



# **HERITAGE RANCH PLANNED COMMUNITY**

## **COVENANTS, CONDITIONS AND RESTRICTIONS**

# **TRACT #557 CERTIFICATE PARCELS**

In accordance with California Senate Bill 222, 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, disability, veteran or military status, 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 577 - RECORDED SUMMARY PAGE**

The original sub-association DECLARATION, consisting of 36 pages, was recorded on November 30, 1981 as Document #55684.

The original Supplementary DECLARATION, consisting of 4 pages, was recorded on November 30, 1981 as Document #55685.

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SAN LUIS OBISPO CO., CAL

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COUNTY RECORDER

TIME 8:00 AM

DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR HERITAGE RANCH CERTIFICATE PROPERTIES  
A PLANNED UNIT DEVELOPMENT  
SAN LUIS OBISPO COUNTY, CALIFORNIA

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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS  
FOR HERITAGE RANCH CERTIFICATE PROPERTIES

RECITALS

This Declaration, made on the date hereinafter set forth by SIX CORPORATION, a California corporation ("Declarant"), is made with reference to the following facts:

A. Declarant is the owner of that certain tract of real property located in San Luis Obispo County, California and more particularly described in Exhibit A attached hereto and incorporated by this reference as though fully set forth herein ("Project").

B. Declarant has or intends to improve said real property by subdividing and selling Lots; and

Declarant has or intends to grant easements for ingress, egress, equestrian and road purposes over said real property to the Certificate Properties Homeowners Association ("Access Easements"), more particularly described in Exhibit B attached hereto and incorporated by this reference as though fully set forth herein; and Declarant has or intends to improve such Access Easements by constructing roads thereon.

C. Declarant has or intends to record a Supplementary Declaration of Covenants, Conditions and Restrictions for Heritage Ranch Certificate Properties which Supplementary Declaration will cause said real property to be annexed to the Heritage Ranch Project and will cause the Owners of Lots within said real property to be Members of the Heritage Ranch Owners Association, together with all rights and duties appurtenant thereto, all as set forth in that certain Declaration of Covenants, Conditions and Restrictions of Heritage Ranch and Cattle Company recorded on May 25, 1972 in Book 1670, Page 367, as Document No. 16590, Official Records, San Luis Obispo County, California, together with any duly recorded amendments or modifications thereto.

D. Each Owner shall receive fee title to his Lot, a membership in the Certificate Properties Homeowners Association ("Certificate Association"), which shall hold title to the Access Easements, and a non-exclusive right for use, enjoyment, ingress and egress over the Access Easements, and such other interests as are provided herein.

E. By this Declaration, Declarant intends to establish a common scheme and plan for the possession, use, enjoyment, repair, maintenance, restoration and improvement of the Access Easements.

NOW THEREFORE, it is hereby declared that the Project shall be held, sold, conveyed, leased, rented, encumbered and used subject to the following Declaration as to division, easements, rights, Assessments, liens, charges, covenants, servitudes, restrictions, limitations, conditions and uses to which the Project may be put, hereby specifying that such Declaration shall operate for the mutual benefit of all Owners of the Project and shall constitute covenants to run with the land and shall be binding on and for the benefit of Declarant, its successors and assigns, the Certificate Association, its successors and assigns, and all subsequent Owners of all or any part of the Project, together with their grantees, successors, heirs, executors, administrators, devisees and assigns, for the benefit of the Project; and shall, further, be imposed upon all of the Project as a servitude in favor of each and every other Owner thereof as the dominant tenement.

ARTICLE 1

DEFINITIONS

In addition to other definitions provided for herein, the following terms shall have the following meanings.

1.1 "Access Easements" shall mean the easements over the Lots for ingress, egress, equestrian and road purposes and any improvements thereon as described in Exhibit B to this Declaration. The Certificate Association shall hold title to such Access Easements.

1.2 "Articles" shall mean the Articles of Incorporation of the Certificate Association as amended from time to time.

1.3 "Assessments" shall mean the Regular and Special Assessments levied against each Lot and Owner as determined by the Certificate Association.

1.4 "Certificate Association" shall mean the Certificate Properties Homeowners Association, a California nonprofit mutual benefit corporation, the Members of which shall be the Owners.

1.5 "Board" shall mean the Board of Directors of the Certificate Association.

1.6 "Bylaws" shall mean the Bylaws of the Certificate Association as amended from time to time.

