



HERITAGE RANCH PLANNED COMMUNITY

COVENANTS, CONDITIONS AND RESTRICTIONS

TRACT #466

In accordance with California Assembly Bill 446, effective January 1, 2020, if this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, victim of abuse status, disability, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

TRACT 466 - RECORDED SUMMARY PAGE

The original Supplementary DECLARATION (Condominium Plan), consisting of 12 pages, was recorded on November 5, 1973 as Document #36169.

The original sub-association DECLARATION, consisting of 92 pages, was recorded on November 5, 1973 as Document #36170. The sub-association Declaration has subsequently been amended as follows:

Amended by vote of the membership and recorded on July 23, 1976, as Document #28843

Article I, Section 22, Paragraph (3)
Article I, Section 22, Paragraph (7)
Article III, Section 1
Article III, Section 5
Article XI, Section 6

Amended by Board of Directors, to comply with California Civil Code 1352.5(a)&(b) and California Government Code 12955(1), on December 5, 2001, as Document #2001094231

Article II, Sub-article A, Section 3
Article III, Sub-article A, Section 2
Article III, Sub-article A, Section 3, Paragraph (a)
Article III, Sub-article B, Section 2
Article III, Sub-article B, Section 9
Article III, Sub-article B, Section 9, Paragraph (a)
Article III, Sub-article B, Section 9, Paragraph (c)
Article III, Sub-article B, Section 13
Article IV, Section 1, Paragraph (c)
Article IV, Section 2
Article IV, Section 3
Article VI, Sub-article B, Section 4
Article VIII, Section 4, Paragraph (b)
Article IX, Sub-article A, Section 1
Article IX, Sub-article A, Section 4
Article IX, Sub-article A, Section 5
Article IX, Sub-article A, Section 6
Article IX, Sub-article D, Section 1
Article IX, Sub-article E, Section 1
Article XIV, Section 1

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DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
HERITAGE RANCH AND CATTLE COMPANY

THIS DECLARATION, made on the date hereinafter set forth by HERITAGE RANCH AND CATTLE COMPANY, a California corporation, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the County of San Luis Obispo, State of California, which is more particularly described as:

HERITAGE RANCH - HOLIDAY HOUSES - TRACT 466, LAKE SIDE UNIT NO. 1, CONSISTING OF LOT 1 AS SHOWN BY MAP RECORDED IN BOOK 8, PAGES 32 AND _____ OF MAPS, IN THE OFFICE OF THE RECORDER OF SAN LUIS OBISPO COUNTY, ALONG WITH UNITS ONE (1) THROUGH THIRTY (30), INCLUSIVE, DESCRIBED IN THE DIAGRAMMATIC MAP INCORPORATED IN THE CONDOMINIUM PLAN RECORDED AS DOCUMENT NO. 36169 ON NOVEMBER 5, 1973, IN THE OFFICIAL RECORDS OF THE OFFICE OF THE RECORDER OF SAN LUIS OBISPO COUNTY;

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AND, WHEREAS, it is the desire and intention of the Declarant to subdivide said property as a condominium development pursuant to the provisions of Section 1350 et seq. of the Civil Code of the State of California, and to impose upon said property mutually beneficial restrictions under a master plan of development for the benefit of all owners thereof;

AND, WHEREAS, the Condominium Tract described above is being developed in accordance with Declarant's Development Plan submitted to and approved by the County of San Luis Obispo, which Development Plan provides for, or may be amended to provide for,

1 various uses, including but not limited to, the following:

2 (1) Private: single family and multiple family
3 homesites, condominiums, mobile homesites, recreational vehicle
4 sites, twenty (20) acre ranches, and large acreage parcels.

5 (2) Commercial and Industrial: village, retail stores,
6 service businesses, tourist facilities, medical and dental
7 facilities, hospital, recreational vehicle park, dude ranch,
8 campsites, marina, boat and recreational vehicle storage and
9 repair facilities, light industrial and general commercial.

10 (3) Recreational: parks, golf course, riding trails,
11 campgrounds, lakes, motorcycle trails, equestrian center, hunt
12 club, marinas, launch ramps, archery and rifle ranges, amusement
13 parks, swimming pool and baseball parks.

14 (4) Public Agency: sewage collection, treatment and
15 disposal facilities, water distribution, storage and treatment
16 facilities, sanitary landfill, fire station, public schools,
17 police station, county service area facilities, library and
18 hospitals.

19 (5) Open Space: real estate which is located within
20 the boundaries of the Heritage Ranch Planned Community and which
21 is a part of, or adjacent to, a subdivision tract which is
22 restricted in use as undeveloped common areas, which real
23 property shall be owned by the Heritage Ranch Owners Association.

24 (6) Institutional: churches, synagogues, private
25 schools, colleges, religious centers, Y.M.C.A.s, Y.W.C.A.s, Boys
26 Clubs, and other similar types of institutional uses.

27 (7) Other purposes and uses as in the judgment of
28 Declarant deemed to be appropriate and as allowed by the County

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1 of San Luis Obispo or other appropriate governmental body.
2 - NOW, THEREFORE, Declarant hereby declares that all of
3 said tract described above (including but not limited to each
4 of said Thirty (30) individual units) and such additions thereto
5 as may hereafter be made pursuant to ARTICLE II is held and shall
6 be held, conveyed, hypothecated, encumbered, leased, rented, used,
7 occupied or improved, subject to the following easements,
8 limitations, restrictions, covenants and conditions, all of which
9 are declared and agreed to be for the purposes of enhancing and
10 perfecting the value, desirability and attractiveness of the above
11 described Tract, the Heritage Ranch Planned Community, and such
12 other real property as may be annexed to this tract, as hereinafter
13 provided, and every part thereof and that all of the limitations,
14 covenants, restrictions and conditions shall run with the land,
15 and shall be binding on all parties having or acquiring any right,
16 title or interest in the said tract or any part thereof and shall
17 be for the benefit of each owner of any portion of said tract, or
18 any interest therein, and shall inure to the benefit of and be
19 binding upon each successor in interest of the said owners.

20 ARTICLE I
21 DEFINITIONS

22 Section 1. The term "Architectural and Environmental
23 Control Committees" shall mean the committees created pursuant to
24 ARTICLE VIII.

25 Section 2. The term "Architectural and Environmental
26 Control Committees Rules" shall mean rules adopted and amended
27 from time to time by the Board of Directors of the Association
28 pursuant to the powers granted to them under this Declaration and

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1 the Bylaws.

2 Section 3. The term "Articles" shall mean the Articles
3 of Incorporation of The Heritage Ranch Owners Association which
4 are filed in the Office of the Secretary of State of the State of
5 California, as such Articles of Incorporation may from time to
6 time be amended.

7 Section 4. The term "Association" shall mean and refer
8 to Heritage Ranch Owners Association, a California nonprofit
9 corporation, its successors and assigns. This term does not refer
10 to or include The Condominium Holiday House Association defined
11 in Section 8(f) of this Declaration.

12 Section 5. a) The term "Board" shall mean the Board of
13 Directors of the Association. b) The term "Board of Governors"
14 shall mean the Board of Governors of the Condominium Holiday Houses
15 Association.

16 Section 6. The term "Bylaws" shall mean the Bylaws of
17 the Association which are or shall be adopted by the Board, as
18 such Bylaws may from time to time be amended.

19 Section 7. The term "Common Area" shall mean a lot or
20 lots restricted in perpetuity as open space on a subdivision map
21 which has been conveyed in fee or in trust for or to the
22 Association, together with all of the improvements from time to
23 time constructed thereon. Common Area shall also mean and include
24 any real property interest deeded to the Association from time to
25 time by the Declarant or others, which real property interest is
26 restricted to the common use of the members of the Association.
27 Such Common Areas shall be used for the common use and enjoyment
28 of the owners, including, but not limited to, streets, easements,

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1 drainage facilities, parkways, parks, recreational facilities,
2 riding trails and undeveloped natural Common Areas. The term
3 Common Area" as used in this Declaration does not refer to or
4 include condominium common areas as defined in Section 8(b) hereof.

5 Section 8.

6 (a) The term "Condominium" shall mean a condominium
7 as defined in Section 783 of the Civil Code of the State of
8 California.

9 (b) The term "Condominium Common Area" shall mean the
10 entire condominium project excepting all units numbered Units One
11 (1) to Thirty (30), as shown on the diagrammatic plan referred to
12 on Page 1 of this Declaration; after Heritage Ranch - Holiday
13 Houses - Tract 449, Lake Side Unit No. 2 is annexed then the
14 condominium common area will include the entire condominium
15 project except for the aforesaid 30 units and the 72 units which
16 will be shown as numbered condominium units on the diagrammatic
17 plan of Heritage Ranch - Holiday Houses, Tract 449, Lake Side
18 Unit No. 2.

19 (c) The term "Condominium Project" shall mean the
20 entire parcel of real property here involved (Tract 466),
21 including all structures, improvements, installations and plantings
22 thereon; the condominium project being known as "Heritage Ranch -
23 Holiday Houses"; at such time as the real property described on
24 Exhibit "C" attached to this Declaration is annexed to this
25 Heritage Ranch - Holiday Houses Condominium Tract 466, Lake Side
26 Unit No. 1 (as provided in Article II of this Declaration), then
27 the "Condominium Project" shall include all structures, improve-
28 ments, installations and plantings located on such annexed real

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1 property.

2 (d) The term "Condominium Owner" shall mean the record
3 owner, or owners, if more than one of a condominium in the
4 project, including Declarant, so long as any condominiums remain
5 unsold.

6 (e) The term "Condominium Organization Meeting" shall
7 mean the first meeting of the condominium owners as provided for
8 in Article III, Section 7, hereof.

9 (f) The terms "Condominium Holiday Houses Association"
10 or "Condominium Association" shall mean an unincorporated
11 association consisting of all owners of condominiums in the
12 condominium project.

13 (g) The term "Condominium Restricted Common Area"
14 shall mean portions of the common area which are set aside and
15 designated on the diagrammatic map of the condominium plan
16 recorded in official records of the County of San Luis Obispo,
17 which are restricted in use to the respective units as more
18 particularly shown on the said diagrammatic map.

19 Section 9. The term "Corner Lot" defines a lot having
20 a front line on the street on which the shortest dimension abutting
21 a street occurs, and of which one of the side lot lines is the
22 lot line in that particular portion of the subdivision which is
23 nearest to a street intersection.

24 Section 10. The term "Declarant" shall mean and refer
25 to Heritage Ranch and Cattle Company, a California corporation,
26 its successors and assigns.

27 Section 11. The term "Developer" shall mean and refer
28 to Heritage Ranch and Cattle Company, a California corporation,

1 its successors and assigns.

2 Section 12. The term "Development Plan" shall mean
3 and refer to the Plan considered and approved by the San Luis
4 Obispo Planning Commission on August 11, 1971, (a copy of which is
5 attached hereto marked Exhibit "A" and incorporated herein by
6 reference) which reflects the Developer's Plan and intention,
7 subject to future modifications and amendments for the overall
8 development of the Heritage Ranch. The said Development Plan has
9 been more specifically defined in Declarant's Specific Development
10 Plan approved by the County of San Luis Obispo on _____
11 197__.

12 Section 13. The term "Excavation" shall mean any
13 disturbance of the surface of the land (except to the extent
14 reasonably necessary for planting) which results in the removal of
15 earth, rock or other substance from a depth of more than eighteen
16 (18) inches below the natural surface of such land.

17 Section 14. The term "File" or "Filed" shall mean, with
18 respect to the subdivision map, that said subdivision map shall
19 have been filed in the Office of the Recorder of the County of
20 San Luis Obispo, State of California.

21 Section 15. The term "Fill" shall mean any addition of
22 rock or earth materials to the surface of the land which increases
23 the natural elevation of such surface by more than eighteen (18)
24 inches.

25 Section 16. The term "Front line" defines a lot boundary
26 line that is abutting the right-of-way of the street on which the
27 lot abuts.

28 Section 17. The term "Heritage Ranch Planned Community"
shall mean and refer to the real properties subject to the

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1 jurisdiction of the Heritage Ranch Owners Association (either
2 through the recording of this Declaration or any annexation),
3 together with all real property (located within the boundaries
4 legally described on Exhibit "B") which is developed and/or sub-
5 divided by Declarant for the purposes and uses described herein,
6 in accordance with Declarant's Development Plan, which has been
7 more specifically defined in Declarant's Specific Development Plan,
8 approved by the County of San Luis Obispo on _____, 197____,
9 and which Plan is referred to in these Conditions, Covenants and
10 Restrictions as Declarant's Development Plan.

11 Section 18. The term "Heritage Ranch" shall mean
12 and refer to the real property legally described on Exhibit "B"
13 attached hereto, portions of which are being developed and
14 subdivided by Declarant for the purposes and uses described
15 herein, in accordance with Declarant's Development Plan.

16 Section 19. The term "Heritage Ranch Conditions,
17 Covenants and Restrictions" shall mean, with respect to all
18 property within the Heritage Ranch, the limitations, restrictions,
19 covenants and conditions set forth in this Declaration, as such
20 Declaration may from time to time be amended pursuant to ARTICLE
21 XII, Section 4, and, with respect to any property which is annexed
22 pursuant to ARTICLE II (to the Heritage Ranch Owners Association
23 and/or to Tract 466), a Declaration of Conditions, Covenants and
24 Restrictions imposed by Declarant, filed with respect to such
25 annexed property, whether heretofore or hereafter annexed),
26 pursuant to ARTICLE II (to the Heritage Ranch Owners Association
27 and/or to Tract 466), which Declaration is sometimes referred to
28 as a Supplementary Declaration of Conditions, Covenants and
Restrictions.

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1 Section 20. The term "Heritage Ranch Rules" shall mean
2 the rules from time to time in effect pursuant to the provisions
3 of ARTICLE VII, Section 1(d).

4 Section 21. The term "Improvements" shall include
5 dwellings, buildings, accessory buildings, mobile homes, modular
6 homes, roads, driveways, parking areas, fences, retaining walls,
7 stairs, decks, hedges, poles, signs and any structure of any
8 type or kind. The foregoing shall not include recreation vehicles.

9 Section 22. The term "Lot" shall mean and refer to:

10 (1) All numbered lots and parcels which have been
11 subdivided, either pursuant to the Subdivision Map Act or the
12 Subdivided Lands Act of the State of California [or other
13 similar Act providing for the subdivision of real property (or
14 any interest therein) from time to time adopted by the State
15 Legislature], provided, however, the foregoing shall not include
16 numbered lots on Subdivision Maps or Records of Survey which are
17 restricted in use to Common Areas.

18 (2) All numbered condominium units shown on a recorded
19 Diagrammatic Condominium Map.

20 (3) Each individual dwelling unit or dwelling area of
21 any multiple family residential building (including, but not
22 limited to, guesthouses and dwelling units in a commercial inn,
23 hotel, motel and dude ranch). Dwelling unit shall include each
24 hotel room, motel room, guest room or other similar accommodation
25 designed for rental or usage to or by persons on a temporary
26 occupancy basis.

27 (4) Each dwelling area or vehicle space of a
28 recreational vehicle park, and mobile home park.

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1 (5) Each twenty acre parcel which is designated on a
2 Parcel Map, a Subdivision Map or a Record of Survey Map (as more
3 particularly defined in Section 34 of this Article).

4 (6) Acreage parcels larger than twenty acres upon which
5 a dwelling unit may be constructed.

6 (7) Each individual commercial unit or individual
7 commercial area of any commercial establishment in any area of real
8 property developed for, and restricted to commercial or industrial
9 use.

10 (8) Each individual ownership interest of an undivided
11 interest in unsubdivided land within the Heritage Ranch.

12 Section 23. The term "Member" shall mean and refer to
13 every person or business entity who holds membership in the
14 Association.

15 Section 24. The term "Mobile Home" shall mean and
16 refer to independent trailer coaches designed for permanent
17 residential occupancy.

18 Section 25. The term "Mortgage" shall mean and include
19 a deed of trust as well as a mortgage in the conventional sense.

20 Section 26. The term "Mortgagee" shall mean and include
21 a beneficiary of a deed of trust, as well as a mortgagee.

22 Section 27. The term "Owner" shall mean and refer to
23 one or more persons or business entities who appear in the records
24 of the County Recorder of San Luis Obispo County as the owner of
25 a fee simple title to any lot, but excluding those having such
26 interest merely as security for the performance of an obligation.

27 Section 28. The term "Rear Lot Line" defines the
28 boundary line of the lot that is farthest from and substantially

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1 parallel to the line of the street on which the lot abuts.

2 Section 29. The term "Record" or "Recorded" shall
3 mean, with respect to any document, that said document shall have
4 been recorded in the Office of the Recorder of the County of
5 San Luis Obispo, State of California.

6 Section 30. The term "Recreation Vehicles and
7 Recreational Vehicle Units" are hereby defined to include each
8 of the following:

9 (1) Trailers designed for temporary periods of
10 occupancy, commonly referred to as travel trailers, but not
11 including tent trailers.

12 (2) Self-propelled Motor Homes designed for temporary
13 periods of occupancy.

14 (3) Camper Units mounted on truck beds or mounted on
15 a truck chassis and designed for temporary periods of occupancy.

16 Section 31. The term "Road" shall mean any paved
17 vehicular way constructed within or upon any portion of Common
18 Area designated a private road on a Subdivision Map.

19 Section 32. The term "Side Line" defines a lot
20 boundary line that extends from the street on which the lot
21 abuts to the rear line of the lot.

22 Section 33. The term "Structure" shall mean anything
23 constructed or erected, the use of which requires location on
24 the ground or attachment to something having location on the
25 ground.

