charge and assessment against any lot has become delinquent, and after the homeowner has been notified in writing as stated above, the Association may record a Notice of Delinquency as to such lot, which Notice shall state therein the amount of such delinquency, and the interest, costs (including attorneys' fees) and penalties which have accrued thereon, a description of the lot against which the same has been assessed, and the name of the record or reputed record owner thereof, and such notice shall be signed by an officer of the Association; provided that upon the payment of said charges and assessments, interest, penalties and costs in connection with such notice which has been so recorded, or other satisfaction thereof, the Association shall record a further notice stating the satisfaction and the release of the lien thereof.

(g) Enforcement of Liens. Each lien established pursuant to the provisions of this Declaration by the recording of a Notice of Delinquency as hereinabove provided, may be foreclosed as and in the same manner as is provided for the foreclosure of a mortgage upon real

property by the laws of the State of California at the date of the commencement of such foreclosure action. Such lien may, at the option of the Board, be enforced by sale by the Board acting on behalf of all of the owners (or the Board shall be permitted to appoint a duly authorized representative for said sale) after failure of the owner of the lot to discharge such delinquency and the interest, costs and penalties accrued thereon, such sale to be conducted in accordance with the provisions of Section 2924, 2924b and 2924c of the Civil Code of the State of California, or in such other manner permitted by law. Interest shall accrue at the rate of twelve percent (12%) per annum upon all unpaid charges or assessments commencing 30 days after the assessment becomes due. In any action to foreclose any lien or sell any lot or lots pursuant to the power of sale herein given, the Association shall be entitled to such costs, including reasonable attorneys' fees, and such penalties for delinquent charges and assessments as shall have been established by the Board of Directors of the Association, or shall otherwise be allowable by law, or, if applicable, a court of competent jurisdiction."

- 6. Article X, Section 1 is deleted and the following substituted in its place:

"Section 1. Written notice of the violation, default, failure to repair, failure to make payment, offending conduct, or condition, or other facts giving rise to the right of the Association to impose sanctions shall be given within 30 days of the said offense to the lot owner, and to the occupant of the lot if the occupant does not own the lot, setting forth the facts of the complaint by the Association and setting a time not less than fourteen (14) days after the notice is given at which a hearing shall be held with respect to said complaint. The notice shall be given as set forth in Article XII, Section 10 hereof."

IN WITNESS WHEREOF, we have hereunto set our hands this 25 day of April, 1991.

LAGUNA ROBLES COMMUNITY ASSOCIATION

By: [Signature]
KEVIN J. DELANEY, Director

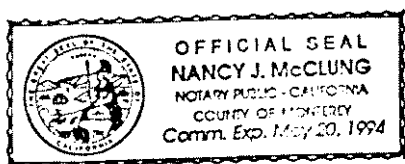
By: [Signature]
BOYD HUFF, Director

By: [Signature]
DENNIS WRIGHT, Director

STATE OF CALIFORNIA)
COUNTY OF MONTEREY)

On this 24th day of April, 1991, before me, Nancy J. McClung a Notary Public, State of California, personally appeared KEVIN J. DELANEY, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

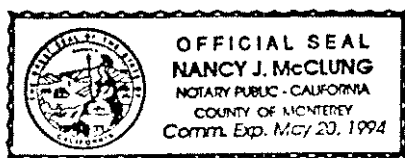


Nancy J. McClung
Notary Public

STATE OF CALIFORNIA)
COUNTY OF MONTEREY)

On this 23rd day of April, 1991, before me, Nancy J. McClung a Notary Public, State of California, personally appeared BOYD HUFF, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

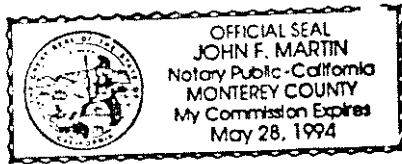


Nancy J. McClung
Notary Public

STATE OF CALIFORNIA)
COUNTY OF MONTEREY)

On this 30th day of April, 1991, before me, John F. Martin, a Notary Public, State of California, personally appeared DENNIS WRIGHT, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



John F. Martin
Notary Public

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