1.7 "Declarant" shall mean Six Corporation or any successor-in-interest by merger or by express assignment of the rights of Declarant hereunder by an instrument executed by Declarant and (i) recorded in the Office of the San Luis Obispo County Recorder, and (ii) filed with the Secretary of the Certificate Association.

1.8 "Declaration" shall mean this instrument as amended from time to time.

1.9 "Lot" shall mean one of the 18 parcels of the Project as described in Exhibit A to this Declaration.

1.10 "Individual Charges" shall mean those charges levied against an Owner other than Assessments.

1.11 "Member" shall mean a person entitled to membership in the Certificate Association as provided herein. Each Owner or Co-Owner shall be a Member.

1.12 "Mortgage" shall mean a mortgage or deed of trust encumbering a Lot or other portion of the Project. A "Mortgage" shall include the beneficiary under a deed of trust. An "Institutional" Mortgagee is a Mortgagee that is a bank or savings and loan association or Mortgage company or other entity chartered or licensed under federal or state laws whose principal business is lending money on the security of real property, or any insurance company or any federal or state agency. A "First Mortgage" or "First Mortgagee" is one having priority as to all other Mortgages or holders of Mortgages encumbering the same Lot or other portions of the Project.

1.13 "Owner" shall mean each person or entity holding a record ownership interest in a Lot, including Declarant, and contract sellers. "Owner" shall not include persons or entities who hold an interest in a Lot merely as security for the performance of an obligation.

1.14 "Project" shall mean the real property located in San Luis Obispo County, California and more particularly described in Exhibit A to this Declaration; and all improvements erected or to be erected thereon.

1.15 "Project Documents" shall mean the Articles, Bylaws, Declaration, and Rules and Regulations of the Certificate Association.

1.16 "Rules and Regulations" shall mean the rules and regulations promulgated by the Certificate Association to govern the possession, use and enjoyment of the Project as amended from time to time.

ARTICLE 2

DESCRIPTION OF PROJECT  
RIGHTS OF OWNERS, DECLARANT

2.1. Description of Project

2.1.1 Project

The Project shall consist of all of the real property described in subarticle 1.14, and all of the improvements thereon.

2.1.2 Lots

The Project consists of 18 Lots and any improvements thereon.

2.1.3 Access Easements

The easement over the Project for ingress, egress, equestrian and road purposes and any improvements thereon is the Access Easements and shall be owned by the Certificate Association for the use and benefit of the Owners.

The Access Easements shall be conveyed by the Declarant to the Certificate Association free of encumbrances prior to or concurrently with the closing of the escrow for the first sale of a Lot.

2.1.4 Incidents of Lot Ownership, Inseparability

Every Lot shall have appurtenant to it the following interests:

- (i) an membership in the Certificate Association, and
- (ii) a non-exclusive right of use, enjoyment, ingress and egress over the Access Easements subject to such restrictions and limitations as are contained in the Project Documents and subject to other reasonable regulation by the Certificate Association.

Such interests shall be appurtenant to and inseparable from ownership of the Lot. Any attempted sale, conveyance, hypothecation, encumbrance or other transfer of these interests without the Lot shall be null and void. Any sale, conveyance, hypothecation, encumbrance or other transfer of a Lot shall automatically transfer these interests to the same extent.

2.1.5 Encroachment Easements

Each Lot is hereby declared to have an easement over all adjoining Lots and the Access Easements for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of a building, or any other cause. The Access Easements is hereby declared to have an easement over all adjoining Lots for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement, or shifting of a building or any other cause. There shall be valid easements for the maintenance of said encroachments as long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment, settlement or shifting; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful misconduct of said Owner or Owners. In the event a structure is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots or Access Easements or by Access Easements over Lots shall be permitted and that there shall be a valid easement for the maintenance of said encroachments so long as they shall exist.

2.1.7 Delegation of Use; Contract Purchasers, Lessees, Tenants

Any Owner may delegate his rights of use in the Access Easements to the members of his family, his guests, and invitees, and to such



other persons as may be permitted by the Project Documents, subject however, to the Project Documents. Any contract purchaser, lessee or tenant, while occupying a Lot, shall be entitled to use the Access Easements and can delegate the rights of use in the same manner as if such contract purchaser, lessee or tenant were an Owner during the period of his occupancy. Each Owner shall notify the secretary of the Certificate Association of the names of any contract purchasers or tenants of such Owner's Lot. Each Owner, contract purchaser, lessee or tenant also shall notify the secretary of the Certificate Association of the names of all persons to whom such Owner, contract purchaser, lessee or tenant has delegated any rights of use in the Access Easements and the relationship that each such person bears to the Owner, contract purchaser, lessee or tenant. Any delegated rights of use are subject to suspension to the same extent as are the rights of Owners.