26 Section 34. The term "Subdivision Map" shall mean
27 (a) any final map within the meaning of the provisions of
28 Division 4, Part 2, Chapter 2, of the Business and Professions

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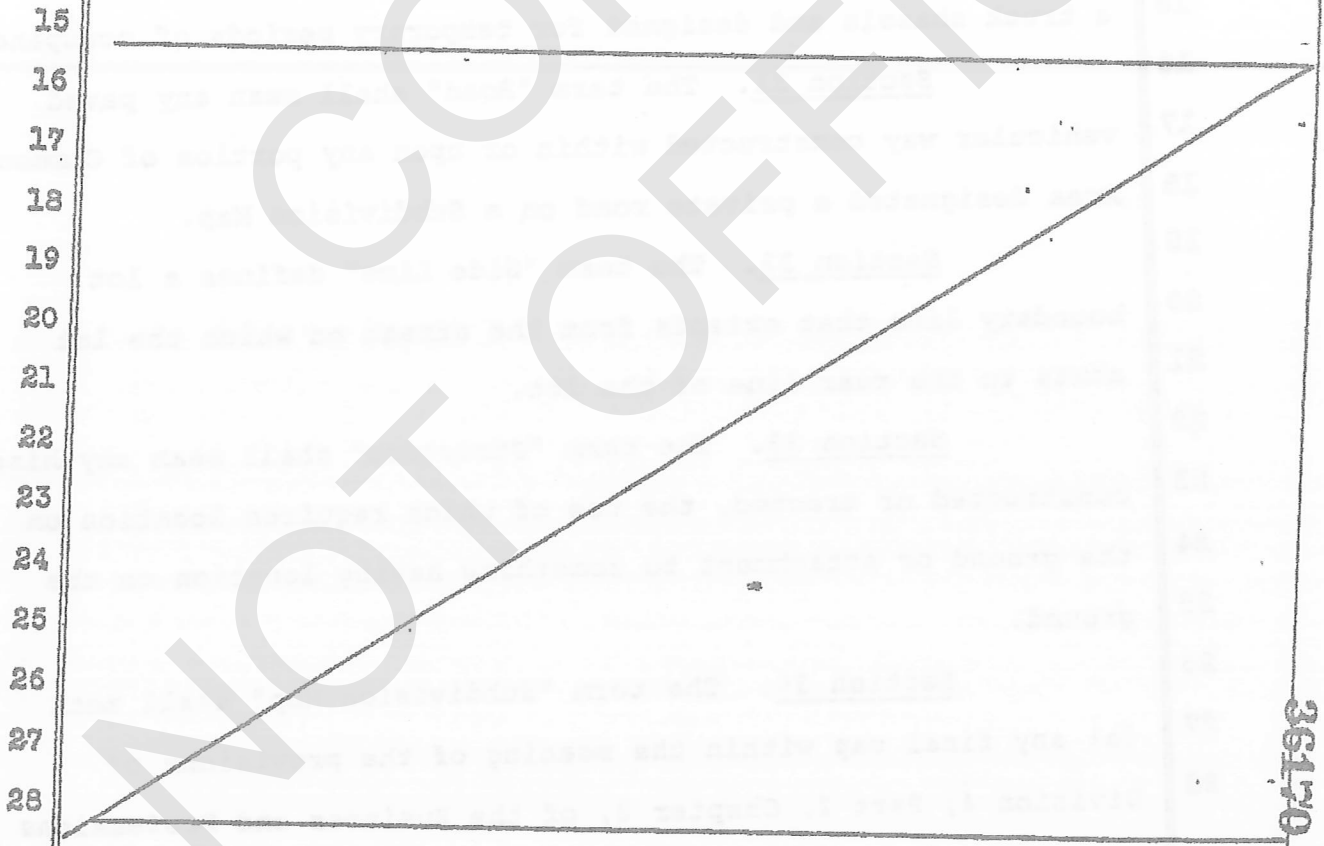
1 Code of the State of California, (b) any final plan within the
2 meaning of the provisions of Division 2, Part 4, Title 6 of the
3 Civil Code of the State of California, or (c) any final record
4 of survey map within the meaning of the provisions of Division
5 4, Part 2, Chapter 2, of the Business and Professions Code of the
6 State of California, as such provisions may from time to time be
7 amended.

8 Section 35. The term "Tract" shall mean and refer to
9 that certain real property hereinbefore described as Tract 466,
10 Lake Side Unit No. 1, Official Records, County of San Luis Obispo,
11 including Condominium Units One (1) through Thirty (30), inclusive,
12 described on the Diagrammatic Map more particularly described on
13 Exhibit "D" attached to this Declaration and incorporated herein
14 by reference as fully as though set forth.

15 Section 36. The term "Undeveloped Natural Common Area"
16 shall mean and refer to Common Areas which are part of, or
17 adjacent to individual subdivision tracts of the Heritage Ranch
18 Planned Community which will be maintained in an undeveloped and
19 natural state as open space for recreational use, subject only to
20 construction of structures and facilities for recreational
21 purposes, drainage, parking, utilities and access to only those
22 lots shown on subdivision maps. The foregoing term does not
23 include or refer to condominium common areas.

24 Section 37. The term "Unit" shall mean the portion of
25 any condominium not owned in common with the owners of other
26 condominiums in a project. The boundaries of a unit are shown
27 on the diagrammatic map hereinbefore referred to. The boundaries
28 of the unit granted are the interior surfaces of the perimeter

1 walls, floors, ceilings, windows and doors thereof, and balconies
2 and patios as set forth on the said Diagrammatic Map. The
3 following are not part of the unit: bearing walls, columns,
4 floors, roofs, foundations, reservoirs, tanks, pumps and other
5 central services, pipes, ducts, flues, chutes, conduits, wires
6 and other utility installations, wherever located, except the
7 outlets thereof when located within the units. In interpreting
8 deeds and plans, the existing physical boundaries of the unit or
9 of a unit reconstructed in substantial accordance with the original
10 plans thereof shall be conclusively presumed to be its boundaries
11 rather than the metes and bounds expressed in the deed or plan,
12 regardless of settling or lateral movement of the building and
13 regardless of minor variance between boundaries shown on the plan
14 or in the deed and those of the building.



1 Section 38. The term "Used Structure" shall mean any
2 building or structure which was previously built on, or situated
3 at, a location other than the lot, except factory built
4 structures (including, but not limited to, modular housing or
5 mobile homes), which have been stored at a location other than
6 the lot on a temporary basis.

7 Section 39. The term "Visible from Neighboring Lots"
8 shall mean, with respect to any given object or activity, that
9 such object or activity is or would be in any line of sight
10 originating from any point six feet above any other property,
11 excluding contiguous property owned by the owner of the property
12 involved, but including Common Area, assuming that such other
13 property has an elevation equal to the highest elevation of the
14 ground surface of that portion of the property upon which such
15 object or activity is located.

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18 ARTICLE II

19 SUBARTICLE A

20 DESCRIPTION OF LAND AND IMPROVEMENTS

21 Section 1. The following description is intended for
22 informational purposes only. In the event of any conflict
23 between this description and the diagrammatic map hereinbefore
24 referred to, and subject to the provisions of Civil Code Section
25 1353(a), the diagrammatic map shall be deemed conclusively to
26 control over this description.

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1 Section 2. The hereinbefore described real property
2 designated as Lot 1 of Tract 466 consists of an irregular shaped
3 plot of land being the condominium common area containing
4 approximately 5.14 acres, upon which there will be thirty (30)
5 individual residence "units" as hereinabove defined, numbered
6 consecutively from one (1) to thirty (30), inclusive, all as
7 shown on said diagrammatic map. Each of the said thirty (30)
8 individual residence units, together with an undivided one-one
9 hundred second (1/102nd) interest in said Lot 1 of Tract 466 shall
10 be offered for sale to the public after the issuance of a final
11 public report by the Department of Real Estate of the State of
12 California, and the grant deeds conveying said condominiums in
13 said condominium project to the individual purchasers shall
14 expressly incorporate by reference, and be made subject to, this
15 Declaration of Covenants, Conditions and Restrictions, provided,
16 however, that in the event Heritage Ranch - Holiday Houses,
17 Tract 449, Lake Side Unit No. 2 is not annexed as provided in
18 this Article II, then each unit owner will own an undivided
19 one-thirtieth (1/30th) interest in said Lot 1 of Tract 466.
20 Declarant has deeded to First American Trust Company an undivided
21 72/102nd interest in Lot 1 of Tract 466, which will be held in
22 trust and distributed pro-rata to each condominium owner in the
23 event that Heritage Ranch - Holiday Houses - Tract 449, Lake Side
24 Unit No. 2 is not annexed.

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1 Section 3. Each condominium owner shall have the
2 exclusive right and an easement to the use of the air conditioning
3 compressor appurtenant to his unit regardless of its location in
4 the condominium common area; provided, however, each owner
5 shall have the complete responsibility for the maintenance,
6 repair and replacement of such compressor.

7 Section 4. Units one (1) through thirty (30) shall
8 consist of fee simple interests in and to the air space lying
9 within the boundary lines of said units as hereinbefore defined
10 and as shown on said diagrammatic map. All other parts and
11 portions of said condominium project shall be deemed part of the
12 condominium common area as hereinbefore defined, subject, however,
13 to the exclusive use, or non-exclusive use, and possession of
14 balconies and patios as set forth in Subarticle B of Article XI
15 of this Declaration, and subject to the exclusive use and
16 possession of parking spaces and/or carports as set forth in
17 Subarticle B of Article XI.

18 SUBARTICLE B

19 ANNEXATION OF ADDITIONAL PROPERTY
20 TO THE ASSOCIATION AND UNIT NO. 1

21 The real property legally described on Exhibit "B"
22 attached hereto and as delineated on the Declarant's Development
23 Plan Map attached hereto, marked Exhibit "A", and/or any other
24 real property, may be annexed to the Heritage Ranch Planned
25 Community and become subject to the jurisdiction of the
26 Association by any of the methods set forth hereinafter in this
27 Article, as follows:

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1 Section 1. Annexation Without Approval and Pursuant
2 to General Plan. Declarant may, in its sole discretion, from
3 time to time, annex all or any part of the real property described
4 in Exhibit "B" and as delineated on Exhibit "A" to the
5 Association. Upon such annexation, such real property shall
6 become subject to the jurisdiction and a part of the Association
7 without the approval, assent or vote of the Association or its
8 members, providing and on condition that Declarant imposes
9 conditions, covenants and restrictions applicable to such
10 property, which are substantially similar to this Declaration of
11 Conditions, Covenants and Restrictions, provided, however, such
12 Conditions, Covenants and Restrictions imposed by Declarant shall
13 contain provisions which Declarant deems appropriate for the
14 development of the particular type of use being created for the
15 real property being annexed; (Declarant shall, in adopting such
16 Conditions, Covenants and Restrictions on annexed property,
17 modify, amend, delete and add provisions to these basic
18 Conditions, Covenants and Restrictions whenever necessary or
19 desirable to effectuate the development and use of the annexed
20 property as part of the Heritage Ranch Planned Community in
21 accordance with Declarant's Development Plan.) Such additional
22 Conditions, Covenants and Restrictions may, from time to time,
23 be referred to in these Conditions, Covenants and Restrictions
24 as Supplementary Declaration of Conditions, Covenants and
25 Restrictions.

26 (a) Prior to the conveyance of title to
27 lots to individual purchasers thereof, title to
28 any Common Area shall be conveyed either to the

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1 Association or to a trust company licensed to
2 do business in the State of California, to be
3 held pursuant to the trust, as more particularly
4 set forth in other provisions of these Conditions,
5 Covenants and Restrictions, until such time as
6 title is delivered to the Association.
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8 (b) When Declarant records a Declaration of
9 Covenants, Conditions and Restrictions on any real
10 property to be annexed to the Heritage Ranch Owners
11 Association, the recordation of such Declaration
12 of Conditions, Covenants and Restrictions shall
13 constitute and effectuate the annexation of the
14 said real property described in such Declaration of
15 Conditions, Covenants and Restrictions to the
16 Heritage Ranch Owners Association, making said real
17 property subject to the functions, powers and
18 jurisdiction of the Heritage Ranch Owners Association,
19 and thereafter all of the owners of lots in said real
20 property shall automatically be members of the
21 Heritage Ranch Owners Association.

22 (c) Declarant may, in its sole discretion,
23 annex any real property or any interest therein as
24 Common Areas to the Heritage Ranch Planned Community
25 by deeding same to the Association or in trust for
26 the Association, and imposing on such Common Areas,
27 restrictions which will be set forth in the deed
28 to such Common Areas.

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1 Section 2. Annexation Pursuant to Approval. Any real
2 property not described in Exhibit "B" or delineated on the Map
3 attached as Exhibit "A", may be annexed into the Association
4 pursuant to an affirmative vote of a two-thirds majority of the
5 voting power of the members (excluding the vote of the Declarant),
6 or the written assent of a two-thirds majority of the voting power
7 of the members (excluding the vote of the Declarant). In the
8 event of such approval, any real property to be so annexed must
9 have recorded against it a Declaration of Conditions, Covenants
10 and Restrictions which is substantially similar to the Conditions,
11 Covenants and Restrictions imposed upon real properties which are
12 subject to the jurisdiction of the Association, provided, however,
13 such Declaration of Conditions, Covenants and Restrictions shall
14 be appropriate for the development of the particular type of use
15 to be contained on the real property being annexed. Upon such
16 annexation, the owners of lots in such annexed property shall
17 enjoy all the rights, privileges and obligations of membership of
18 the Association.

19 Section 3. Supplementary Declarations. The
20 Supplementary Declarations contemplated in this Article II shall
21 contain such covenants, conditions and restrictions as Declarant
22 deems appropriate, necessary or desirable to reflect the
23 different character of use, if any, of the added property, so
24 that such annexed property will become an integral part of the
25 planned community in accordance with Declarant's Plan of
26 Development. In no event, however, shall any such Supplementary
27 Declaration revoke or modify this Declaration of Conditions,
28 Covenants and Restrictions unless the procedures for modification

1 and amendment provided for in Article XII, Section 4, of this
2 Declaration have been complied with.

3 The recordation of said Supplementary Declaration
4 shall constitute and effectuate the annexation of the said real
5 property described in such Supplementary Declaration, making said
6 real property subject to the functions, powers and jurisdiction
7 of the Association, and thereafter all of the owners of lots in
8 said real property shall automatically be members of the
9 Association.

10 Section 4. Mergers and Consolidations. Upon a merger
11 or consolidation of the Association with another association,
12 as provided in its Articles of Incorporation, its properties,
13 rights and obligations shall by operation of law, be transferred
14 to another surviving or consolidated association or,
15 alternatively, the properties, rights and obligations of another
16 association may, by operation of law, be added to the properties,
17 rights and obligations of the Association as a surviving
18 corporation pursuant to a merger. The surviving or consolidated
19 association may administer the covenants, conditions and
20 restrictions established by this Declaration within the existing
21 property, together with any supplementary covenants, conditions
22 and restrictions established upon any other property, as one plan.

23 SUBARTICLE C

24 ANNEXATION OF TRACT 449

25 Section 1. The real property legally described on
26 Exhibit "C" attached hereto (and referred to as Heritage Ranch -
27 Holiday Houses, Tract 449, Lake Side Unit No. 2) may be annexed
28 to the Heritage Ranch - Holiday Houses, Lake Side Unit No. 1 and

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1 become subject to the jurisdiction of the Condominium Holiday
2 House Association as set forth in this Subarticle.

3 Section 2. Declarant may, in its sole discretion, at any
4 time within three (3) years from the date of recording this
5 Declaration, annex the real property described in Exhibit "C" to
6 this Heritage Ranch - Holiday Houses, Tract 466, Lake Side Unit
7 No. 1, to the Condominium Holiday Houses Association, and to the
8 Heritage Ranch Owners Association. Upon such annexation, such
9 real property, including the 72 condominium units designated on the
10 condominium diagrammatic map for such real property shall become
11 subject to the jurisdiction and a part of the Condominium Holiday
12 Houses Association without the approval, assent or vote of the
13 Condominium Holiday Houses Association, or its members, providing
14 and on condition that Declarant imposes conditions, covenants and
15 restrictions applicable to such property, which are substantially
16 similar to this Declaration of Conditions, Covenants and Restrictions

17 Section 3. When all condominium units in Tract 449 are
18 completely constructed and when Declarant receives from the County
19 of San Luis Obispo a Certificate allowing the occupancy of the
20 condominium units following the completion of construction, the
21 receipt of such Certificate of Occupancy shall constitute and
22 effectuate the annexation of the said real property described in
23 such Declaration of Conditions, Covenants and Restrictions, making
24 said real property subject to the functions, powers and jurisdiction
25 of the Condominium Holiday House Association, and thereafter, all
26 of the owners of condominiums in said Heritage Ranch - Holiday
27 Houses, Tract 449, Lake Side Unit No. 2 shall automatically be
28 members of the Condominium Holiday House Association.

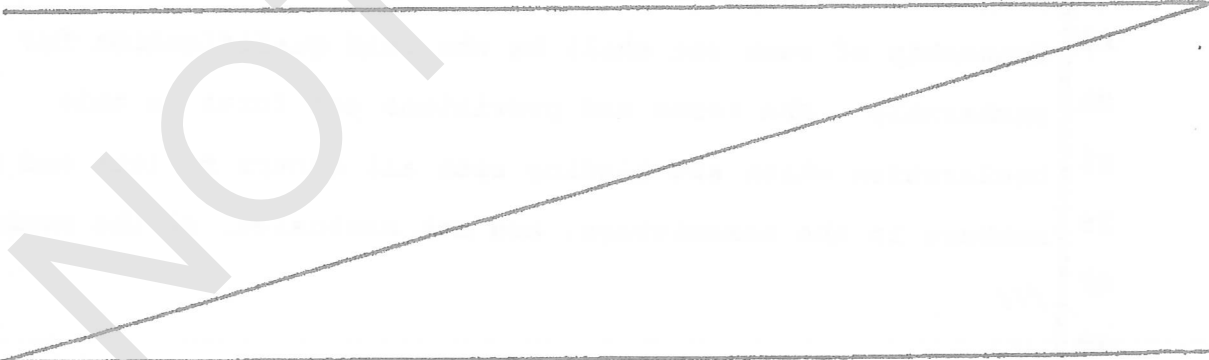
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(a) Upon annexation each owner of a
condominium unit in Heritage Ranch - Holiday Houses, Tract 466,
Lake Side Unit No. 1 and each owner of a condominium unit in
Heritage Ranch - Holiday Houses, Tract 449, Lake Side Unit No. 2
shall become the owners of an undivided one-one hundred second
(1/102nd) of the combined condominium common areas of Lot 1 of
Heritage Ranch - Holiday Houses, Tract 466, Lake Side Unit No. 1,
and the condominium common areas of the said real property
constituting Heritage Ranch - Holiday Houses, Tract 449, Lake
Side Unit No. 2.

(b) Upon annexation the monthly assessments for
operation and maintenance of the total condominium project
(Heritage Ranch - Holiday Houses, Tract 466, Lake Side Unit No. 1
and Heritage Ranch - Holiday Houses, Tract 449, Lake Side Unit
No. 2), including all 102 condominium units shall be divided
equally among all condominium owners.

Section 4. Members of the Heritage Ranch Owners
Association shall not have any rights in or to the condominium
common area (including, but not limited to, the right to use
all or any portion of said area or any improvements contained
thereon).



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1 ARTICLE III

2 MEMBERSHIP IN HERITAGE RANCH OWNERS ASSOCIATION

3 AND

4 CONDOMINIUM HOLIDAY HOUSE ASSOCIATION

5 SUBARTICLE A

6 MEMBERSHIP IN HERITAGE RANCH OWNERS ASSOCIATION

7 Section 1. Membership. Each lot has appurtenant to
8 it one (1) membership in the Association. If there is only one
9 (1) record owner of the lot, then the membership shall inure to
10 that particular owner, however, if more than one (1) individual
11 has an ownership in the lot, or if the lot is owned by a
12 corporation, partnership or other business entity, then the
13 membership shall inure to the benefit of the person or persons
14 provided for in the Bylaws and regulations of the Association.
15 No owner shall have more than one (1) membership for each lot
16 owned by such owner. Membership shall be appurtenant to and may
17 not be separated from the fee ownership of any lot or undivided
18 interest of an unsubdivided land which is subject to assessment
19 by the Association, provided, however, V.I.P. Memberships,
20 Charter Life Memberships and Associate Memberships are limited
21 Classes of Membership which are not appurtenant to any lot as
22 more particularly set forth in the Bylaws of the Association.
23 Ownership of such lot shall be the sole qualification for
24 membership. The terms and provisions set forth in this
25 Declaration which are binding upon all owners of lots and all
26 members in the Association, are not exclusive, as the members

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1 shall, in addition, be subject to the terms and provisions of
2 the Articles of Incorporation, Bylaws and Regulations of the
3 Association.

4 Section 2. Transfer. The membership held by any owner
5 of a lot shall not be transferred, pledged or alienated in any
6 way, except upon the sale of such lot, and then only to the
7 purchaser of such lot. Any attempt to make a prohibited transfer
8 is void, and will not be reflected upon the books and records of
9 the Association. In the event the owner of any lot should fail
10 or refuse to transfer the membership registered in his name to the
11 purchaser of such lot, the Association shall have the right to
12 record the transfer upon the books of the Association upon receipt
13 of proof that the purchaser is the owner as reflected in the
14 Official Records of the County Recorder of San Luis Obispo County.

15 Section 3. Voting Rights. The Association shall
16 have two (2) types of voting membership:

17 Type A. Each owner who is entitled to the rights
18 of membership in the Association, as provided in Section 1 and
19 in the Articles of Incorporation, Bylaws and Rules and
20 Regulations of the Association, shall be entitled to one (1) vote
21 for each lot owned by such owner on all matters properly submitted
22 for vote to the membership of the Association; provided, however,
23 that every owner entitled to vote at any election or removal of
24 the members of the Board of Directors may cumulate his votes and
25 give any one or more candidates a number of votes equal to the
26 number of lots owned by the owner multiplied by the number of
27 directors to be elected. The right to vote may not be severed
28 or separated from any lot, and any sale, transfer or conveyance

1 of any lot to a new owner shall operate to transfer the
2 appurtenant vote without the requirement of any express reference
3 thereto.

4 Type B. The Type B Member shall be the Declarant.
5 The Type B Member shall be entitled to three (3) votes for each
6 lot owned by Declarant on all matters properly submitted for a
7 vote to the membership of the Association; Declarant shall have
8 the right to cumulate its votes and give any one or more
9 candidates a number of votes equal to three (3) votes for each
10 lot owned by Declarant multiplied by the number of directors to
11 be elected. Declarant shall have the voting rights provided for
12 herein until the earlier of the following: (i) six (6) years
13 from the date of admission of the first member other than the
14 Developer to the Association; or (ii) three (3) years after the
15 date of the issuance of the last Public Subdivision Report issued
16 by the Department of Real Estate of the State of California.

17 Section 4. Meetings. The first meeting of the
18 Association shall take place not later than six (6) months from
19 the date the first lot is sold in Tract 424, or when 68 of the
20 lots have been sold at Heritage Ranch, whichever first occurs.

21 Section 5. Classes of Membership. The Bylaws of the
22 Association shall set forth the various Classes of Membership in
23 the Association, which Classes shall include, but not be limited
24 to: (a) Heritage Ranch Members; (b) Heritage Ranch Entity
25 Memberships; (c) Heritage Ranch Co-owner Members; (d) Heritage
26 Ranch Developer's Membership; (e) Charter Life Members; (f) V.I.P.
27 Memberships; and (g) Associate Members. The rights, privileges,
28 duties and obligations of members, in addition to those imposed

1 by this Declaration of Conditions, Covenants and Restrictions
2 shall be as set forth in the Bylaws.

3 Section 6. Heritage Ranch Developer's Membership.

4 Declarant shall be a Member of the Association by reason of its
5 inventory of unsold lots. This Membership shall be known as the
6 "Heritage Ranch Developer's Membership", and shall entitle the
7 directors, officers and certain management employees designated
8 by Declarant to the use of all of the Common Area and recreational
9 facilities within Heritage Ranch. Nothing contained herein shall
10 be deemed to limit the use of the Association's common areas as
11 recreation facilities by lessees or guests of the Declarant in
12 accordance with the provisions of this Declaration, the Bylaws
13 and Rules and Regulations applicable to the use of facilities
14 by guests and lessees of owners of lots, nor shall it limit the
15 Declarant's right of use pursuant to Section 1(e) of ARTICLE IV
16 of this Declaration.

17 SUBARTICLE B

18 MEMBERSHIP IN THE HERITAGE RANCH
19 CONDOMINIUM HOLIDAY HOUSE ASSOCIATION

20 Section 1. Said condominium project shall be organized
21 and operated as a condominium-type residence development. The
22 owners of said condominium units one (1) to thirty (30), inclusive,
23 shall constitute an unincorporated association named "Heritage
24 Ranch Condominium Holiday Houses Association", and a condominium
25 organization meeting of such owners shall be held at a time and
26 place in the County of San Luis Obispo, State of California,
27 to be determined by Declarant, subsequent to the sale of not less
28 than eighteen (18) condominium units of said condominium project,

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1 but in no event later than six (6) months from the date or
2 recordations of the first conveyance of an individual
3 condominium unit in said condominium project, whichever occurs
4 first. Notice of the time and place of such organizational
5 meeting shall be specified in writing and given each
6 condominium owner by Declarant at least ten (10) days and not more
7 than sixty (60) days prior to the date of said meeting. There-
8 after, annual meetings of such condominium owners shall be held
9 at a time to be determined by them at the organizational
10 meeting. At all meetings of the condominium owners, only one (1)
11 vote shall be cast for each of the condominium units, provided,
12 however, that Declarant shall have three votes for each unsold
13 condominium unit; the Declarant's right to three (3) votes for
14 each condominium unit shall terminate when all units have been
15 sold, or three (3) years from the date of recording this
16 Declaration, whichever first occurs; provided, however, in the
17 event that Declarant annexes Heritage Ranch - Holiday Houses -
18 Tract 449, Lake Side Unit No. 2, as provided in Article II,
19 Subarticle C, then Declarant's right to three (3) votes for
20 each unsold condominium unit shall terminate when all
21 condominium units in Unit No. 1 and Unit No. 2 have been sold,
22 or three (3) years after the recordation of the Declaration of
23 Conditions, Covenants and Restrictions annexing the said Heritage
24 Ranch - Holiday Houses - Tract 449, Lake Side Unit No. 2 to the
25 Heritage Ranch - Holiday Houses - Tract 466, Lake Side Unit No. 1.
26 After Declarant's right to three (3) votes per unit have
27 terminated, as set forth above, Declarant shall have one (1)
28 vote for each condominium unit it then owns. Any condominium

1 owner who owns more than one (1) condominium unit may cast one
2 (1) vote for each condominium unit owned, provided, however,
3 Declarant may cast three (3) votes for each condominium as set
4 forth above.

5 Section 2. At the organization meeting, and at each
6 annual meeting, the condominium owners shall elect a Board of
7 Governors, consisting of three (3) members, all of whom shall be
8 condominium owners, or if a unit is owned by a corporation,
9 an officer of such corporation. Every condominium owner entitled
10 to vote at any election of the Board of Governors may cumulate
11 his vote and give one (1) candidate a number of votes equal to the
12 number of governors to be elected or removed multiplied by the
13 number of condominiums owned (or in the case of Declarant by
14 three (3) votes for each condominium unit owned, as provided in
15 Section 1 above), or he may distribute his votes on the same
16 principle among as many candidates as he desires. The candidates
17 receiving the highest number of votes up to the number of
18 directors to be elected, shall be deemed elected.

19 A special meeting of the condominium owners may be held
20 upon the call of the Board of Governors or on written request of
21 one-third (1/3) of the condominium owners. There shall be
22 written notice of said special meeting at least ten (10) days
23 prior thereto and such notice shall specify the place, date and
24 hour, and the general nature of the business to be transacted.
25 At the annual meetings, at the first organizational meeting, and
26 at any special meeting of the condominium owners, there shall be
27 but one (1) vote cast for each of the condominium units,
28 regardless of the number of persons who jointly own such units,

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1 provided, however, Declarant shall have three (3) votes for each
2 such unit, as provided in Section 1 above. The owner of each
3 unit shall cast such vote and, if there is more than one
4 condominium owner, they shall determine which of them is to cast
5 the vote. At any such meetings, Declarant shall be deemed to be
6 the owner of any and all units then unsold, and shall be entitled
7 to three (3) votes for each such unit, as provided in Section 1
8 above. No notice as provided herein shall be valid if given more
9 than sixty (60) days prior to the scheduled owners meeting.

10 Section 3. In general, the Board of Governors shall have
11 authority to conduct all business affairs of common interest to all
12 condominium owners. The powers and duties of the Board of Governors
13 shall include, but shall not be limited to, the following:

14 (a) Collect the monthly installments of maintenance
15 charges and make or authorize expenditures therefrom.

16 (b) Collect special assessments, as authorized, from the
17 condominium owners. In this regard, Declarant, or its successor in
18 interest, shall not have voting privileges of a condominium owner
19 in the case of proposed assessments for capital improvements in
20 excess of One Thousand Dollars (\$1,000.00), so long as Declarant
21 shall control fifty-one percent (51%) or more of the voting power
22 of the Condominium Association.

23 (c) Contract for and pay for the following out of
24 maintenance funds:

25 Utilities serving the condominium common area;

26 Repair and upkeep of condominium common area
27 and all improvements thereon;

28 Gardening and janitor service;

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Trash removal;

Sewage disposal system, maintenance and repair charges;

Repair and upkeep of common recreation facilities;

Non-structural repair and upkeep of roofs and exterior surfaces of all residence and garage buildings;

Structural repair and reconstruction of units and condominium common area;

Engineering and architectural services, as required;

Legal and accounting expenses incurred for common benefit;

Utility water charges for water service to all condominium units;

Public liability, fire and other insurance and bonds required or authorized by the terms of this Declaration.

(d) Pay before delinquency, all taxes and assessments levied against the condominium project, or any portion thereof, or any commonly owned personal property, and which are not separately assessed to the condominium owners.

(e) Execute all necessary documents on behalf of the condominium owners, including any declaration of ownership for tax assessment purposes.

(f) Establish from maintenance funds a reasonable cash reserve for contingencies.

(g) Take such action and incur such obligations, whether or not hereinbefore expressly specified, as shall reasonably be necessary for the enforcement of the provisions of this Declaration or for the protection of the common interests of the condominium owners in the condominium project.

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1 Section 4. The Board of Governors shall have authority
2 to contract with qualified persons or corporations for the
3 professional handling of all or any part of the services required
4 for the maintenance of said condominium project and/or the handling
5 of the financial affairs thereof; provided, however, that any such
6 contract must be approved or ratified by a majority of the
7 condominium owners entitled to vote, either in person
8 or by proxy, at a duly constituted meeting of the condominium
9 owners, within thirty (30) days of the date of execution of said
10 contract, or the same shall be void and of no effect; provided
11 further that the Board of Governors may not enter into any such
12 agreement or contract which binds the Board of Governors or The
13 Condominium Association for a period of more than one year, unless
14 reasonable cancellation provisions are included therein.

15 Section 5. The Board of Governors shall have authority
16 to incorporate the Condominium Association as a non-profit
17 corporation, enter into partnership agreements, and enter into
18 agreements with, merge, or consolidate with owner's associations
19 of other condominium projects when such action would be in the
20 best interests of the Condominium Association for purposes,
21 including, but not limited to, more efficient management and
22 maintenance. Provided, however, such action must be approved or
23 ratified by two-thirds (2/3) of the condominium owners (excluding
24 Declarant or its successor in interest) present and entitled to
25 vote, either in person or by proxy, at a duly constituted meeting
26 of the owners.

27 Section 6. The Board of Governors shall not have
28 authority to act in the following matters, but only the

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1 condominium owners shall have such authority:

2 (a) Amend or repeal this Declaration in the manner as
3 more fully set forth in Article XII, Section 4, of this Declaration.

4 (b) Recall any governor.

5 (c) Levy special assessments for emergency
6 expenditures. In this regard, Declarant, or its successor in
7 interest, shall not have voting privileges of a condominium
8 owner in the case of proposed assessments for capital improvements
9 in excess of One Thousand Dollars (\$1,000.00) during any period
10 of time when Declarant has more than fifty-one percent (51%) of
11 the voting power of the Condominium Association.

12 (d) Increase or decrease the amount of the monthly
13 maintenance charge.

14 (e) Other matters set forth herein as expressly
15 requiring action by the condominium owners.

16 Section 7. At all meetings of the condominium owners,
17 except as otherwise provided in this Declaration, the presence,
18 in person or by proxy, of condominium unit owners holding at
19 least 50% of the voting power shall constitute a quorum for the
20 transaction of business or the adoption of any resolution,
21 except that members of the Board of Governors may be removed
22 only as provided in Section 810 of the California Corporation
23 Code.

24 If any meeting cannot be held because a quorum is not
25 present, the condominium owners present, either in person or by
26 proxy, may, as otherwise provided by law, adjourn the meeting
27 to a time not less than 48 hours nor more than 30 days from the
28 time the original meeting was called, at which meeting the

1 quorum shall be at least 25%.

2 Section 8. At each annual meeting of the condominium
3 owners, the Board of Governors, or a designated member thereof,
4 shall furnish to each condominium owner a financial statement
5 showing income and disbursements by the Board of Governors for
6 the preceding year. The Board of Governors shall cause an
7 independent audit of the accounts to be made annually and shall
8 deliver a copy to each condominium owner within 90 days of the end
9 of the fiscal year, or within thirty (30) days after completion
10 of said audit, whichever date first occurs.

11 Section 9. The Board of Governors shall conduct its first
12 meeting immediately upon the adjournment of the condominium
13 organization meeting of the condominium owners, and at such meeting
14 and at such annual meeting thereafter, shall at such time elect
15 among its members a Chairman, Secretary and Treasurer. The powers
16 and duties of such officers shall be as follows:

17 (a) Chairman. The Chairman shall be the chief
18 executive officer of the Condominium Association
19 and shall, subject to control of the Board of
20 Governors, have general supervision, direction
21 and control of the affairs and other officers
22 of the Condominium Association. He shall
23 preside at all meetings of the members and
24 at all meetings of the Board of Governors and
25 shall have such other powers and duties as may
26 be prescribed by the Board of Governors,
27 subject, however, to any limitations contained
28 in this Declaration.

24 (b) Secretary. The Secretary shall keep or
25 cause to be kept a book of minutes at such
26 place as the Board of Governors may order of
27 all meetings of governors and owners, with the
28 time and place of holding, whether regular or
special, the names of those present at
Governors meetings, the number of votes present
or represented at condominium owners meeting, and
all the proceedings thereof.

1 The Secretary shall give or cause to be given
2 notice of all meetings of the condominium owners and
3 of the Board of Governors required by this Declaration
4 to be given and shall have such other powers
5 and perform such other duties as may be
6 prescribed by the Board of Governors.

7 (c) Treasurer. The Treasurer shall keep and
8 maintain, or cause to be maintained and kept,
9 adequate accounts of its assets, liabilities,
10 receipts, disbursements, gains and losses.
11 The Treasurer shall also maintain or cause to
12 be maintained, complete records of all assess-
13 ments and charges levied and the liens securing
14 same under and pursuant to the provisions of
15 this Declaration, the amounts thereof, the
16 interests against which the same have been
17 assessed, the date upon which the same are due
18 and upon which the same are delinquent, and
19 a record of the payments thereof, as well as
20 a record of notices of assessment which have
21 been recorded pursuant to such Declaration.

22 The Treasurer shall collect and deposit or cause to be
23 deposited all monies and other valuables in
24 the name and to the credit of the Condominium
25 Association, with such depositaries as may be
26 designated by the Board of Governors. He shall
27 disburse the funds of the Condominium Association
28 as may be ordered by the Board of Governors,
shall render to the Chairman and Governors,
whenever they request it, an account of all
of his transactions as Treasurer, and of the
financial condition of the Condominium
Association, and shall have such other powers
and perform such other duties as may be
prescribed by the Board of Governors.

29 Section 10. The annual meeting of the Board of
30 Governors shall be held immediately upon the adjournment of the
31 annual meeting of the condominium owners.

32 Section 11. The Board of Governors may, with the
33 approval of a majority of the condominium owners present at any
34 duly constituted meeting, delegate to an agent or other qualified
35 financial or accounting firm the collection of maintenance charges,
36 the disbursement thereof, and the preparation of said annual
37 financial statement. But in such event, the Board of Governors

1 shall be responsible to the condominium owners for the accurate
2 handling and accounting of said funds, and the vouchers authorizing
3 the payment of expenses from said maintenance funds shall be signed
4 by not less than two (2) members of the Board of Governors. The
5 Board of Governors may also, under the same conditions and by the
6 same vote, employ a corporation, firm or individual to act as
7 professional management agent for said condominium project, which
8 agent may or may not be authorized and empowered to handle the
9 finances of said project, in the discretion of the Board of
10 Governors. Any such contracts for management shall not be for a
11 period in excess of one (1) year. The Board of Governors is
12 authorized to provide for the bonding of any member, agent or
13 employee handling any funds of the Condominium Association.

14 Section 12. The Board of Governors shall have the
15 authority to fix the regular meetings of the Board of Governors,
16 contract for such labor and materials as may be reasonably required
17 to discharge its responsibilities herein, adopt reasonable
18 regulations, and if adopted, they shall be printed and a copy
19 thereof distributed to each condominium owner.

20 Section 13. All vacancies in the Board of Governors
21 or of the officers named in Section 9 above, may be filled by
22 a majority of the remaining members of the Board of Governors
23 though less than a quorum, or by a sole remaining member. Each
24 condominium owner so appointed shall hold office thenceforth for
25 the remainder of the unexpired term and until the election of his
26 successor.

27 Section 14. With reference to the control and operation
28 of the unincorporated Condominium Association referred to herein,

1 as to any matters not provided for in this Declaration, the
2 General Non-profit Corporation Law of the State of California
3 shall apply.

4 Section 15. In the event that a valid Notice of
5 Default is filed or caused to be filed by the owner and holder
6 (including beneficiary) of any mortgage or deed of trust secured
7 by any such unit, then and in such event and until the curing
8 of the default upon which said Notice of Default is based, the
9 power of the condominium owner of said unit to vote shall be
10 transferred to the mortgagee or beneficiary under the deed of
11 trust in default, as the case may be. In the event that more
12 than one Notice of Default is filed, the power to vote shall be
13 vested in the mortgagee or beneficiary of the deed of trust
14 constituting the prior lien.

15 ARTICLE IV

16 PROPERTY RIGHTS IN THE COMMON AREAS OWNED OR
17 CONTROLLED BY THE HERITAGE RANCH OWNERS ASSOCIATION

18 Section 1. Members' Easements of Enjoyment. Every
19 member shall have a right and easement of enjoyment in and to the
20 Common Areas owned or controlled by The Heritage Ranch Owners
21 Association, and such easement shall be appurtenant to and shall
22 pass with the title to every assessed lot, subject to the
23 following provisions:

- 24 (a) The right of the Association to establish uniform
25 rules and regulations pertaining to the use of the Common Area.
26 (b) The right of the Association, in accordance with
27 its Articles and Bylaws, to borrow money for the purpose of
28 improving the Common Area and facilities.

1 (c) The right of the Board of Directors to suspend
2 the voting rights and/or use privileges of a member for any
3 period during which any assessment against his lot remains unpaid
4 and delinquent, and for a period not to exceed thirty (30) days
5 for any single infraction of the rules and regulations of the
6 Association, provided that any suspension of such voting rights
7 except for failure to pay assessments shall be made only by the
8 Board of Directors or a duly appointed committee thereof, after
9 notice and hearing given and held in accordance with the Bylaws
10 of the Association. The Board of Directors shall have the right
11 to suspend a member's voting and use privileges if the Rules and
12 Regulations of the Association have been violated by a lessee or
13 other person who is a delegated user (as such delegation is
14 provided for in Section 2 of this ARTICLE IV), of a member.

15 (d) The right of the Association to dedicate or
16 transfer all or any part of the Common Area to any public agency,
17 authority or utility for such purposes and subject to such
18 conditions as may be agreed to by the Members. No such
19 dedication or transfer shall be effective unless an instrument
20 signed by Members entitled to cast two-thirds of the votes of the
21 membership has been recorded, agreeing to such dedication or
22 transfer, and unless written notice of the proposed action is
23 sent to every Member not less than thirty (30) days nor more than
24 sixty (60) days in advance, provided, however, the foregoing
25 requirements shall not apply to dedication in the events specified
26 in subparagraph (f).