#### 2.1.8 Responsibility for Access Easement Damage

The cost and expense of repair or replacement of any portion of the Access Easements resulting from the willful or negligent act of an Owner, his lessees, tenants, family, guests or invitees shall be the responsibility of such Owner to the extent that it is not covered by insurance maintained by the Certificate Association. The Certificate Association shall cause such repairs and replacements to be made and the cost thereof shall be levied as an Individual Charge against such Owner and his Lot.

### 2.2 Rights of Declarant

#### 2.2.1 Reservation of Easements to Complete, Sell

Declarant hereby reserves in itself and its successors and assigns the following easements over the Project:

(i) easements for ingress and egress, drainage, encroachment, maintenance of temporary structures, operation and storage of construction equipment and vehicles, for doing all acts reasonably necessary to complete or repair the Project and Access Easements, or to discharge any other duty of Declarant under the Project Documents or sales contracts or otherwise imposed by law.

(ii) easements for activity reasonably necessary to sell, lease, rent or otherwise dispose of the Lots.

These easements shall exist until the earlier of (i) the date on which the last Lot is sold by Declarant or (ii) 3 years from the issuance of the Final Public Report for the Project.

Declarant covenants to use the above easements in a manner that will reasonably minimize any adverse impact upon the possession, use and enjoyment of the Project and the Access Easements by the Owners.

### 2.3 Utilities

#### 2.3.1 Rights and Duties

Every Owner shall maintain all utility installations located in or upon his Lot, including those within the Access Easements except for those installations maintained by utility companies, public, private, or municipal. Utility companies shall have the right, at reasonable times after reasonable notice to enter upon the Lots and Access Easements to discharge its duty to maintain Project utilities.

Whenever sanitary sewer, water, electric, gas, television receiving, telephone lines or other utility connections, are located within the Project, the Owner of a Lot served by said connections shall have the right, and is hereby granted an easement to the full extent necessary therefore, to at reasonable times after reasonable notice enter upon the Project Lots or Access Easements or to have the utility companies enter upon

the Project Lots or Access Easements to maintain said connections as and when necessary.

In the event of a dispute between Owners with respect to the maintenance, repair or rebuilding of said connections, or with respect to the sharing of the cost thereof, then the matter shall be submitted to the Board for arbitration.

### ARTICLE 3

#### USE RESTRICTIONS

##### 3.1 Right to Lease

Nothing in this Declaration shall prevent an Owner from leasing or renting his Lot. However, any lease or rental agreement shall be in writing and be expressly subject to the Project Documents and any lease or rental agreement must specify that failure to abide by such provisions shall be a default under the lease or rental agreement.

##### 3.2 Interference with Access Easements

No Owner shall do any act or construct any improvement which would interfere with the use or maintenance of the Access Easements.

##### 3.3 Compliance with Project Documents

Each Owner, contract purchaser, lessee, tenant, guest, invitee, or other occupant of a Lot or user of the Access Easements shall comply with the provisions of the Project Documents.

### ARTICLE 4

#### CERTIFICATE ASSOCIATION MEMBERSHIP AND VOTING

##### 4.1 Certificate Association

The Certificate Properties Homeowners Association, a California nonprofit mutual benefit corporation, shall be the Association ("Certificate Association").

##### 4.2 Management of Access Easements

The management of the Access Easements shall be vested in the Certificate Association in accordance with the Certificate Project Documents and all applicable laws, regulations and ordinances of any governmental or quasi governmental body or agency having jurisdiction over the Project.

##### 4.3 Membership

Each Owner shall be a Member of the Certificate Association and shall remain a Member thereof until such time as his ownership ceases for any reason at which time his membership in the Certificate Association shall automatically cease.

##### 4.4 Transferred Membership

Membership in the Certificate Association shall not be transferred, pledged, or alienated in any way except upon the transfer of ownership of the Lot to which it is appurtenant, and then only to the new Owner. Any attempt to make a prohibited transfer is void. Any transfer of title to a Lot or interest in it shall operate automatically to transfer the appurtenant membership rights in the Certificate Association to the new Owner.