27 (e) The rights of Declarant (and its sales agents
28 and representatives) to the non-exclusive use of the Common Area

1 and the facilities thereof for special events, affairs,
2 promotional activities, displays, exhibit purposes and otherwise,
3 in connection with Declarant's public relations program or in
4 connection with the sale of lots within the Heritage Ranch or any
5 property annexed thereto, which right Declarant hereby reserves;
6 provided, however, that such use shall terminate if Declarant
7 terminates its sales efforts and public relations program at any
8 point in time for a period of more than one (1) continuous year.
9 Provided, however, in the event of any Act of God or of any
10 governmental order which might be decreed in time of war or
11 national emergency which has the effect of interrupting Declarant's
12 sales efforts and public relations program, such interruption
13 shall not limit Declarant's right to resume and continue to use
14 the Common Area and facilities. It is further provided that
15 Declarant, in exercising its rights hereunder, shall endeavor at
16 all times to conduct its activities in such a manner as not to
17 unreasonably restrict the members in their use and enjoyment of
18 the Common Area or facilities.

19 (f) (i). The County of San Luis Obispo, in
20 consideration of granting exceptions to zoning and subdivision
21 requirements, and thereby authorizing the development of the
22 Heritage Ranch, and in particular this Tract 466, may enforce
23 the provisions of this Declaration relating to the covenants
24 pertaining to the Common Areas, in the event that Declarant,
25 its successors and assigns, (including the Association) shall
26 fail to maintain the Common Areas. The County assumes no
27 obligation to enforce any of the Covenants, Conditions and
28 Restrictions contained herein. The rights of the County to

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1 enforce the Covenants, as they relate to maintenance of the
2 Common Areas, shall only accrue in the event that the Common
3 Areas, together with all improvements thereon, are not maintained
4 in an orderly manner without constituting either a public or
5 private nuisance. Declarant covenants, for the benefit of the
6 County and for the benefit of owners of lots, that the Common
7 Areas conveyed to the Association, shall be maintained for the
8 exclusive use and benefit of the members of the Association,
9 their delegated users (lessees), and their guests.

10 (f) (ii) The Declarant hereby offers to dedicate
11 the Common Areas to the County of San Luis Obispo which dedication
12 is contingent upon the failure of the Association to maintain the
13 Common Areas in accordance with generally accepted standards for
14 maintenance of shrubs, trees and undeveloped natural common areas,
15 and all improvements contained within the Common Areas (including,
16 without limitation, recreational buildings, streets, curbs,
17 sidewalks and other facilities). The rights of dedication set
18 forth in this subparagraph (ii) are independent of and in
19 addition to the other rights provided for in this subparagraph (f).

20 (f) (iii) The County of San Luis Obispo, in the
21 event the Common Areas are not properly maintained in accordance
22 with the generally accepted standards for maintenance of shrubs,
23 trees and undeveloped natural Common Areas, and all improvements
24 contained within the Common Areas (including without limitation,
25 recreational buildings, streets, curbs, sidewalks, and other
26 facilities), or in the event there is a delinquency in the
27 payment of taxes or assessments imposed by law upon the Common
28 Area portions owned by the Association, which continues for

1 thirty (30) days after written notice from the County to the
2 Association and to Declarant, may make and enforce assessments,
3 which shall be a lien against the lots within this tract and any
4 lots annexed to this tract and to the Association, and the Common
5 Area, and Declarant hereby acknowledges on behalf of itself,
6 its successors and assigns, that any such assessment shall be
7 a lien against the lots within this tract and any lot annexed to
8 this tract and to the Association, and on the Common Areas of the
9 Association. This lien of the County on each lot and the Common
10 Area may be enforced by civil action or foreclosure of lien or
11 other remedy. It is the intent of this provision that the
12 County is to enforce its assessment and lien on the lots in this
13 tract and any lots annexed to this tract and to the Association,
14 and to the Common Areas to insure the maintenance of the Common
15 Areas which are required to be maintained by the Association.

16 (g) The provisions of this Article IV only apply to
17 Common Areas owned by The Heritage Ranch Owners Association, and
18 are not applicable to the maintenance of condominium Common Areas
19 which are the responsibility of the Board of Governors of the
20 Condominium Association.

21 Section 2. Delegation of Use. Any Member may
22 delegate, in accordance with the Bylaws and Rules and Regulations
23 of the Association, his right of enjoyment to the Common Areas
24 and the facilities to members of his family or his tenants who
25 reside on the Member's lot.

26 Section 3. Waiver of Use. No member may exempt
27 himself from personal liability for assessments duly levied by the
28 Association, nor release the lot owned by him from the liens and

1 charges hereof, by waiver of the use and enjoyment of the Common
2 Areas and the facilities thereon, or by abandonment of his lot.

3 Section 4. Title to the Common Area. The Declarant
4 hereby covenants for itself, its successors and assigns, that
5 it will convey, in accordance with said Declarant's Development
6 Plan, title to the Common Areas either directly to the
7 Association or to a trust company authorized to do business in
8 California, subject to deed restrictions imposed by Declarant,
9 providing for the Common Areas to be restricted to the non-
10 commercial recreational uses provided for in Declarant's
11 Development Plan and to easement, conditions and reservations
12 then of record, including those set forth in this Declaration and
13 Supplementary Declarations. The trust company shall convey such
14 Common Areas to the Association on the happening of either of the
15 following events, whichever occurs earlier:

- 16 (a) When 4,080 lots have been sold; or
- 17 (b) Three (3) years after the date of
18 issuance of the most recent Final Subdivision
19 Public Report by the Real Estate Commissioner
20 of the State of California pertaining to the
21 real property described in Exhibit "B" or any
22 part thereof.

23 ARTICLE V
24 COVENANTS FOR MAINTENANCE ASSESSMENTS
25 OF THE HERITAGE RANCH OWNERS ASSOCIATION

26 Section 1. Creation of the Lien and Personal
27 Obligation of Assessments. The Declarant, for each lot owned
28 by it within the tract and within any additional tracts annexed

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1 to the Heritage Ranch Planned Community, hereby covenants and
2 agrees to pay, and each owner of any lot in the Heritage Ranch
3 Planned Community which becomes subject to the jurisdiction of
4 the Association, by acceptance of a deed therefor, whether or not
5 it shall be so expressed in any such deed, is deemed to covenant
6 and agrees to pay to the Association: (1) Regular assessments
7 or charges; and (2) Special assessments for capital improvements,
8 such assessments to be fixed, established and collected from
9 time to time as hereinafter provided. The regular and special
10 assessments, together with such interest thereon and costs of
11 collection thereof, as hereinafter provided, shall be a charge on
12 the land or the condominium unit, as the case may be, and shall be
13 a continuing lien upon the lot against which each such assessment
14 is made. Each such assessment, together with such interest, costs
15 and reasonable attorneys fees, shall also be the personal
16 obligation of the person who was the Owner of such lot at the time
17 when the assessment fell due.

18 Section 2. Purpose of Assessments. The assessments
19 levied by the Association shall be used exclusively for the
20 purpose of safety and welfare of the Members of the Association
21 and, in particular, for the improvement, operation and
22 maintenance of the properties of the Association, and the
23 services and facilities devoted to this purpose, and related to
24 the use of the Common Area and all improvements contained on such
25 Common Area.

26 Section 3. Regular Assessments. The amount and time
27 of payment of regular assessments shall be determined by the
28 Board of Directors of the Association pursuant to the Articles of

1 Incorporation and Bylaws of said Association, after giving due
2 consideration to the current maintenance and operation costs and
3 future needs of the Association. Written notice of the amount of
4 an assessment, regular or special, shall be sent to every owner
5 and the due date of the payment of same shall be set forth in said
6 notice. Regular assessments shall be fixed on an annual basis.

7 Section 4. Special Assessments for Capital

8 Improvements: In addition to the regular assessments, the
9 Association may levy in any fiscal year, a special assessment
10 applicable to that year only, for the purpose of defraying, in
11 whole or in part, the costs of any construction or reconstruction,
12 unexpected repair or replacement of the capital improvements
13 upon the Common Area, including the necessary fixtures and
14 personal property related thereto, provided that any such
15 assessment which is more than a sum equal to Ten Percent (10%)
16 of the regular annual assessment, shall have the assent of the
17 majority of the members who are eligible to vote, excluding
18 the Declarant, in person or by proxy at any such meeting duly
19 called for this purpose.

20 Section 5. Uniform Rate of Assessment. Both regular
21 and special assessments shall be fixed at a uniform rate for
22 all lots and may be collected on a monthly or annual basis.

23 Section 6. Date of Commencement of Regular
24 Assessments and Fixing Thereof. Regular assessments of the
25 Association shall commence as to all lots in each area annexed
26 into the Heritage Ranch Planned Community and this Association
27 on the first day of the month following the recordation of a
28 Declaration of Conditions, Covenants and Restrictions annexing

1 the said area to the Heritage Ranch Planned Community and to this
2 Association.

3 Section 7. Certificate of Payment. The Association
4 shall, upon demand, furnish to any owner liable for said
5 assessment, a Certificate in writing, signed by an officer of the
6 Association, setting forth whether the regular and special
7 assessments on a specified lot have been paid, and the amount of
8 the delinquency, if any. A reasonable charge may be made by the
9 Board for the issuance of these Certificates. Such Certificate
10 shall be conclusive evidence of payment of any assessment therein
11 stated to have been paid.

12 Section 8. Exempt Property. The following property
13 subject to this Declaration shall be exempt from the assessments
14 created herein:

- 15 (a) All properties dedicated to and accepted by a
16 local public authority;
17 (b) The Common Area owned by the Association.
18 (c) The Condominium Common Area.
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ARTICLE VI
SUBARTICLE A
ASSESSMENTS OF THE
HERITAGE RANCH OWNERS ASSOCIATION

Section 1. Lien. The amount of each regular and special assessment of The Heritage Ranch Owners Association, plus any other charges thereon, such as interest when delinquent, and costs of collection (including attorneys fees), if any, shall constitute and become a lien on the lot so assessed when the Board of Directors causes to be recorded with the County Recorder of San Luis Obispo County a Notice of Assessment, which shall state the amount of such assessment and such other charges, a description of the lot which has been assessed, and the name of the record owner thereof. Such Notice shall be signed by the Secretary of the Association on behalf of the Association. Upon payment of said assessment and charges in connection with which such Notice has been so recorded, or other satisfaction thereof, the Board of Directors shall cause to be recorded further Notice stating the satisfaction and release of the lien thereof.

Section 2. Delinquency. Any assessment (or any installment of such assessment) provided for in this Declaration, which is not paid when due, shall be delinquent. With respect to each assessment or any installment of each assessment not paid within fifteen (15) days after its due date, the Association may, at its election, require the Owner to pay a "late charge" in a sum to be determined by the Association, but not to exceed \$10.00 per each delinquent assessment or installment of such assessment. If any such assessment or installment is not paid within

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1 thirty (30) days after the delinquency date, the assessment shall
2 bear interest from the date of delinquency at the rate of Ten
3 Percent (10%) per annum, and the Association may, at its option,
4 bring an action at law against the Owner personally obligated to
5 pay the same, or any necessary proceedings to foreclose the lien
6 provided for in Section 1 of this Article VI against the lot,
7 and there shall be added to the amount of such assessment: (a) the
8 late charge, (b) the costs of preparing and filing the complaint
9 in such action, (c) in the event a judgment is obtained, such
10 judgment shall include said interest, court costs and a
11 reasonable attorneys fee, (d) in the event a foreclosure proceeding
12 is commenced, then the costs and attorneys fees connected with
13 the foreclosure. Each Owner vests in the Association or its
14 assigns, their right and power to bring all actions at law or lien
15 foreclosure proceedings against such Owner or other Owners for the
16 collection of such delinquent assessments.

17 The Board of Directors shall have the option to declare
18 that the entire unpaid balance of an assessment is due and
19 payable in the event a default should be made on the payment of
20 any installment of such assessment.

21 Section 3. Notice of Lien. No action shall be
22 brought to foreclose said assessment lien or to proceed under the
23 power of sale herein provided less than thirty (30) days after
24 the date a notice of foreclosure of lien is deposited in the
25 U. S. mail, certified or registered, postage prepaid, to the
26 Owner of said lot and a copy thereof is recorded by the
27 Association in the Office of the County Recorder of San Luis
28 Obispo County, in which the properties are located; said notice

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1 of foreclosure must recite a good and sufficient legal description
2 of any such lot; the record owner or reputed owner thereof, the
3 amount claimed (which shall include interest on the unpaid
4 assessment at the rate of Ten Percent (10%) per annum, plus
5 reasonable attorneys fees and expenses of collection in connection
6 with the debt secured by said lien), and the name and address of
7 claimant.

8 Section 4. Foreclosure Sale. Any such sale provided
9 for above is to be conducted in accordance with the provisions
10 of Section 2924, 2924b and 2924c of the Civil Code of the State
11 of California, applicable to the exercise and powers of sale in
12 mortgages and deeds of trust, or in any other manner permitted or
13 provided by law. The Association, through its duly authorized
14 agents, shall have the power to bid on the lot at foreclosure sale,
15 and to acquire and hold, lease, mortgage and convey the same.

16 Section 5. Curing of Default. Upon the timely curing
17 of any default for which a notice of claim of lien was filed by
18 the Association, the officers of the Association are hereby
19 authorized to file or record, as the case may be, an appropriate
20 release of such notice of foreclosure, upon payment by the
21 defaulting Owner of a fee, to be determined by the Association,
22 but not to exceed \$25.00 to cover the costs of preparing and
23 filing or recording such release, together with the payment of
24 such other costs, interest or fees, that shall have been incurred.

25 Section 6. Cumulative Remedies. The assessment lien
26 and the rights to foreclose and sale thereunder shall be in
27 addition to and not in substitution for all other rights and
28 remedies which the Association and its assigns may have hereunder

1 and by law, including a suit to recover a money judgment for
2 unpaid assessments, as above provided.

3 Section 7. Subordination of Assessment Liens
4 and Rights of Lenders.

5 (a) Any condominium owner may encumber his condominium
6 interest by deed of trust or mortgage. The beneficiary of the
7 deed of trust or the mortgagee of a mortgage is hereinafter called
8 "Lender".

9 (b) A breach of any of the Covenants, Conditions or
10 Restrictions contained in this Declaration shall not affect or
11 impair the lien or charge of any bona fide deed of trust or
12 mortgage made in good faith and for value upon any of the said
13 condominiums. A lender who acquires title by foreclosure or deed
14 in lieu of foreclosure shall not be obligated to cure any breach
15 of the Covenants, Conditions or Restrictions which is non-curable
16 or of a type which is not practical or feasible to cure. It is
17 intended that any loan to facilitate the resale of any
18 condominium after foreclosure or deed in lieu of foreclosure is
19 a loan made in good faith and for value and entitled to all of the
20 rights and protection afforded to other lenders.

21 (c) All liens created by the provisions of this
22 Declaration of Covenants, Conditions and Restrictions, including,
23 but not limited to, any assessment, special assessment, or
24 assessment by either The Heritage Ranch Owners Association or the
25 Heritage Ranch Holiday House Condominium Association shall be
26 subordinate to the lien created by any deed of trust or mortgage
27 given to any lender and which is a first trust deed or mortgage.
28 It is specifically understood, however, that a lender is liable

1 for assessments during the actual period of time the lender holds
2 title to the condominium. This liability for assessments on the
3 part of the lender is on a pro-rata basis with the pro-rata
4 period commencing on the date the lender acquires title and
5 ending upon resale or transfer by the lender. The liens referred
6 to in this subparagraph are those arising out of assessments
7 for payments of money.

8 (d) No amendments to the Declaration of Covenants,
9 Conditions and Restrictions shall be valid which would tend to
10 defeat the lender's loan to an illegal status under such
11 governmental regulations then applicable to the lenders involved
12 unless the consent in writing of all lenders is obtained. Any
13 and all other amendments to the Declaration of Covenants,
14 Conditions and Restrictions may be adopted as provided in
15 Article XII, Section 4, of this Declaration (annexation of Tract
16 449, Lake Side Unit No. 2, pursuant to Article II shall not be
17 considered as an amendment) provided written notice of the
18 proposed amendment is sent to all lenders and the written consent
19 is obtained of seventy-five percent (75%) of the lenders holding
20 the beneficial interests in any mortgages or trust deeds of record
21 as valid liens against said condominium project or any portion
22 thereof.

1 owners for the maintenance of accurate records thereof at all times.
2 No withdrawal shall be made from said account except to pay the
3 charges and expenses for the common benefit of all condominium
4 owners set forth in Subarticle B of Article III of this Declaration.

5 Section 2. The monthly maintenance assessment may be
6 increased or decreased upon the affirmative vote of not less than
7 two-thirds (2/3rds) of the condominium owners present, either in
8 person or by proxy, and entitled to vote at any duly constituted
9 meeting for such purpose. The monthly maintenance assessment
10 shall not be decreased below sixty percent (60%) of the amounts
11 stated in Exhibit "E" attached hereto, except upon the vote of
12 not less than two-thirds (2/3rds) of the condominium owners
13 present, either in person or by proxy, and entitled to vote at
14 any duly constituted meeting for such purpose, together with the
15 written consent of seventy-five percent (75%) of all persons and
16 firms holding an obligation of the owner of any condominium in
17 this condominium project secured by a mortgage or deed of trust
18 which is a first lien on the condominium or interest of such
19 condominium owner, and which was made in good faith and for value.

20 Section 3. In the event of default by any owner in
21 the payment of any maintenance assessment, the Board of Governors,
22 acting on behalf of the remaining condominium owners, shall be
23 entitled to a lien upon the condominium of said defaulting
24 condominium owner as provided in Civil Code Section 1356. Such
25 lien shall be effective only upon recordation of a Notice of
26 Assessment in the San Luis Obispo County Recorder's Office not
27 less than thirty (30) days following the occurrence of such
28 default, and said notice shall contain the information set forth

1 in Civil Code Section 1356. Legal action to enforce said lien
2 shall be commenced within ninety (90) days following the
3 recordation of said Notice of Assessment, or said lien shall be
4 deemed void and of no effect. Upon recordation of such Notice
5 of Assessment, said defaulting condominium owner shall be
6 liable to the Board of Governors, in addition to the amount of
7 any such default, for payment of interest, reasonable charges and
8 expenses, and attorneys fees incurred in the preparation and
9 filing of such claim of lien and the satisfaction thereof, and
10 any judgment rendered against such defaulting condominium owner
11 in an action to enforce said lien shall include such costs and
12 expenses and reasonable attorneys fees incurred in prosecuting such
13 action. The lien provided herein shall be enforced pursuant to
14 Section 1356 of California Civil Code. Such lien shall be
15 subordinate to the lien or charge of any bona fide mortgage or
16 deed of trust made in good faith and for value on said condominium.

17 Section 4. If any such default is cured prior to the
18 commencement of legal action to enforce such claim or lien, then
19 upon the demand of the owner or his successor and payment of a
20 reasonable fee not to exceed \$50.00, the Board of Governors shall
21 cause to be recorded in the San Luis Obispo County Recorder's
22 Office a further notice or certificate setting forth the
23 satisfaction of such claim and release of such lien.

24 Section 5. In addition to the right to such lien,
25 the remaining condominium owners, or any of them, or any member
26 of the Board of Governors, acting on behalf of all the
27 condominium owners, shall be entitled to bring legal action for
28 damages against any condominium owner who shall breach or who

1 shall be in default in the performance of any of the Covenants,
2 Conditions and Restrictions herein contained, including, but not
3 limited to, the covenant to pay said maintenance charges, to
4 enjoin any violation of this Declaration, or to prosecute any
5 other appropriate legal or equitable action that may be
6 necessary or expedient in the premises. Any judgment rendered
7 against any such defaulting condominium owner may include a
8 reasonable attorney's fee to be fixed by the court.

9 Section 6. After the sale and conveyance by Declarant of
10 any condominium described herein, Declarant shall be obligated to
11 pay to the Board of Governors a maintenance charge, as hereinbefore
12 provided, for each unsold condominium, provided that construction
13 of such unit is completed and a Certificate of Occupancy has been
14 issued for such unit by the appropriate governmental authority
15 having jurisdiction over the construction of such units.

16 Section 7. Until the Board of Governors is elected as
17 provided in Section 1 of Subarticle B of Article III, Declarant
18 shall have all the rights and responsibilities set forth herein,
19 of said Board of Governors, including the right to collect the
20 monthly maintenance charges and disbursement of funds. During such
21 time, Declarant shall contribute a share of maintenance assessments
22 for each unsold unit, provided that construction of such unit is
23 completed and a Certificate of Occupancy has been issued for such
24 unit. Upon the election of said Board of Governors, Declarant
25 shall account to the Board for any unused funds collected.

26 SUBARTICLE C

27 DISTRIBUTION OF MAINTENANCE
28 FUNDS ON DISSOLUTION

It is understood and agreed that the association of
owners is not for the purpose of profit of any kind or

1 character. That no profits or assets are to be distributed to
2 any of the persons signing this agreement, and that in the event
3 of termination or dissolution of such association for any cause,
4 no portion of the maintenance funds shall be distributed to
5 any persons signing this agreement, but any balance remaining
6 in the maintenance account shall be distributed to a charitable
7 corporation organized and existing under and by virtue of the
8 laws of the State of California, the identity of which charitable
9 organization shall be designated by majority vote of the
10 condominium owners at the organizational meeting.

11 ARTICLE VII

12 DUTIES AND POWERS OF THE ASSOCIATION

13 Section 1. Duties and Obligations of the Association.

14 The Association shall have the obligations and duties, subject
15 to the Heritage Ranch Declarations of Covenants, Conditions and
16 Restrictions, to do and perform each and every of the following
17 for the benefit of the owners, and for the maintenance and
18 improvement of the properties of the Association and all
19 properties annexed to this tract, the Heritage Ranch Planned
20 Community, and the Association.

21 (a) The Association shall accept as part of the
22 Association, all property annexed to the Heritage Ranch Planned
23 Community and the Association, pursuant to Article II, and shall
24 accept all owners entitled to membership as members of the
25 Association.

26 (b) The Association shall accept title to all Common
27 Areas and easements from time to time conveyed to it by Declarant.

28 (c) The Association shall maintain, or provide for
the maintenance of, the Common Area, recreational facilities and

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1 all improvements of whatever kind and for whatever purpose from
2 time to time located on the Common Area in good order and repair,
3 including, but not limited to, the private roads, park areas,
4 riding trails and bike trails; roads shall be maintained in a
5 condition of repair at least equal to that of comparable roads
6 of the County of San Luis Obispo.

7 (d) The Board of Directors shall, from time to time,
8 make, establish, promulgate, amend and repeal the Rules and
9 Regulations of the Association according to the procedure set
10 forth in the Bylaws.

11 (e) The Board of Directors shall, from time to time,
12 make, establish, promulgate, amend and repeal rules, regulations
13 and criteria pertaining to the functions and decisions of the
14 Architectural and Environmental Control Committees.

15 (f) The Association shall take such action, whether
16 or not expressly authorized by the Declarations of Conditions,
17 Covenants and Restrictions, as may reasonably be necessary to
18 enforce the restrictions, limitations, covenants and conditions
19 of this Declaration and all Supplemental Declarations; the
20 Heritage Ranch Owners Association Rules, Bylaws and the
21 Architectural and Environmental Committee Rules.

22 (g) The Association shall pay any real and personal
23 property taxes and other charges assessed against the Common
24 Areas.

25 (h) The Association shall have the authority to
26 obtain, for the benefit of all of the Common Areas, all water,
27 gas and electric services and refuse collection.

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1 (i) The Association may grant easements where
2 necessary for utilities and roads over the Common Areas to serve
3 the Common Areas and the lots.

4 (j) The Association shall maintain such policy or
5 policies of insurance as the Board of Directors of the
6 Association deems necessary or desirable in furthering the
7 purposes of protecting the interests of the Association and
8 its Members.

9 (k) The Association shall have the authority to
10 employ a manager or other persons and to contract with independent
11 contractors or managing agents to perform all or any part of the
12 duties and responsibilities of the Association, provided that any
13 contract with a person or firm appointed as a manager or managing
14 agent shall provide for the right of the Association to terminate
15 the same at the first annual meeting of the Members of the
16 Association.

17 (l) The Association shall have the power to establish
18 and maintain a working capital and contingency fund in an amount
19 to be determined by the Board of Directors of the Association.

20 ARTICLE VIII

21 ✓ ARCHITECTURAL AND ENVIRONMENTAL
22 CONTROL COMMITTEES

23 Section 1. Architectural and Environmental
24 Control Committees. All plans and specifications for any
25 structure or improvement whatsoever to be erected on or moved
26 upon or to Lot 1 of Tract 466, or Lot 1 of Tract 449, or to any
27 other lot in The Heritage Ranch Planned Community, and the
28 proposed location thereof on Lot 1 of Tract 466 or Lot 1 of

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1 Tract 449, or any lot or lots in The Heritage Ranch Planned
2 Community, the construction material, the roofs and exterior
3 color schemes, any later changes or additions after initial
4 approval thereof, and any remodeling, reconstruction,
5 alterations or additions thereto on any lot, and any excavation,
6 fill or removal of trees, shall be subject to and shall require
7 the approval in writing before any such work is commenced of
8 the appropriate Architectural and Environmental Control Committee.

9 Section 2. Number of Committees. There shall be
10 seven (7) separate Architectural and Environmental Control
11 Committees. There shall be a separate Architectural and
12 Environmental Control Committee for each of the following types
13 of usage or development to be contained on real properties
14 subject to the jurisdiction of the Association:

- 15 (1) Recreational Vehicle Lots;
- 16 (2) Twenty (20) Acre Lots (lot approximately
17 20 acres in size);
- 18 (3) Single Family Residential Lots;
- 19 (4) Condominiums and Multiple Family Residential
20 Lots;
- 21 (5) Mobile Home Lots;
- 22 (6) Commercial and Industrial Lots;
- 23 (7) Unsubdivided Parcels Larger than Twenty (20)
24 Acres.

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1 Section 4. Submission of Plans. There shall be
2 submitted to the appropriate Architectural and Environmental
3 Control Committee two complete sets of plans and specifications
4 for any and all proposed improvements and structures, the erection
5 or alteration of which is desired. After the Declarant's submittal
6 of its original plan (or any modification or amendment of such
7 original plan), no plans shall be submitted for this Tract 466
8 unless such plans shall bear the prior written approval of the
9 Board of Governors of the Heritage Ranch Holiday House
10 Condominium Association. No structures or improvements of any kind
11 shall be erected, altered, placed or maintained upon Lot 1 of
12 Tract 466 or any lot in the Heritage Ranch Planned Community
13 unless and until the final plans and specifications for such
14 improvement or structure have received the written approval of the
15 appropriate Architectural and Environmental Control Committee.
16 Plans submitted to the Architectural and Environmental Control
17 Committee shall include plot plans showing the location on Lot 1
18 of Tract 466 or any other lot in the Heritage Ranch Planned
19 Community of the building, wall, fence or other improvement
20 or structure proposed to be constructed, altered, placed
21 or maintained, together with the proposed construction material,
22 color schemes for roofs and exteriors thereof,
23 proposed excavation, fill and tree removal, if any,
24 and proposed landscape planning. In addition, topography
25 maps prepared by a registered civil engineer or a licensed
26 land surveyor shall be included as part of all plans. The
27 appropriate Architectural and Environmental Control Committee
28 shall approve or disapprove plans, specifications and details

1 within thirty (30) days from the receipt thereof, or shall notify
2 the person submitting them that an additional period of time,
3 not to exceed fifteen (15) days, is required for such approval
4 or disapproval. Plans, specifications and details not approved
5 or disapproved within the time limits provided herein shall be
6 deemed approved as submitted. One set of said plans,
7 specifications and details with the approval or disapproval,
8 endorsed thereon by the Architectural and Environmental Control
9 Committee, shall be returned to the person submitting them and
10 the other copy thereof shall be retained by the appropriate
11 Architectural and Environmental Control Committee for its
12 permanent files. The appropriate Architectural and Environmental
13 Control Committee shall have the right to disapprove any plans,
14 specifications or details submitted to it in the event the same
15 are not in accordance with all the provisions of the applicable
16 Heritage Ranch Declarations of Conditions, Covenants and
17 Restrictions; if the design or color schemes of the proposed
18 improvement or other structure is not in harmony with the
19 general surroundings of such lot or with the adjacent
20 improvements or structures, or entails excessive grading,
21 excavation or fill, or removal of trees, or does not provide
22 adequate drainage of a lot and adjacent areas; or if the plans
23 and specifications are incomplete. The decisions of the
24 appropriate Architectural and Environmental Control Committee
25 shall be binding. Provided, however, that the owner of any lot in
26 the Heritage Ranch Planned Community or the Board of Governors
27 of the Condominium Association (as the case may be) who desires to
28 appeal the Architectural and Environmental Control Committee's

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1 decisions may do so by filing a written request for
2 review with the Board of Directors specifying each
3 and every reason for any dissatisfaction with the appropriate
4 Architectural and Environmental Control Committee's decision.
5 The Board of Directors, in its discretion, may consider the
6 factors specified, the request for review and any additional
7 information related to such factors. The Board of Directors
8 may then reject the owner's appeal or the appeal of the Board
9 of Governors of the Condominium Association, as the case may be,
10 or reverse the Architectural and Environmental Control Committee's
11 decision and the Board of Directors decision shall be final. The
12 appropriate Architectural and Environmental Control Committees,
13 the Association, the Declarant, the Board of Governors of the
14 Condominium Association and their architects or agents shall not be
15 responsible in any way for any defects in any plans or specifications
16 submitted, revised or approved in accordance with the foregoing
17 provisions, nor for any structural or other defects, and any work
18 done according to such plans and specifications.

19 (a) In the event that the appropriate Architectural
20 and Environmental Control Committee should reject any plans or
21 suggest revisions and modifications, then any resubmittal of
22 such plans, as revised and modified, shall be handled in the
23 same manner as if the plan were an original submission to the
24 appropriate Architectural and Environmental Control Committee.

25 (b) The Declarant, owner of a lot in the Heritage
26 Ranch Planned Community or the Board of Governors of the
27 Condominium Association, as the case may be, shall submit his or
28 its particular plans to the appropriate Architectural and

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1 Environmental Control Committee, subject to such rules,
2 regulations and procedures as are established from time to time
3 by the Board of Directors for the filing and approval or
4 disapproval of plans and specifications by the Architectural and
5 Environmental Control Committees.

6 (c) Each Architectural and Environmental Control
7 Committee shall notify the County Planning Department of San
8 Luis Obispo County and the Association's General Manager, in
9 writing, of the name and address of a lot owner whose plans have
10 been approved by such Committee, or of the approval of plans
11 submitted by the Declarant or the Board of Governors of the
12 Condominium Association, as the case may be, and the date of
13 approval of such plans.

14 Section 5. Every building, dwelling, improvement or
15 structure, the construction or placement of which is begun on
16 Lot 1 of this Tract 466 shall have the exterior of the building
17 improvement or structure, and all landscaping, completed within
18 twelve (12) months after the beginning of such construction or
19 placement of such building, improvement or structure on Lot 1
20 of Tract 466, and the interior shall be completed within
21 sixteen (16) months from the commencement of such construction,
22 placement of the building, dwelling, structure or improvement
23 on such Lot 1 of Tract 466.

24 Section 6. Every building, dwelling, improvement or
25 structure having a roof shall use a roof covering material of
26 cedar shakes, wood shingles, clay or cement tile, or built up
27 roofing and colored rock or other material approved by the
28 appropriate Architectural and Environmental Control Committee,

1 provided, however, the appropriate Architectural and Environmental
2 Control Committee may not, under any conditions, allow any asphalt
3 shingles as a roof covering material which are less than 235 lbs.
4 per 100 square feet, nor of any color except green or brown color,
5 and only if such asphalt shingles have a heavy textured surface.

6 Section 7. During the period of construction on Lot 1
7 of Tract 466, or any other lot in The Heritage Ranch Planned
8 Community, all building materials, equipment and activities shall
9 be confined and carried out within the boundaries of the said Lot 1
10 of Tract 466, or any other lot of The Heritage Ranch Planned
11 Community, as the case may be, and shall not encroach upon adjacent
12 property. All trash and debris shall be placed in a trash container
13 on a daily basis which is equipped with a cover, and construction
14 materials shall be kept in a neat and orderly condition.

15 Section 8. All improvements or structures constructed
16 or placed on Lot 1 of Tract 466 or Lot 1 of Tract 449 or any
17 other lot in The Heritage Ranch Planned Community shall be
18 constructed with new material and no used improvements, structures
19 or material (except used brick) shall be placed, moved onto or
20 erected on, or relocated on any of the said Lots.

21 Section 9. The grading of Lot 1 of this Tract 466 or
22 Lot 1 of Tract 449 shall be kept to a minimum and shall
23 not be permitted except to accommodate improvements, structures,
24 driveways and drainage. All such grading must be done in
5 accordance with an approved plan and design submitted to and
approved by the appropriate Architectural and Environmental
Control Committee.

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Section 10. The appropriate Architectural and Environmental Control Committee shall have the authority to set up regulations as to the size, type, design and location of all fences and walls which may be constructed on Lot 1 of Tract 466 or Lot 1 of Tract 449, or any other lot in The Heritage Ranch Planned Community.

Section 11. There shall be no exterior lighting of any sort either installed or maintained on any buildings or structures located on either Lot 1 of Tract 466 or Lot 1 of Tract 449, the light source of which is visible from neighboring properties, streets or the Common Area; the foregoing shall not apply to driveway, street, and parking area lights.

ARTICLE IX

SUBARTICLE A

CONDITIONS OF OWNERSHIP OF CONDOMINIUMS

Section 1. Each owner of a unit shall be responsible for the maintenance and repair of the windows (including cleaning and replacement of window glass) and interior of his unit and his balcony, carport, parking area and/or patio, except the repainting or repair of exterior surfaces of any condominium unit or carport shall be the responsibility of the Board of Governors. Each owner of a unit shall also be responsible for the maintenance and repair of the plumbing, electrical, television cable and heating systems servicing his unit and located within or underneath the outside perimeter of the exterior bearing walls of said unit, and all appliances and equipment located in said unit, including the air conditioning compressor, wherever located, in or outside the unit. Each owner shall have the

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1 right, at his sole cost and expense, to maintain, repair, paint,
2 paper, panel, plaster, tile and finish the interior surfaces
3 of the ceilings, floors, window frames, door frames, trim
4 and perimeter walls of the unit and the surfaces of the bearing
5 walls and partitions located within said unit. Said condominium
6 owners shall have the right to substitute new finished surfaces
7 in place of those existing on said ceilings, floors and walls.
8 Said condominium owners shall have the right to maintain, repair,
9 paint, finish, alter, substitute, and with the approval of the
10 Board of Governors, to add or remove any fixtures, add and move
11 electrical, television and telephone outlets attached or installed
12 within said ceilings, floors or walls. In the event a condominium
13 owner fails to maintain the interior of his unit, parking space,
14 carport, balcony and/or patio, and the plumbing, electrical and
15 heating systems thereof, or make repairs thereto in such manner
16 as shall be deemed necessary in the judgment of the Board of
17 Governors to preserve the attractive appearance thereof and protect
18 the value thereof, and the property of other owners, the Board of
19 Governors shall give written notice to such condominium owner,
20 stating with particularity the work of maintenance or repair which
21 the Board of Governors finds to be required, and requesting that
22 the same be carried out within a period of sixty (60) days from the
23 giving of such notice. In the event of emergency repairs, such as
24 leaking plumbing or defective wiring, the owner shall make such
25 repairs immediately. In the event the condominium owner fails to
26 carry out such maintenance or repair within the period specified
27 by the notice, the Board of Governors shall cause such work to be
28 done and shall assess the cost thereof to such condominium owner.

The Board of Governors, through its agents and employees, shall

1 have authority to enter into any individual unit when necessary
2 in connection with the maintenance or construction responsibilities
3 described in this Declaration.

4 ✓ Section 2. No structural alterations to the interior
5 of any unit shall be made, and no plumbing or electrical work
6 within any bearing or party walls shall be made by any
7 individual condominium owner without the prior written consent
8 of the Board of Governors.

9 Section 3. The Board of Governors, or the Manager,
10 if any, shall have the exclusive control over the right to paint,
11 decorate, repair and maintain the exterior walls and roofs of the
12 buildings (including carports) in said condominium project and all
13 installations and improvements in the condominium common area,
14 with the exception of the air conditioning compressors, and no
15 owner of a condominium shall be permitted to do, or have done,
16 any such work. The approval of the Board of Governors shall be
17 required in writing for the installation of any awnings, sunshades,
18 screen doors, exterior alterations or additions, or any antenna or
19 structures on the roof of any of said buildings.

20 Section 4. Each condominium owner shall be entitled
21 to have his guests or invitees park on any of the condominium
22 common area, which, in the discretion of the Board of
23 Governors, is established for public parking. Provided, however,
24 that no parking of any vehicle at any time shall be permitted on
25 any driveway, roadway, private drive, parking spaces, or carport
26 constructed for use of unit owners, or easements, for ingress
27 and egress, as described in this Declaration. No repairs to
28 any automobiles or motor driven vehicles may be made while the
same shall be parked on any of the said private driveways or

1 easements for ingress and egress, except in the case of strict
2 emergency. The Board of Governors shall have the authority to
3 tow away and store any vehicles parked in violation of the above
4 restriction, whether said vehicle belongs to a condominium
5 owner, a guest or invitee of the condominium owner. The charge
6 for such towing and storage shall be assessed against any
7 condominium owner who shall violate such restrictions and also
8 against any condominium owner whose guests or invitees may
9 violate the same and such assessments may be enforced against
10 the condominium unit of said condominium owner in the same
11 manner as provided in this Declaration relative to liens of
12 non-payment of maintenance charges.

13 Section 5. No condominium owner shall permit or suffer
14 anything to be done or kept upon said condominium project which will
15 increase the rate of insurance thereon or which will obstruct
16 or interfere with the rights of other condominium owners, nor
17 annoy them by unreasonable noises or otherwise, nor will he
18 commit or permit any nuisance on the condominium project, or
19 commit or suffer any immoral or illegal act to be committed on
20 the condominium project. Each condominium owner shall comply
21 with all of the requirements of the local or state Board of
22 Health and with all other governmental authorities with respect
23 to the occupancy and use of said condominium project.

24 ✓ Section 6. Each condominium owner shall be liable to the
25 Board of Governors for any damage to the commonly owned areas or
26 any equipment thereon which may be sustained by reason of intentional
27 damage, accidental damage, malicious mischief or negligence of said
28 condominium owner or of his guests or invitees, to the extent that
any such damage shall not be covered by insurance. Each

1 condominium owner does further, by the acceptance of his grant deed,
2 agree to indemnify each and every other condominium owner, and to
3 hold him or her harmless from any claim of any person for personal
4 injuries or property damage occurring within the individual unit of
5 that particular condominium owner, unless said injury or damage
6 shall occur by reason of the negligence of any other condominium
7 owner temporarily visting in said unit, and each condominium owner
8 further agrees to defend, at his expense, any and all remaining
9 condominium owners who may be sued by any person on a claim for
10 personal injury or property damage alleged to have been
11 sustained within the unit of that particular condominium owner.