#### 4.5 Voting

The Certificate Association shall have one (1) class of voting membership. All Owners, including Declarant, shall be entitled to one vote for each Lot owned. When more than one person or entity owns a Lot, all such persons and entities shall be Members and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

#### 4.6 Voting Requirements

Any action by the Certificate Association which must have the approval of the Membership before being undertaken shall require the vote or written assent of the Members as follows:

##### 4.6.1 Generally

Except as provided in subarticles 4.6.2 and 4.6.3, the specified percentage (or if not specified a majority) of the voting power of the Members who are present at a properly noticed meeting at which a quorum is present, shall be required.

##### 4.6.2 Exception: Approval of Members other than Declarant

Except as provided in subarticle 4.6.3, where a provision of the Project Documents requires the approval of the Members other than Declarant it shall be read to require, at a properly noticed meeting at which a quorum is present; the vote of a majority of the voting power of the Members present as well as the vote of the prescribed percentage (or, if not prescribed, a majority) of the voting power of Members present other than Declarant.

##### 4.6.3 Exception: Special Director Election

Provisions in the Project Documents which provide for the election or removal of Special Directors as provided at Bylaws subarticle 4.2 and 4.3 (3) shall be read to require the vote of a majority of the voting power of Members other than Declarant present at a properly noticed meeting at which a quorum is present.

#### 4.7 Joint Owner Votes

The vote for each Lot may not be cast on a fractional basis. If the joint Owners of a Lot are unable to agree among themselves as to how their vote shall be cast, they shall forfeit the vote on the matter in question. If only one Owner exercises the vote of a particular Lot, it will be conclusively presumed for all purposes that he was acting with the authority and consent of all other Owners of the same Lot. If more than one joint Owner exercises the vote for a particular Lot, their votes shall not be counted and shall be deemed void.

#### 4.8 Record Date

The Certificate Association shall fix, in advance, a date as a record date for the determination of the Members entitled to notice of and to vote at any meeting of the Certificate Association and entitled to cast written ballots. The record date shall be not less than ten (10) days nor more than ninety (90) days prior to any meeting or taking action.

#### 4.9 Commencement of Voting Rights

Voting rights attributable to any Lot shall not vest until Assessments have been levied against that Lot by the Certificate Association.

#### 4.10 Membership Meetings

Regular and special meetings of Members of the Certificate Association shall be held with the frequency, at the time and place and in accordance with the provisions of the Bylaws.

#### 4.11 Board of Directors

The affairs of the Certificate Association shall be managed by a Board of Directors, which shall be established, and which shall conduct regular and special meetings according to the provisions of the Articles and Bylaws.

### ARTICLE 5

#### CERTIFICATE ASSOCIATION POWERS, RIGHTS, DUTIES, LIMITATIONS

##### 5.1 Generally

The Certificate Association shall have the power to perform any action reasonably necessary to exercise any right or discharge any duty enumerated in this Article 5 or elsewhere in the Project Documents. In addition, the Certificate Association shall have all the powers and rights of a nonprofit mutual benefit corporation under the laws of the State of California.

The Certificate Association shall act through its Board of Directors and the Board shall have the power, right and duty to act for the Certificate Association except that actions which require the approval of the Members of the Certificate Association shall first receive such approval.

The powers, rights, duties and limitations of the Certificate Association set forth in this Article 5 and elsewhere in the Project Documents shall vest in and be imposed on the Certificate Association concurrently with the conveyance of the Access Easements to the Certificate Association as provided in subarticle 2.1.3 of this Declaration.

##### 5.2 Enumerated Rights

In addition to those Certificate Association rights which are provided elsewhere in the Project Documents the Certificate Association shall have the following rights:

###### 5.2.1 Delegation

To elect, employ, appoint, to assign and to delegate the rights and duties of the Certificate Association to officers, employees, agents and independent contractors.

###### 5.2.2 Enter Contracts

To enter contracts with third parties to furnish goods or services to the Project subject to the limitations of subarticle 5.4.