12 Section 7. No condominium in this Tract shall be used
13 except for single family residential purposes. No commercial
14 business, hotel, motel, commercial renting, rent pooling or
15 commercial leasing is permitted in this tract. Commercial renting
16 or leasing shall include, but not be limited to, rentals or leases
17 of individual condominium units for periods less than ten (10) days.

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19 SUBARTICLE B

20 SUSPENSION OF THE RIGHT OF PARTITION

21 Section 1. The right of partition of the condominium
22 common areas is hereby suspended. The condominium project may
23 be partitioned and sold as a whole upon a showing of the
24 occurrence of any one of the events provided in Section 752b of
25 the Code of Civil Procedure. Additionally, partition may be had
26 of the condominium project upon a showing that the conditions
27 set forth in Section 4 of Subarticle C of this Article IX have
28 been met. The suspension of the right of partition shall in no

1 event last beyond the period provided in Subsection (b), Section 3
2 of Article XII. Nothing contained in this Declaration shall
3 prevent the partition or division of interests between joint or
4 common owners of one condominium.
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6 SUBARTICLE C

7 DESTRUCTION OF IMPROVEMENTS

8 Section 1. In the event of partial destruction of the
9 improvements on said Lot of Tract 466 and/or Tract 449, (if such
10 Tract is annexed), as the case may be, it shall be the duty of the
11 Board of Governors to restore and repair the same to its former
12 condition as promptly as practicable and in a lawful and workmanlike
13 manner. The proceeds of any insurance written pursuant to Subarticle
14 E of this Article IX shall be made available for such purpose,
15 subject to the prior rights of beneficiaries of deeds of trust
16 whose interest may be protected by said policies. In the event
17 that the amount available from the proceeds of such insurance
18 policies for such partial reconstruction shall be inadequate,
19 the owners of condominiums, by the vote of not less than
20 sixty percent (60%) of the condominium owners present and
21 entitled to vote, in person or by proxy, at a duly constituted
22 meeting, shall determine whether the Board of Governors shall be
23 authorized to proceed with such partial reconstruction or not,
24 and in the event of an affirmative vote, a special assessment
25 of the condominium owners, with each condominium owner
26 contributing to the balance of the funds necessary on a basis of
27 pro ration to the original purchase price, may be levied to provide
28 the necessary funds for such reconstruction, over and above the

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1 amount of any insurance proceeds available for such purpose. In
2 the event of a determination by the condominium owners that the
3 cost of such reconstruction would be so substantial that it would
4 not be in their best interests to proceed with the same, the
5 owners may, in their discretion, proceed as provided in Section 2
6 of this Subarticle C.

7 Section 2. In the event of the total destruction of
8 the improvements on said property, the condominium owners, by
9 said requisite vote, shall likewise have the authority to
10 determine whether said improvements shall be rebuilt, or whether
11 said Lot 1 of Tract 466 and/or Lot 1 of Tract 449, as the case
12 may be, shall be sold. In the event of a determination to
13 rebuild, the necessary funds shall be raised as provided in
14 Section 1 of this Subarticle C, and the Board of Governors shall
15 be authorized to have prepared the necessary plans,
16 specifications, and maps, and to execute the necessary documents
17 to effect such reconstruction as promptly as practicable, and
18 in a lawful and workmanlike manner. A certificate of the
19 resolution authorizing such reconstruction shall be filed with
20 the County Recorder within six (6) months from the date of such
21 destruction, and in the event of a failure to record such
22 certificate within said period, it shall be conclusively presumed
23 that the condominium owners have determined not to rebuild said
24 improvements. In the event of a determination not to rebuild,
25 the Board of Governors shall be authorized to sell said real
26 property at the highest and best price obtainable, either in its
27 damaged condition, or after damaged structures have been razed.
28 The net proceeds of such sale, and the proceeds, if any, of

1 insurance carried by the condominium owners as a whole on said
2 condominium project, shall be divided on a pro rata basis
3 proportioned to the original purchase price of each unit, among
4 the condominium owners. The balance then due on any individual
5 encumbrance executed in good faith and for value shall be first
6 paid before the distribution of any proceeds to the owner whose
7 condominium is so encumbered.

8 Section 3. Restoration and repair of the damage to the
9 interior of any individual unit shall be made and at the
10 individual expense of the owner of said condominium unit, and
11 in the event of a determination to rebuild after partial or
12 total destruction, shall be completed as promptly as practicable
13 and in a lawful and workmanlike manner.

14 Section 4. Six (6) months from the date of any partial
15 or total destruction, if a certificate of a resolution to rebuild
16 be not filed of record as hereinbefore provided, or if
17 reconstruction be not actually commenced within said period,
18 the covenant against partition hereinabove provided shall
19 terminate and be of no further force or effect.
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1. Section 2. Subsequent to the initial sale of the
2 condominiums, any conveyance of a unit, or any part or portion
3 thereof, by the owner of any condominium, shall be presumed to
4 convey the entire condominium interest of the said owner.

5 SUBARTICLE E

6 INSURANCE

7 Section 1. Adequate public liability property damage
8 insurance for all commonly used areas (including all parking
9 spaces) and adequate extended coverage fire insurance covering
10 all buildings and structures situated on Lot 1 of Tract 466
11 and/or Lot 1 of Tract 449, as the case may be, shall be obtained
12 by the Board of Governors as promptly as possible following
13 their election with each owner named as an additional insured,
14 and shall be maintained in force at all times at the expense of
15 the condominium owners as a whole. The premium for this public
16 liability and fire insurance to be paid out of maintenance funds.
17 Each condominium owner shall carry adequate homeowners insurance
18 (providing fire coverage for the condominium owners personal
19 property) on his individual unit. Any necessary repairs or
20 maintenance of the interior of such individual units shall be
21 the responsibility of the owner thereof, unless such repairs or
22 maintenance are covered by the fire and extended coverage insurance
23 held by the Condominium Association, or unless by appropriate
24 action, as provided in Subarticle C of this Article IX, such
25 individual condominium owners at a duly constituted meeting shall
26 determine that the cost of said repairs to or maintenance of the
27 interior of such individual units shall be paid by the Board of
28 Governors from the maintenance funds. Nothing contained in this

1 Subarticle E shall preclude any individual condominium owner from
2 carrying such liability insurance as he may deem desirable to cover
3 his individual liability for damage to person or property occurring
4 on said condominium project, whether inside his individual unit
5 or otherwise.

6 ARTICLE X

7 EASEMENTS

8 Section 1. An easement over the Common Area and the
9 Condominium Common Area for the purposes of ingress, egress and
10 maintenance of improvements on property adjacent to the
11 Common Area and the Condominium Common Area is hereby reserved
12 to Declarant, together with a right to grant and transfer the
13 same or any part or right thereof or therein.

14 Section 2. Easements over the Common Area and the
15 Condominium Common Area for the installation and maintenance of
16 electric, telephone, cable television, water, gas and sanitary
17 sewer lines and drainage facilities and entrance walls and signs
18 are hereby reserved by Declarant, together with the right to grant
19 and transfer the same.

20 Section 3. There is hereby reserved to Declarant an
21 easement over the rear ten (10) feet and ten (10) feet along each
22 front and side of Lot 1 of Tract 466 and Lot 1 of Tract 449. The
23 reservation shall allow Declarant to place on, under or across such
24 easement area, public utilities, (including, but not limited to,
25 water, gas, sanitary, sewer, electric, telephone and drainage
26 facilities), transmission lines and facilities for a community
27 antenna television system. There is also reserved to Declarant the
28 right to enter upon the easement area of said Lot 1 of Tract 466

1 and/or Lot 1 of Tract 449, as the case may be, to service, maintain,
2 repair, reconstruct and replace said utilities, lines or facilities,
3 together with the right to grant and transfer the same. Provided,
4 however, that the exercise of the rights described above shall not
5 be used unreasonably to interfere with the reasonable use and
6 enjoyment of said condominium units by the condominium owners.
7 Within these easements, no structure, planting or other material
8 shall be placed or permitted to remain which may damage or inter-
9 fere with the installation and maintenance of utilities or lines,
10 or which may damage, interfere, or change the direction of flow of
11 drainage facilities in the easements. The easement area of Lot 1
12 of Tract 466 and/or Lot 1 of Tract 449, as the case may be, and all
13 of the improvements thereon shall be maintained continuously by the
14 Board of Governors of the Condominium Association, or if in the
15 Common Area, by the Association, except for those improvements for
16 which a public authority or utility company is responsible.

17 ARTICLE XI

18 SUBARTICLE A

19 GENERAL USE RESTRICTIONS FOR
20 THE HERITAGE RANCH PLANNED COMMUNITY

21 Section 1. Lots in The Heritage Ranch Planned Community
22 shall be used only for those purposes prescribed by Declarant's
23 Development Plan, this Declaration of Conditions, Covenants and
24 Restrictions and Conditional Use Permits issued by San Luis Obispo
25 County.

26 Section 2. No trash, rubbish, garbage or other refuse
27 shall be dumped or stored on Lot 1 of Tract 466 and/or Lot 1 of
28 Tract 449, or on any lot of The Heritage Ranch Planned Community.
No outside burning of trash or garbage shall be permitted on Lot 1

1 of Tract 466 and/or Lot 1 of Tract 449, or on any lot in The
2 Heritage Ranch Planned Community.

3 Section 3. No noxious or offensive activities shall be
4 carried on upon Lot 1 of Tract 466 and/or Lot 1 of Tract 449, or
5 on any lot in The Heritage Ranch Planned Community, nor shall
6 anything be done on any of said lots that shall be or become an
7 unreasonable annoyance or nuisance to the neighborhood, or which
8 shall in any way interfere with the quiet enjoyment of each of the
9 Owners of each of said respective lots.

10 Section 4. All lots in The Heritage Ranch Planned
11 Community (including Lot 1 of Tract 466 and Lot 1 of Tract 449),
12 whether occupied or unoccupied, and any improvements or structures
13 placed thereon, shall at all times be maintained in such a manner
14 as to prevent their becoming unsightly by reason of unattractive
15 growth on such lots or the accumulation of rubbish or debris
16 thereon. In the event that Lot 1 of Tract 466 or Lot 1 of Tract
17 449, or any other lot in The Heritage Ranch Planned Community
18 or any improvement or any structure thereon is not so maintained,
19 the Association shall have the right, through its agents and
20 employees to enter thereon for the purpose of maintenance,
21 restoration or repair, the cost of which shall be added to and
22 become a part of the annual assessment to which such lot is
23 subject, or in the case of Lot 1 of Tract 466 and Lot 1 of
24 Tract 449, such charge shall be distributed pro rata among the
25 owners of all condominium units.

26 Section 5. Every tank for the storage of fuel installed
27 outside any building, structure, or other improvement in this
28 Tract shall be buried below the surface of the ground or otherwise

1 completely screened, to the satisfaction of the appropriate
2 Architectural and Environmental Control Committee. Every outdoor
3 receptacle for ashes, trash, rubbish or garbage in this Tract
4 shall be installed underground, screened or so placed and kept
5 as not to be visible from any street, Common Area, or lake
6 within the property at any time except during refuse collections.

7 Section 6. No mobile home, recreation vehicle unit, tent,
8 or other temporary living quarters may be placed, maintained or
9 occupied on this Tract. No boat or boat trailer shall be parked or
10 stored within this Tract.

11 Section 7. No motorcycle riding shall take place
12 within the Tract if such motorcycle shall emit sounds having a
13 decibel rating higher than that established from time to time
14 by the Board of Directors.

15 Section 8. There shall be no outside drying or
16 laundry areas in this Tract.

17 Section 9. No sign of any kind or for any use or
18 purposes whatsoever shall be erected, posted, pasted, painted or
19 displayed upon this Tract or in any condominium unit in this Tract,
20 or upon any building improvement or other structure in this Tract,
21 except house numbering devices and signs giving notice that the
22 property is for sale or lease, which signs shall not exceed
23 five (5) square feet in size and shall be of a design and
24 configuration commonly used in the area. In no event shall
25 this Section be deemed to place restrictions upon "For Sale"
26 signs which are inconsistent with the provisions of Section 712
27 of the California Civil Code. It is further provided that the
28 foregoing covenant shall not apply to the business activities, signs
and billboards, if any, of Declarant, its agents, successors and

1 assigns, during the period of construction and sale of lots within
2 The Heritage Ranch Planned Community.

3 Section 10. No animals, livestock or poultry of any
4 kind shall be raised, bred or kept on this Tract, except that a
5 dog, cat or other usual household pet may be kept in a
6 condominium unit, provided that they are not kept, bred or
7 maintained for any commercial purpose. The Association shall
8 have the power and right to adopt rules and regulations for the
9 control of household pets in the Common Area, or in areas open
10 to the general public.. The Board of Governors of the
11 Condominium Association shall have the power and right to adopt
12 rules and regulations for the control of household pets within
13 the condominium project.

14 Section 11. Neither the Condominium Association nor any
15 condominium owner shall construct, install or maintain an outside
16 television or radio antenna after the time that cable television
17 becomes available to the condominium project at rates of charge
18 for installation and monthly service commensurate with the rates
19 charged by comparable systems.

20 Section 12. No well for the production of, or from
21 which there is produced water, oil or gas, shall be operated or
22 constructed upon this Tract, nor shall any machinery, appliance
23 or structure be placed, operated or maintained thereon for use in
24 connection with any commercial, retail, service, trading,
25 manufacturing or repairing business.

26 Section 13. Lot owners shall not alter or construct
27 on or remove from the Common Area anything except upon written
28 consent of the Association.

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Section 14. No part of this Tract shall ever be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, store, vending, or any other purpose. Nothing contained in this Section 14 shall be construed to impede or prohibit commercial and business vehicles, automobiles, trucks or other means of conveyance from using the private streets, driveways, parking areas and easements located in the condominium Common Area for purposes of ingress and egress to and from areas served by such roads, driveways, parking areas and easements.

Section 15. No tree in excess of three (3) inches in diameter, measured at a point twelve (12) inches above the ground, shall be removed from this Tract without first obtaining the written consent of the appropriate Architectural and Environmental Control Committee.

Section 16. No outside toilet shall be constructed upon this Tract. All plumbing, fixtures, dishwashers, toilets or sewage disposal systems in this Tract shall be connected to the community sewage system.

Section 17. No residence, improvement or structure shall be occupied until the same has been substantially completed in accordance with its plans and specifications and the certificate permitting occupancy shall have been issued by the San Luis Obispo County Building Department, or other appropriate governmental agency.

Section 18. An improvement or structure which has been partially or totally destroyed by fire, earthquake or otherwise, shall not be allowed to remain in such state for more than six

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1 (6) months from the time of such destruction.

2 Section 19. In order to enhance the appearance and
3 orderliness of this Tract, the Declarant hereby reserves for
4 itself, its successors and assigns, the exclusive right to
5 operate a commercial scavenging service with The Heritage Ranch
6 Planned Community for the purpose of removing garbage, trash and
7 other like household refuse. Such refuse collection and removal
8 service shall be provided not less often than once each week
9 on a day or days designated by the Declarant or its successors
10 and assigns. The charge to be made for such refuse collection
11 and removal service shall be at a reasonable rate commensurate
12 with the rates charged by commercial scavengers serving other
13 subdivisions of high standards in the area and shall be subject
14 to change from time to time.

15 Section 20. No temporary structure or other outbuildings
16 shall be placed or erected on this Tract; provided, however,
17 that the appropriate Architectural and Environmental Control
18 Committee may grant permission for any such temporary structure
19 for storage of materials during construction. No such temporary
20 structures which may be approved shall be used at any time as a
21 dwelling place.

22 Section 21. No stripped down, partially wrecked or
23 junked motor vehicle or sizeable part thereof, shall be permitted
24 to be parked in this Tract. No truck larger than 3/4 ton shall
25 be parked, for overnight (or longer), storage, in this Tract.

26 Section 22. Neither the Board of Governors of the
27 Condominium Association nor an owner of any condominium unit in
28 this Tract shall build or permit the building on this Tract,

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1 or the advertising of any dwelling unit or other improvement
2 or structure that is to be used as a model condominium or
3 exhibit unless prior written permission to do so shall have been
4 obtained from the appropriate Architectural and Environmental
5 Control Committee; provided, however, the foregoing shall not
6 apply to the Declarant in connection with its sales activities
7 of said condominium units as more particularly set forth in
8 Section 25 of this Subarticle A.

9 Section 23. No radio station or shortwave operators
10 of any kind shall operate from this Tract or any condominium
11 unit situated on this Tract.

12 Section 24. There shall be no judicial partition of
13 the Common Areas of The Heritage Ranch Owners Association.

14 Section 25. Declarant, or its transferees, intends
15 to develop all of the units within the said Diagrammatic Map
16 (Exhibit "D") in accordance with Declarant's Development Plan as
17 same may be, from time to time, modified. Completion of that
18 work and the sale, rental and other disposal of the lots and
19 parcels in The Heritage Ranch Planned Community is essential
20 to the establishment and welfare of this Tract. In order that
21 said work may be completed and this Tract be established as part
22 of a fully planned community as rapidly as possible, nothing
23 contained in Sections 14 and 22 of this Article XI, nor anything
24 contained in any other Article or Section of this or any other
25 Declaration of Conditions, Covenants and Restrictions shall be
26 understood or construed to:

27 (a) Prevent Declarant, its transferees or its
28 contractor, or subcontractors, from doing on this Tract or any

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1 parts thereof, whatever it determines to be reasonably necessary
2 or advisable in connection with the completion of Declarant's
3 Development work; or

4 (b) Prevent Declarant, its transferees or its
5 representatives, from erecting, constructing and maintaining on
6 any part or parts of this Tract owned or controlled by Declarant,
7 or its transferees, or its contractors, or its subcontractors,
8 such improvements or structures as may be reasonably necessary
9 for the conduct of its business of completing said work and
10 establishing this Tract as a residential condominium project and
11 disposing of the same in condominium units by sale, lease, or
12 otherwise; or

13 (c) Prevent Declarant, or its transferees, or
14 its contractors, or its subcontractors, from maintaining such
15 sign or signs on the Tract or on any of said condominiums owned
16 or controlled by it as may be necessary in connection with the
17 sale, lease or otherwise of the condominiums in the Tract. As
18 used in subparagraphs in this Section, the words "its
19 transferees" specifically does not include purchasers of
20 individual condominiums within the Tract.

21 (d) Prevent Declarant from obtaining ingress and
22 egress over the Common Area or the condominium common area, or
23 exercising any rights, easements or licenses in, on, or over the
24 Common Area or the condominium common area, as more
25 particularly reserved to Declarant in these Conditions,
26 Covenants and Restrictions or as may be contained in other
27 recorded documents.

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1 Governors, provided, however, such parking space and/or carport
2 may not be used for any type of temporary or permanent storage.

3 ARTICLE XII

4 GENERAL PROVISIONS

5 Section 1. Declarant, The Association, The Board of
6 Governors of the Condominium Association, or any Owner, shall
7 have the right to enforce, by any proceeding at law or in equity
8 all restrictions, conditions, covenants, reservations, liens and
9 charges now or hereafter imposed by the provisions of this
10 Declaration of Conditions, Covenants and Restrictions. Failure
11 by the Declarant, The Association, The Board of Governors or
12 the Condominium Association, or by any Owner to enforce any
13 covenant or restriction herein contained shall in no event be
14 deemed a waiver of the right to do so thereafter. The foregoing
15 right shall include the right to commence proceedings at law or
16 in equity to prevent the occurrence, continuation or violation
17 of any of the Conditions, Covenants, Restrictions and/or equitable
18 servitudes set forth in this Declaration. The remedies specified
19 in this Declaration are cumulative, and this specification of
20 said remedies shall not be taken to preclude an aggrieved party's
21 resort to any other remedy at law, in equity, or under any
22 statute.

23 Section 2. In the event any covenant, condition or
24 restriction herein contained shall be invalid or held invalid or
25 void by any court of competent jurisdiction, such invalidity or
26 nullity shall in no way affect any other covenant, condition or
27 restriction herein contained.

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1 Section 3.

2 (a) The Covenants, Conditions and Restrictions of
3 this Declaration shall run with the land and bind the land,
4 and shall inure to the benefit of, and be enforceable by the
5 Declarant, The Association, The Board of Governors of the
6 Condominium Association, the Owner of any condominium subject
7 to this Declaration or the Owner of any lot subject to any of the
8 Heritage Ranch Declarations of Conditions, Covenants and
9 Restrictions, their respective legal representatives, heirs,
10 successors and assigns, for a term of fifty (50) years from the
11 date the Declaration is recorded, after which time, said
12 covenants shall be automatically extended for successive periods
13 of ten (10) years unless not less than seventy-five percent
14 (75%) of the then Owners of the condominiums subject to this
15 Declaration execute an instrument (which conforms to the
16 requirements of Section 4 of this Article XII) changing the
17 covenants in whole or in part.

18 (b) In no event shall the vesting of any interest in
19 real or personal property occur under the provisions of this
20 Declaration later than twenty-one (21) years following the death
21 of the last survivor of the following persons: Richard Milhous
22 Nixon, President of the United States, his wife, Patricia Nixon,
23 and their daughters, Patricia Cox and Julie Eisenhower.

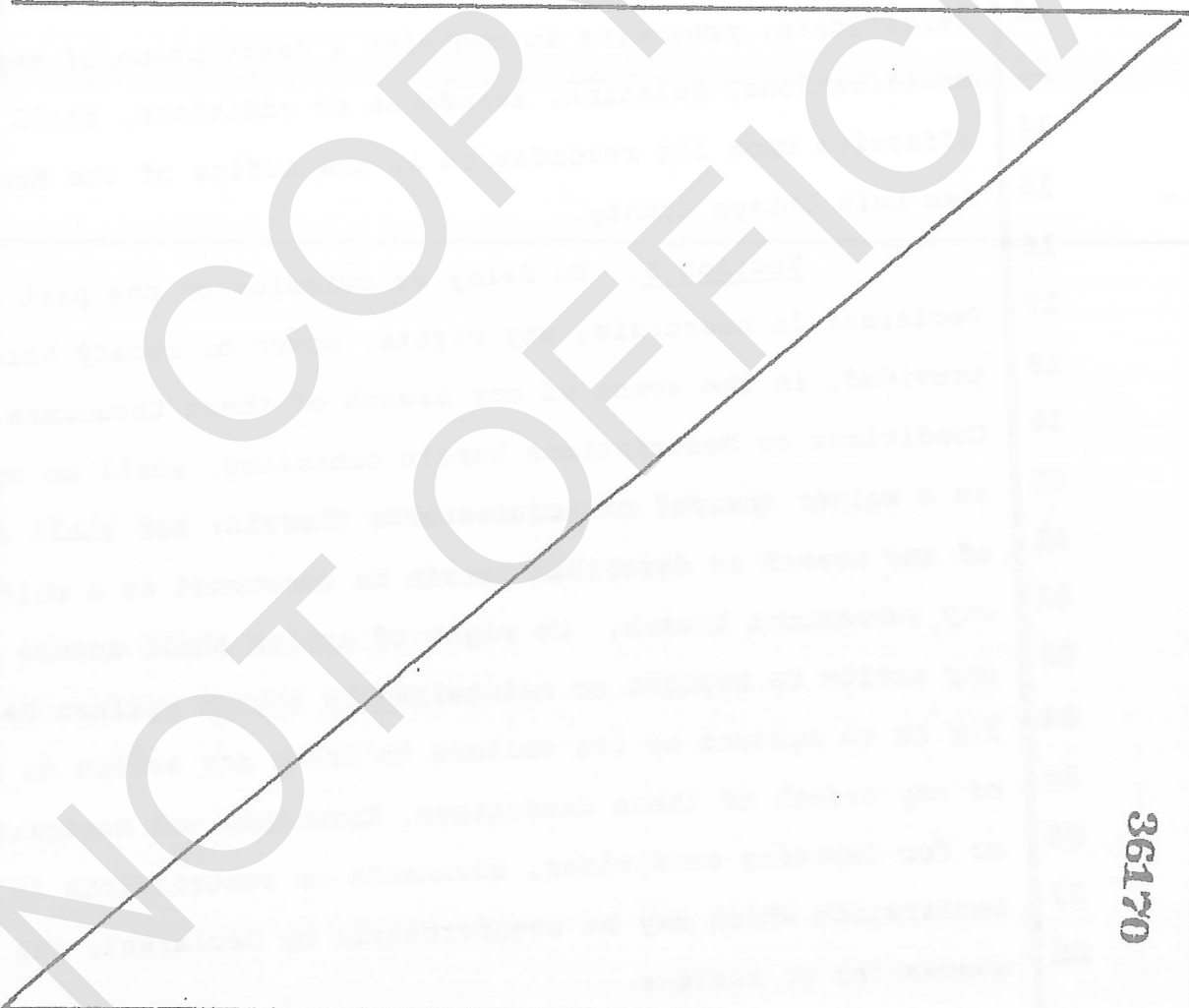
24 Section 4. Subject to the provisions of Subarticle A
25 of Article VI, and the rights of lenders set forth in that
26 Subarticle, each and all of the provisions hereof may be modified,
27 amended, added to, or deleted from, by the consent of not less
28 than seventy-five percent (75%) of the owners of interest in

1 this said condominium project, provided, however, this right shall
2 not apply to: (i) Subarticles B and C of Article II, which provide
3 for annexations; (ii) the provisions for allocation of operation
4 and maintenance assessments on an equal basis as provided in
5 Subarticle B of Article VI; (iii) the provisions for equal owner-
6 ship of the condominium common area as provided in Subarticle A
7 of Article II, and (iv) the voting rights of Declarant as provided
8 in Subarticles A and B of Article III. The Chairman and the
9 Secretary of the Board of Governors of the Condominium Association
10 elected pursuant to Subarticle B of Article III may certify in
11 writing that the required consent has been given, and said
12 certificate, providing it contains a description of said
13 modifications, deletion, amendment or additions, shall then be
14 effective upon its recordation in the Office of the Recorder of
15 San Luis Obispo County.

16 Section 5. No delay or omission on the part of
17 Declarant in exercising any rights, power or remedy herein
18 provided, in the event of any breach of these Covenants,
19 Conditions or Restrictions herein contained, shall be construed
20 as a waiver thereof or acquiescence therein; nor shall a waiver
21 of any breach as described herein be construed as a waiver of
22 any subsequent breach. No right of action shall accrue nor shall
23 any action be brought or maintained by anyone against Declarant
24 for or on account of its failure to bring any action on account
25 of any breach of these Conditions, Covenants and Restrictions,
26 or for imposing conditions, covenants or restrictions in this
27 Declaration which may be unenforceable by Declarant, its
28 successors or assigns.

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Section 6. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result, and may be exercised by the Association, by the Board of Governors of the Condominium Association, or any other lot owner in The Heritage Ranch Planned Community. Such remedies shall be deemed cumulative and not exclusive.



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1 Section 7. Whenever the context of this Declaration
2 requires same, the singular shall include the plural and the
3 masculine shall include the feminine.

4 Section 8. The Declarant herein intends to develop the
5 real property described in Exhibit "B" in accordance with
6 Declarant's Development Plan. Declarant's Development Plan
7 provides for development of the said real property in increments
8 over a period of years. From time to time, Declarant may modify,
9 amend, delete or otherwise change its Development Plan. No right
10 of action shall accrue nor shall any action be brought or
11 maintained by anyone against Declarant for or on account of any
12 modification, amendment, deletion or other change from or to
13 Declarant's Development Plan, or for Declarant's failure to
14 complete any particular item contained on its Development Plan;
15 provided, however, that recreational facilities which Declarant
16 advertises that it shall build, will be built by Declarant or
17 its agents, employees, contractors or subcontractors, or
18 Declarant shall obtain, at its cost and expense, a Completion
19 Bond in favor of the County and/or the Association insuring the
20 completion of such recreational facilities.

21 Section 9. The Board of the Heritage Ranch Owners
22 Association shall carry fire insurance with an extended coverage
23 endorsement or other form of coverage providing equal or greater
24 protection in the amount of the full insurable value of all
25 buildings, structures and other improvements situated within the
26 Common Area, excluding trees, shrubs, and other foliage. All
27 losses covered by insurance shall be payable to the Association
28 and are to be used for repair, rebuilding or replacement of

1 any structure or improvement which is damaged or destroyed by
2 fire. In the event of damage to or destruction of any building
3 or structure situated within the Common Area, the Board of the
4 Heritage Ranch Owners Association shall cause the same to be
5 repaired, rebuilt or replaced if the insurance proceeds are
6 sufficient to cover the cost of repair. In the event the cost
7 of such repair, rebuilding or replacement exceeds the
8 insurance proceeds payable by reason of said damage or
9 destruction, the Board shall pro rate the excess cost of repair
10 among the Owners of lots in the form of a special assessment.
11 The levying of said special assessment shall be subject to the
12 Board obtaining written consent or vote of a majority of the
13 Owners to make such repairs, rebuilding or replacement in
14 accordance with the provisions of Section 4, Article V, of this
15 Declaration.

16 ARTICLE XIII

17 GRANTEE'S TITLE

18 Section 1. Declarant shall convey title to
19 condominiums within the Tract by grant deed subject to:

20 (a) The Conditions, Covenants, Restrictions and
21 equitable servitudes as set forth herein;

22 (b) Easements, reservations, conditions,
23 covenants and rights of way of record;

24 (c) The reservation to Declarant of all oil, gas,
25 gasoline and other hydrocarbon substances and all other minerals
26 underlying and within the boundaries of such lot below a depth
27 of 100 feet, without right of surface entry (subject, however,
28 to existing reservations, if any, which are valid and of record);

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1 and

2 (d) The reservation of any and all water rights
3 regarding said property, without right of surface entry.

4 ARTICLE XIV

5 GRANTEE'S ACCEPTANCE

6 Section 1. The grantee of any condominium unit subject
7 to the coverage of this Declaration by acceptance of a deed
8 conveying title to any condominium unit, or the execution of
9 a contract for the purchase thereof, whether from Declarant or
10 a subsequent owner of such condominium unit, shall accept such
11 deed or contract upon and subject to each and all of these
12 Conditions, Covenants, Restrictions and/or equitable servitudes
13 and the agreements herein contained, and by such acceptance
14 shall for himself, his heirs, personal representatives,
15 successors and assigns, covenant, consent and agree to and with
16 Declarant, and to and with the grantees and subsequent owners
17 of each of the condominium units within this Tract and within
18 the Heritage Ranch Planned Community to keep, observe, comply
19 with and perform said Conditions, Covenants, Restrictions,
20 equitable servitudes and agreements.

21 Section 2. Each such grantee also agrees, by such
22 acceptance, to assume, as against Declarant, its successors or
23 assigns, all the risks and hazards of ownership or occupancy
24 attendant to such condominium unit.

25 Section 3. Notices. In each instance in which
26 notice is to be given to the owner of a unit, the same shall
27 be in writing and may be delivered personally, in which case
28 personal delivery of such notice to one or two or more co-owners

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1 of the unit or to any general partner of a partnership owning
2 such unit, shall be deemed delivery to all the co-owners or to
3 the partnership, as the case may be, and personal delivery of the
4 notice to any officer or agent for the service of process of a
5 corporation owning such unit shall be deemed delivered to the
6 corporation, or such notice may be delivered by United States
7 mail, certified, or registered, postage prepaid, return receipt
8 requested, addressed to the owner of such unit, at the most
9 recent address furnished by such owner in writing for the purpose
10 of giving notice, or if no such address shall have been furnished,
11 then to the street address of such unit, and any notice so
12 deposited in the mail within San Luis Obispo County, California,
13 shall be deemed delivered forty-eight (48) hours after such
14 deposit. Any notice to be given to the Board of Governors
15 of the Condominium Association may be delivered personally to
16 any member of the Board or delivered in such other manner as may
17 be authorized by the Board of Governors. Any notice to the Heritage
18 Ranch Owners Association shall be given in such manner as is
19 authorized by the Board of Directors. Any notice to be given to
20 Declarant shall be delivered by United States mail, certified or
21 registered, postage prepaid, return receipt requested,
22 addressed to Declarant at 6117 Brockton Avenue, Suite 200, Riverside,
23 California 92506, and any notice so deposited in the mail within
24 San Luis Obispo County, California, shall be deemed delivered
25 forty-eight (48) hours after such deposit.

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ARTICLE XV
ANNEXATION

Section 1. This Declaration shall be considered a Supplementary Declaration of Conditions, Covenants and Restrictions annexing this Tract to the Heritage Ranch Owners Association, and to all previously recorded Tracts of the Heritage Ranch Planned Community.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 24 day of October, 1973.

HERITAGE RANCH AND CATTLE COMPANY

BY [Signature]

BY [Signature]

STATE OF CALIFORNIA
COUNTY OF Riverside } ss.
On October 24, 1973

before me, the undersigned, a Notary Public in and for said State, personally appeared W. Gordon Heath

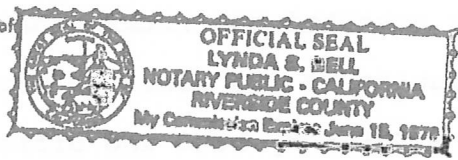
known to me to be the President, and D. E. Serafini

known to me to be the Vice President Secretary of the corporation that executed the within instrument,

and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature [Signature]
Lynda S. Bell
Name (Typed or Printed)



(This area for official notarial seal)

Form 3002—(Corporation)—Real American Title Company

36170

no... Diversified
the... Trustees for
trust dated July 14,
ending with...
to the Trust proper
against Diversified
ees, officers, agents
ability for obligations
Mortgage Investors

Mortgage Investors is the designation
to time being under a Declaration of
1970, as amended, and all persons
Mortgage Investors must look solely
for the enforcement of any claims
Mortgage Investors as neither the Trust-
or share holders assume any personal
entered into on behalf of Diversified

APPROVAL and CONSENT

of
Mortgage (Lender)

Diversified Mortgage Investors, a Massachusetts Business

5 Trust, hereby approves and consents to the recording of the attached
6 Declaration of Restrictions on Heritage Ranch Tract 466, Lake
7 Side Unit No. 1, San Luis Obispo County, California, and hereby
8 consents and agrees that any lien shall be subordinate to this
9 Declaration of Restrictions and shall be binding and effective
10 against any owner of said property whose title thereto is
11 acquired by foreclosure, trustee sale, or lien foreclosure.

Dated: October 30, 1973.

DIVERSIFIED MORTGAGE INVESTORS

By Burton A. Hartman
Assistant Secretary

15 STATE OF FLORIDA)
16) SS.
16 COUNTY OF DADE)

17 On this 30th day of October, 1973, before me,

18 the undersigned, a Notary Public in and for said County and State,
19 personally appeared BURTON A. HARTMAN, known to me to be an
20 ~~Trustee~~ Assistant Secretary of the Trust that executed the within Instrument, known
21 to me to be the person who executed the within Instrument on
22 behalf of the Trust therein named and acknowledged to me that
23 such Trust executed the within Instrument pursuant to its Bylaws
24 or a Resolution of its Board of Trustees.

25 WITNESS my hand and official seal.



Madeline Ann Rogers
Notary Public in and for said
County and State.

NOTARY PUBLIC, STATE OF FLORIDA at LARGE
MY COMMISSION EXPIRES JAN. 21, 1977
Bonded thru General Insurance Underwriters.

END OF DOCUMENT

36170

AFTER RECORDING MAIL TO:

Heritage Ranch and Cattle Co.
P.O. Box 1155
Paso Robles, CA 93146

DOC. NO. 28843
OFFICIAL RECORDS
SAN LUIS OBISPO CO., CAL
JUL 23 1976
COMPARED
WILLIAM E. ZIMARIK
COUNTY RECORDER
TIME 8 00 AM

AMENDMENT TO THE COVENANTS, CONDITIONS AND RESTRICTIONS OF THE HERITAGE RANCH AND CATTLE COMPANY AND THE HERITAGE RANCH OWNERS ASSOCIATION BY-LAW

WHEREAS the following amendment to the Heritage Ranch Owners Association was at a regular held meeting on August 16, 1975, and subsequently finalized and adopted by more than two-thirds of the voting power of both the Heritage Ranch Owners Association and the Heritage Ranch and Cattle Company.

I, the undersigned Heritage Ranch Owners Association voting member, do hereby give my written assent to amendment of the Association by-law so as to immediately and totally delete therefrom the entirety of subsection (e) of Section 1 of Article IV pertaining to so-called Charter Life Memberships and to delete the word and number "7" and to substitute the word and number "6" in the first sentence of Section 1 of Article IV wherein the number of classes of Association members is now specified.

NOW, THEREFOR, we hereby amend the covenants, conditions and restrictions and the Heritage Ranch Owners Association By-laws as follows:

Articles of incorporation and by-laws of Heritage Ranch Owners Association filed in the office of the Secretary of State of the State of California on January 28, 1972, as File Number 644345 are hereby amended as follows:

- (a) Subsection e of Section 1 of Article IV is hereby deleted.
- (b) Section 1, Article IV shall read:

Section 1. Classes. There shall be six (6) classes of membership in the Association, which classes are hereinafter set forth.

- (c) Paragraph 7, Section 22, Article II which reads:

(7) Each individual commercial unit or individual commercial area of any commercial establishment in any area of real property developed for, and restricted to commercial or industrial use is hereby deleted in its entirety.

- (d) Paragraph 3, Section 22, Article II is hereby amended to read:

(3) Each individual dwelling unit or dwelling area of any multiple family residential building.

Covenants, Conditions and Restrictions affecting the following Tract Maps and Parcel Map are hereby amended as follows:

Tract 424, recorded June 25, 1972, in book 1670 page 367 of Official Records, and amended by instruments recorded July 10, 1972, in book 1677 page 571 of Official Records, and recorded July 27, 1972, in book 1680 page 460 of Official Records.

Tract (446) recorded June 25, 1972, in book 1670 page 441 of Official Records, and amended by instruments recorded July 10, 1972, in book 1677, page 575 of Official Records, and recorded July 27, 1972, in book 1680 page 462 of Official Records, and recorded March 27, 1974, in book 1771 page 117 of Official Records.

Tract 447, recorded May 23, 1973, in book 1725 page 850 of Official Records.

Tract 452, recorded May 23, 1973, in book 1725 page 790 of Official Records, and amended by instrument recorded June 15, 1973, in book 1729 page 454 of Official Records.

28843

Tract 466, recorded November 5, 1973, in book 1752 page 19 of Official Records.

Tract 474, recorded April 21, 1976, in book 1892 page 803 of Official Records.

Tract 475, recorded November 4, 1974, in book 1804 page 495 of Official Records.

Parcel Map No. CO-71-217, recorded June 1, 1973, in book 1727 page 361 of Official Records.

The above mentioned covenants, conditions and restrictions are hereby amended as follows:

(a) Article I, Section 22, Paragraph 3 is hereby changed to read:

(3) Each individual dwelling unit or dwelling area of any multiple family residential building.

(b) Article I, Section 22, Paragraph 7 is deleted.

(c) Article III, Section 1, delete the words Charter Life Memberships.

(d) Article III, Section 5, delete (e) Charter Life Members.