###### 5.2.3 Borrow Money

To borrow money and with the approval by vote or written assent of a majority of the voting power of Members, other than Declarant, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

###### 5.2.4 Dedicate and Grant Easements

To dedicate or transfer all or any part of the Access Easements to any public agency, authority or utility or any other entity for such purposes and subject to such conditions as may be agreed to by the Certificate Association; provided, however, that no such dedication or transfer shall be effective unless (i) such dedication or transfer is approved by a majority of the voting power of the Members, and (ii) an instrument in writing is signed by the Secretary of the Certificate Association certifying that such dedication or transfer has been approved by the required vote or written assent.

#### 5.2.5 Establish Rules

To adopt reasonable rules not inconsistent with this Declaration, the Articles, or the Bylaws relating to the use of the Access Easements and all facilities thereon. A copy of the Rules shall be mailed or otherwise delivered to each Owner.

#### 5.2.6 Entry

To enter upon any portion of the Access Easements, or upon any Lot after giving reasonable notice to the Owner thereof, for any purpose reasonably related to the performance by the Certificate Association of its duties under this Declaration. In the event of an emergency such right of entry upon any Lot shall be immediate.

#### 5.3 Enumerated Duties

In addition to those Certificate Association duties which are imposed elsewhere in the Project Documents the Certificate Association shall have the following duties:

##### 5.3.1 Manage, Maintain Access Easements

To manage, operate, improve, maintain, and repair the Access Easements and all its facilities and improvements and any other property acquired by or subject to the control of the Certificate Association, including personal property, in a first-class condition and in a good state of repair.

##### 5.3.2 Enforce Project Documents

To enforce the provisions of the Project Documents by appropriate means as provided at Article 7.

##### 5.3.3 Levy and Collection of Assessments and Individual Charges

To fix, levy and collect Assessments and Individual Charges in the manner provided in Articles 6 and 7.

##### 5.3.4 Taxes and Assessments

To pay all real and personal property taxes and assessments and all other taxes levied against the Access Easements, personal property owned by the Certificate Association or against the Certificate Association. Such taxes and assessments may be contested or compromised by the Certificate Association; provided, that they are paid or that a bond insuring payment is posted before the sale or the disposition of any property to satisfy the payment of such taxes.

To prepare and file annual tax returns with the federal government and the State of California and to make such elections as may be necessary to reduce or eliminate the tax liability of the Certificate Association. In connection therewith, the Board shall take such steps as are necessary to assure that the income and expenses of the Certificate Association for any taxable year shall meet the following limitations and restrictions:

(A) At least sixty percent (60%) of the gross income of the Certificate Association for any taxable year shall consist solely of amounts received as membership dues, charges, fees, or assessments from Lot Owners;

(B) At least ninety percent (90%) of the expenditures of the Certificate Association for any taxable year shall be for the management, maintenance, and care of Certificate Association property or for the general welfare of the Certificate Association community;

(C) No part of the net earnings of the Certificate Association shall inure (other than by providing management, maintenance, and care of Certificate Association property and other than by a rebate of excess

membership dues, charges, fees, or assessments) to the benefit of any private Member or individual;

5.3.5 Legal and Accounting

To obtain and pay the cost of legal and accounting services necessary or proper to the performance of the Certificate Association duties and the enforcement of the Project Documents.

5.3.7 Insurance

To obtain and pay the cost of insurance as provided in subarticle 8.1.

5.3.8 Bank Accounts

To deposit all funds collected from Owners pursuant to Articles 6 and 7 hereof and all other amounts collected by the Certificate Association as follows:

(A) All funds shall be deposited in a separate bank account ("General Account") with a bank located in the State of California. The Certificate Association shall keep accurate books and records regarding such account. Funds deposited in such account may be used by the Certificate Association only for the purposes for which such funds have been collected.

(B) Funds which the Certificate Association shall collect for reserves for capital expenditures relating to the repair and maintenance of the Access Easements, and for such other contingencies as are required by good business practice shall, within ten (10) days after deposit in the General Account, be deposited into an interest bearing account with a bank or savings and loan association selected by the Certificate Association, or invested in Treasury Bills or Certificates of Deposit or otherwise prudently invested which shall all herein be collectively referred to as the "Reserve Account". Funds deposited into the Reserve Account shall be held in trust and may be used by the Certificate Association only for the purposes for which such amounts have been collected.