(e) Article XI, Section 6, as to all tracts except Tract 447, delete the existing paragraph and insert the following:

"The parking, storage or keeping of any camper, boat trailer or recreational vehicle upon a lot in this tract is permitted under a carport or in a garage. If parked in a side yard or backyard it must be screened so as not to be visible to the occupants of other lots or streets."

The above mentioned covenants, conditions and restrictions affecting Tract 475 only are amended as follows:

(a) Article V, Section 5, is hereby amended to read as follows:

Section 5. Uniform Rate of Assessment. Both regular and special assessments shall be fixed at a uniform rate for all lots and may be collected on a monthly or annual basis.

(b) Article IX, Section 1, is hereby amended to read as follows:

Section 1. Every mobile home constructed or placed on a lot in this tract shall contain a minimum of eight hundred (800) square feet of fully enclosed floor area, devoted to living purposes (exclusive of roofed or unroofed porches, terraces, garages and other outbuildings.) Every mobile home shall be single story, or not more than a two level split level unit, at least Forty (40) feet in length, and shall not exceed a maximum width of Thirty-Six (36) feet. Each mobile home may have a wood, concrete, brick patio or slab between the mobile home and the side or rear lot line even though such patio or deck extends beyond the rear or side set back line so long as such patio or deck which is extended beyond the rear or side set back line and is not covered by any roof or other structure.

The above mentioned covenants, conditions and restrictions affecting Tract 447 only are amended as follows:

(a) Article IX, Section 1 and Section 2, are hereby amended to read as follows:

Size and Placement of Residence and Structure.

Section 1. No recreational vehicle lot may be used for more than two (2) recreational vehicle unit at any one time.

Section 2. No recreational vehicle unit placed on a lot may exceed 250 square feet of floor area, nor have a length greater than 35 feet, nor a height greater than 10 feet measured from top of floor to top of roof.

- (b) Article IX, Section 5, is hereby deleted in its entirety.
- (c) Article IX, Section 8, Paragraph B, is hereby amended to read as follows:
 - (b) One (1) temporary metal, fiberglass, plastic or canvass patio roof structure not to exceed 150 square feet in area or 10 feet in height, nor to extend more than 10 feet from the side of any recreational vehicle unit.
- (d) Article IX, Section 8, Paragraph E, is hereby deleted in its entirety.

IN WITNESS WHEREOF, the undersigned being the Declarant herein, has set its hand and seal this 1st day of July, 1976.

THE SIX CORPORATION

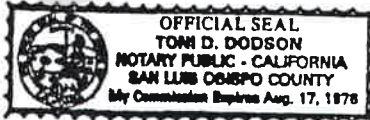
BY: [Signature] ASSISTANT V.P.

BY: [Signature]

STATE OF CALIFORNIA }
 COUNTY OF San Luis Obispo } ss.
 On July 1, 1976, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas H. Rodriguez known to me to be the Asst. President, and Ray B. [Signature] known to me to be the Asst. Secretary of the corporation that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature [Signature]
Tom D. Dodson
 Name (Typed or Printed)



(This area for official notarial seal)

Form 3002—(Corporation) First American Title Company

28843

RECORDING REQUESTED BY:
Heritage Ranch Owners Association

Recorded at the request of
Public

DOC#: 2001094231

Titles: 1 Pages: 7



Fees	25.00
Taxes	0.00
Others	0.00
PAID	<u>\$25.00</u>

AND WHEN RECORDED RETURN TO:

Heritage Ranch Owners Association
3945 Heritage Road
Paso Robles, CA 93446-4184

MODIFICATION AND AMENDMENT TO
HERITAGE RANCH OWNERS ASSOCIATION COVENANTS,
CONDITIONS AND RESTRICTION

Tract 466

WHEREAS, on November 5, 1973, a Declaration of Covenants, Conditions and Restrictions for Tract 466 was recorded as Document 36170 in Book 1752, page 19 of Official Records, County of San Luis Obispo, State of California; and

WHEREAS, on July 23, 1976, a first amendment to the said Declaration of Covenants, Conditions and Restrictions for Tract 466 was recorded as Document 28843 in Book 1911, page 447 of Official Records, County of San Luis Obispo, State of California; and

WHEREAS, the following amendments have been adopted by an instrument in writing signed by the President of the Board of Directors, in accordance with the provisions of California Civil Code §1352.5(a)&(b) and California Government Code §12955(l), which require the Board of Directors to remove any potentially discriminatory language from this document,

NOW, THEREFORE, HERITAGE RANCH OWNERS ASSOCIATION hereby amends the above-referenced Covenants, Conditions and Restrictions for Tract 446 as follows:

Article II, Subarticle A, Section 3 shall read:

“Section 3. Each condominium owner shall have the exclusive right and an easement to the use of the air conditioning compressor appurtenant to the owner’s unit regardless of its location in the condominium common area; provided, however, each owner shall have the complete responsibility for the maintenance, repair and replacement of such compressor.

Article III, Subarticle A, Section 2 shall read:

“Section 2. Transfer. The membership held by any owner of a lot shall not be transferred, pledged or alienated in any way, except upon the sale of such lot, and then only to the purchaser of such

lot. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association. In the event the owner of any lot should fail or refuse to transfer the membership registered in the owner's name to the purchaser of such lot, the Association shall have the right to record the transfer upon the books of the Association upon receipt of proof that the purchaser is the owner as reflected in the Official Records of the County Recorder of San Luis Obispo County."

Article III, Subarticle A, Section 3(a) shall read:

"Section 3. Voting Rights. The Association shall have two (2) types of voting membership:

Type A. Each owner who is entitled to the rights of membership in the Association, as provided in Section 1 and in the Articles of Incorporation, Bylaws and Rules and Regulations of the Association, shall be entitled to one (1) vote for each lot owned by such owner on all matters properly submitted for vote to the membership of the Association; provided, however, that every owner entitled to vote at any election or removal of the members of the Board of Directors may cumulate votes and give any one or more candidates a number of votes equal to the number of lots owned by the owner multiplied by the number of directors to be elected. The right to vote may not be severed or separated from any lot, and any sale, transfer or conveyance of any lot to a new owner shall operate to transfer the appurtenant vote without the requirement of any express reference thereto."

Article III, Subarticle B, Section 2 shall read:

"Section 2. At the organization meeting, and at each annual meeting, the condominium owners shall elect a Board of Governors, consisting of three (3) members, all of whom shall be condominium owners, or if a unit is owned by a corporation, an officer of such corporation. Every condominium owner entitled to vote at any election of the Board of Governors may cumulate the owner's vote and give one (1) candidate a number of votes equal to the number of governors to be elected or removed multiplied by the number of condominiums owned (or in the case of Declarant by three (3) votes for each condominium unit owned, as provided in Section 1 above), or the owner may distribute the owner's votes on the same principle among as many candidates as desired. The candidates receiving the highest number of votes up to the number of directors to be elected, shall be deemed elected.

"A special meeting of the condominium owners may be held upon the call of the Board of Governors or on written request of one-third (1/3) of the condominium owners. There shall be written notice of said special meeting at least ten (10) days prior thereto and such notice shall specify the place, date and hour, and the general nature of the business to be transacted. At the annual meetings, at the first organizational meeting, and at any special meeting of the condominium owners, there shall be but one (1) vote cast for each of the condominium units, regardless of the number of persons who jointly own such units, provided, however, Declarant shall have three (3) votes for each such unit, as provided in Section 1 above. The owner of each unit shall cast such vote and, if there is more than one condominium owner, they shall determine which of them is to cast the vote. At any such meetings, Declarant shall be deemed to be the owner of any and all units then unsold, and shall be entitled to three (3) votes for each such unit, as provided in Section 1 above. No notice as provided herein shall be valid if given more than

sixty (60) days prior to the scheduled owners meeting.”

Article III, Subarticle B, Section 9 shall read:

“The Board of Governors shall conduct its first meeting immediately upon the adjournment of the condominium organization meeting of the condominium owners, and at such meeting and at such annual meeting thereafter, shall at such time elect among its members a Chairperson, Secretary and Treasurer. The powers and duties of such officers shall be as follows:

Article III, Subarticle B, Section 9(a) shall read:

“(a) Chairperson. The Chairperson shall be the chief executive officer of the Condominium Association and shall, subject to control of the Board of Governors, have general supervision, direction and control of the affairs and other officers of the Condominium Association. The Chairperson shall preside at all meetings of the members and at all meetings of the Board of Governors and shall have such other powers and duties as may be prescribed by the Board of Governors, subject, however, to any limitations contained in this Declaration.”

Article III, Subarticle B, Section 9(c) shall read:

“(c) Treasurer. The Treasurer shall keep and maintain, or cause to be maintained and kept, adequate accounts of its assets, liabilities, receipts, disbursements, gains and losses. The Treasurer shall also maintain or cause to be maintained, complete records of all assessments and charges levied and the liens securing same under and pursuant to the provisions of this Declaration, the amounts thereof, the interests against which the same have been assessed, the date upon which the same are due and upon which the same are delinquent, and a record of the payments thereof, as well as a record of notices of assessment which have been recorded pursuant to such Declaration.

“The Treasurer shall collect and deposit or cause to be deposited all monies and other valuables in the name and to the credit of the Condominium Association, with such depositories as may be designated by the Board of Governors. The Treasurer shall disburse the funds of the Condominium Association as may be ordered by the Board of Governors, shall render to the Chairperson and Governors, whenever they request it, an account of all transactions as Treasurer, and of the financial condition of the Condominium Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Governors.”

Article III, Subarticle B, Section 13 shall read:

“Section 13. All vacancies in the Board of Governors or of the officers named in Section 9 above, may be filled by a majority of the remaining members of the Board of Governors though less than a quorum, or by a sole remaining member. Each condominium owner so appointed shall hold office thenceforth for the remainder of the unexpired term and until the election of a successor.”

Article IV, Section 1(c) shall read:

“(c) The right of the Board of Directors to suspend the voting rights and/or use privileges of a member for any period during which any assessment against the member’s lot remains unpaid and delinquent, and for a period not to exceed thirty (30) days for any single infraction of the rules and regulations of the Association, provided that any suspension of such voting rights except for

failure to pay assessments shall be made only by the Board of Directors or a duly appointed committee thereof, after notice and hearing given and held in accordance with the Bylaws of the Association. The Board of Directors shall have the right to suspend a member's voting and use privileges if the Rules and Regulations of the Association have been violated by a lessee or other person who is a delegated user (as such delegation is provided for in Section 2 of this ARTICLE IV), of a member.”

Article IV, Section 2 shall read:

“Section 2. Delegation of Use. Any Member may delegate, in accordance with the Bylaws and Rules and Regulations of the Association, the member’s right of enjoyment to the Common Areas and the facilities to members of the member’s family or tenants who reside on the Member's lot.

Article IV, Section 3 shall read:

“Section 3. Waiver of Use. No member may create an exemption from personal liability for assessments duly levied by the Association, nor release the lot owned by the member from the liens and charges hereof, by waiver of the use and enjoyment of the Common Areas and the facilities thereon, or by abandonment of the member’s lot.”

Article VI, Subarticle A, Section 7 (a) shall read:

“Section 7. Subordination of Assessment Liens and Rights of Lenders.

“(a) Any condominium owner may encumber the owner’s condominium interest by deed of trust or mortgage. The beneficiary of the deed of trust or the mortgagee of a mortgage is hereinafter called "Lender".”

Article VI, Subarticle B, Section 4 shall read:

“Section 4. If any such default is cured prior to the commencement of legal action to enforce such claim or lien, then upon the demand of the owner or any successor and payment of a reasonable fee not to exceed \$50.00, the Board of Governors shall cause to be recorded in the San Luis Obispo County Recorder's Office a further notice or certificate setting forth the satisfaction of such claim and release of such lien.”

Article VIII, Section 4(b) shall read:

“(b) The Declarant, owner of a lot in the Heritage Ranch Planned Community or the Board of Governors of the Condominium Association, as the case may be, shall submit the required particular plans to the appropriate Architectural and Environmental Control Committee, subject to such rules, regulations and procedures as are established from time to time by the Board of Directors for the filing and approval or disapproval of plans and specifications by the Architectural and Environmental Control Committees.”

Article IX, Subarticle A, Section 1 shall read:

“Section 1. Each owner of a unit shall be responsible for the maintenance and repair of the windows (including cleaning and replacement of window glass) and interior of the owner’s unit and balcony, carport, parking area and/or patio, except the repainting or repair of exterior

surfaces of any condominium unit or carport shall be the responsibility of the Board of Governors. Each owner of a unit shall also be responsible for the maintenance and repair of the plumbing, electrical, television cable and heating systems servicing said unit and located within or underneath the outside perimeter of the exterior bearing walls of said unit, and all appliances and equipment located in said unit, including the air conditioning compressor, wherever located, in or outside the unit. Each owner shall have the right, at the owner's sole cost and expense, to maintain, repair, paint, paper, panel, plaster, tile and finish the interior surfaces of the ceilings, floors, window frames, door frames, trim and perimeter walls of the unit and the surfaces of the bearing walls and partitions located within said unit. Said condominium owners shall have the right to substitute new finished surfaces in place of those existing on said ceilings, floors and walls. Said condominium owners shall have the right to maintain, repair, paint, finish, alter, substitute, and with the approval of the Board of Governors, to add or remove any fixtures, add and move electrical, television and telephone outlets attached or installed within said ceilings, floors or walls. In the event a condominium owner fails to maintain the interior of ~~his~~ *the owner's* unit, parking space, carport, balcony and/or patio, and the plumbing, electrical and heating systems thereof, or make repairs thereto in such manner as shall be deemed necessary in the judgment of the Board of Governors to preserve the attractive appearance thereof and protect the value thereof, and the property of other owners, the Board of Governors shall give written notice to such condominium owner, stating with particularity the work of maintenance or repair which the Board of Governors finds to be required, and requesting that the same be carried out within a period of sixty (60) days from the giving of such notice. In the event of emergency repairs, such as leaking plumbing or defective wiring, the owner shall make such repairs immediately. In the event the condominium owner fails to carry out such maintenance or repair within the period specified by the notice, the Board of Governors shall cause such work to be done and shall assess the cost thereof to such condominium owner. The Board of Governors, through its agents and employees, shall have authority to enter into any individual unit when necessary in connection with the maintenance or construction responsibilities described in this Declaration."

Article IX, Subarticle A, Section 4 shall read:

"Section 4. Each condominium owner shall be entitled to have guests or invitees park on any of the condominium common area, which, in the discretion of the Board of Governors, is established for public parking. Provided, however, that no parking of any vehicle at any time shall be permitted on any driveway, roadway, private drive, parking spaces, or carport constructed for use of unit owners, or easements, for ingress and egress, as described in this Declaration. No repairs to any automobiles or motor driven vehicles may be made while the same shall be parked on any of the said private driveways or easements for ingress and egress, except in the case of strict emergency. The Board of Governors shall have the authority to tow away and store any vehicles parked in violation of the above restriction, whether said vehicle belongs to a condominium owner, a guest or invitee of the condominium owner. The charge for such towing and storage shall be assessed against any condominium owner who shall violate such restrictions and also against any condominium owner whose guests or invitees may violate the same and such assessments may be enforced against the condominium unit of said condominium owner in the same manner as provided in this Declaration relative to liens of non-payment of maintenance

charges.”

Article IX, Subarticle A, Section 5 shall read:

“Section 5. No condominium owner shall permit or suffer anything to be done or kept upon said condominium project which will increase the rate of insurance thereon or which will obstruct or interfere with the rights of other condominium owners, nor annoy them by unreasonable noises or otherwise, nor will any owner commit or permit any nuisance on the condominium project, or commit or suffer any immoral or illegal act to be committed on the condominium project. Each condominium owner shall comply with all of the requirements of the local or state Board of Health and with all other governmental authorities with respect to the occupancy and use of said condominium project.”

Article IX, Subarticle A, Section 6 shall read:

“Section 6. Each condominium owner shall be liable to the Board of Governors for any damage to the commonly owned areas or any equipment thereon which may be sustained by reason of intentional damage, accidental damage, malicious mischief or negligence of said condominium owner or of any guests or invitees, to the extent that any such damage shall not be covered by insurance. Each condominium owner does further, by the acceptance of the owner’s grant deed, agree to indemnify each and every other condominium owner, and to hold them harmless from any claim of any person for personal injuries or property damage occurring within the individual unit of that particular condominium owner, unless said injury or damage shall occur by reason of the negligence of any other condominium owner temporarily visiting in said unit, and each condominium owner further agrees to defend, at the owner’s expense, any and all remaining condominium owners who may be sued by any person on a claim for personal injury or property damage alleged to have been sustained within the unit of that particular condominium owner.”

Article IX, Subarticle D, Section 1 shall read:

“Section 1. No condominium owner shall be entitled to sever said owner’s unit from the owner’s undivided interest in the condominium common area. Neither of such component interests may be severally sold, conveyed, encumbered, hypothecated or otherwise dealt with and any such attempt so to do in violation of this provision shall be void and of no effect. The suspension of this right of severability shall in no event last beyond the period set forth in Subsection (b) of Section 4 of Article X11. It is intended hereby to restrict severability in the manner provided in subparagraph (g) of Section 1355 of the Civil Code.”

Article IX, Subarticle E, Section 1 shall read:

“Section 1. Adequate public liability property damage insurance for all commonly used areas (including all parking spaces) and adequate extended coverage fire insurance covering all buildings and structures situated on Lot 1 of Tract 466 and/or Lot 1 of Tract 449, as the case may be, shall be obtained by the Board of Governors as promptly as possible following their election with each owner named as an additional insured, and shall be maintained in force at all times at the expense of the condominium owners as a whole. The premium for this public liability and fire insurance to be paid out of maintenance funds. Each condominium owner shall carry adequate

homeowners insurance (providing fire coverage for the condominium owners personal property) on the owner's individual unit. Any necessary repairs or maintenance of the interior of such individual units shall be the responsibility of the owner thereof, unless such repairs or maintenance are covered by the fire and extended coverage insurance held by the Condominium Association, or unless by appropriate action, as provided in Subarticle C of this Article IX, such individual condominium owners at a duly constituted meeting shall determine that the cost of said repairs to or maintenance of the interior of such individual units shall be paid by the Board of Governors from the maintenance funds. Nothing contained in this Subarticle E shall preclude any individual condominium owner from carrying such liability insurance as said owner may deem desirable to cover the owner's individual liability for damage to person or property occurring on said condominium project, whether inside the owner's individual unit or otherwise."

Article XIV, Section 1 shall read:

"Section 1. The grantee of any condominium unit subject to the coverage of this Declaration by acceptance of a deed conveying title to any condominium unit, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent owner of such condominium unit, shall accept such deed or contract upon and subject to each and all of these Conditions, Covenants, Restrictions and/or equitable servitudes and the agreements herein contained, and by such acceptance shall for the grantee, the grantee's heirs, personal representatives, successors and assigns, covenant, consent and agree to and with Declarant, and to and with the grantees and subsequent owners of each of the condominium units within this Tract and within the Heritage Ranch Planned Community to keep, observe, comply with and perform said Conditions, Covenants, Restrictions, equitable servitudes and agreements."

IN WITNESS WHEREOF, HERITAGE RANCH OWNERS ASSOCIATION, a California Corporation, has executed these Modifications and Amendments to the Declaration of Covenants, Conditions and Restrictions for Tract 466 on the 13th day of July, 2001.

HERITAGE RANCH OWNERS ASSOCIATION

By: *Ralph B. Allison*
Ralph B. Allison, President

STATE OF CALIFORNIA)
) ss.
County of San Luis Obispo)

On 11/19, 2001, before me, Janet Laurson Notary Public, personally appeared Ralph B. Allison, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he 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.

Janet Laurson