5.3.9 Preparation and Distribution of Financial Information

To regularly prepare budgets and financial statements and to distribute copies to each Member as follows:

(A) A pro-forma operating statement (budget) for each fiscal year shall be distributed not less than sixty (60) days before the beginning of the fiscal year;

(B) A balance sheet (as of an accounting date which is the last day of the month closest in time to six (6) months from the date of close of escrow for the first sale of a Lot in the Project) and an operating statement for the period from the date of the first closing to the said accounting date, shall be distributed within sixty (60) days after the accounting date. This operating statement shall include a schedule of Assessments received and receivable identified by the number of the Lot and the name of the Owner assessed;

(C) An annual report consisting of the following shall be distributed within one hundred twenty (120) days after the close of the fiscal year:

- (1) A balance sheet as of the last day of the fiscal year;
- (2) An operating (income) statement for said fiscal year;
- (3) A statement of changes in financial position for said fiscal year; and
- (4) Any information required to be reported under Section 8322 of the Corporations Code.

Unless the annual report under subarticle 5.3.9(c) is prepared by an independent accountant it shall be accompanied by the certificate of an authorized officer of the Certificate Association that the statements were prepared without audit from the books and records of the Certificate Association.

#### 5.3.10 Maintenance and Inspection of Books and Records

To cause to be kept adequate and correct books of account, a register of Members, minutes of Member and Board meetings, a record of all corporate acts, and other records as are reasonably necessary for prudent management and to present a statement thereof to the Members at the annual meeting of Members, or at any special meeting when requested in writing by twenty-five percent (25%) of the voting power of Members other than Declarant.

The Membership register (including names, addresses and voting rights), books of account and minutes of meetings of the Members, of the Board, and of committees shall be made available for inspection and copying by any Member of the Certificate Association, or by his duly appointed representative, at any reasonable time and for a purpose reasonably related to his interest as a Member, at the principal office of the Certificate Association or at such other place within the Project as the Board of Directors shall prescribe. The Board shall establish reasonable rules with respect to:

- (A) Notice to be given to the custodian of the records by the Member desiring to make the inspection;
- (B) Hours and days of the week when such an inspection may be made;
- (C) Payment of the cost of reproducing copies of the documents requested by a Member.

Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Certificate Association and the physical properties owned or controlled by the Certificate Association. The right of inspection by a Director includes the right to make extracts and copies of documents.

#### 5.3.11 Statements of Status

To provide, upon the request of any Owner, Mortgagee, prospective purchaser or prospective Mortgagee, a written statement setting forth the amount, as of a given date, of any unpaid Assessments, Individual Charges, or other debts or arrearages chargeable against any Owner or Lot. Such statement, for which a reasonable fee may be charged, shall be binding upon the Certificate Association in favor of any person who may rely thereon in good faith.

#### 5.4 Enumerated Limitations

Except with the approval of a majority of the total voting power of Members other than Declarant, the Board shall be prohibited from taking any of the following actions:

(1) Entering into a contract with a third person wherein the third person will furnish goods or services for the Access Easements or to the Certificate Association for a term longer than one (1) year with the following exceptions:

- (A) A management contract, the terms of which have been approved by the Federal Housing Administration or Veterans Administration.
- (B) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate.
- (C) Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration provided that the policy permits short rate cancellation by the insured.

(2) Incurring aggregate expenditures for capital improvements to the Access Easements in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Certificate Association for that fiscal year;

(3) Selling during any fiscal year property of the Certificate Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Certificate Association for that fiscal year;

(4) Paying compensation to Directors or to Officers of the Certificate Association for services performed in the conduct of the Certificate Association's business; provided, however, that the Board may reimburse a Director or Officer for expenses incurred in carrying on the business of the Certificate Association;

(5) Filling a vacancy on the Board created by the removal of a Director.

## ARTICLE 6

### ASSESSMENTS

#### 6.1 Agreement to Pay Assessments and Individual Charges

Declarant for each Lot owned by it, hereby covenants and agrees, and each Owner, by acceptance of a deed for a Lot, is deemed to covenant and agree for each Lot owned, to pay to the Certificate Association all Regular Assessment and all Special Assessments (collectively "Assessments"), and all Individual Charges, to be established and collected as provided in this Declaration and in the other Project Documents.

#### 6.2 Purpose of Assessments

The purpose of Assessments is to raise funds necessary to manage, maintain and operate the Access Easements. Assessments shall be used exclusively for the improvement, maintenance and administration of the Access Easements and other expenditures incurred in the performance of the duties of the Certificate Association as set forth in the Project Documents.

#### 6.3 Regular Assessments

The purpose of Regular Assessments is to raise funds necessary to pay the anticipated costs of maintaining the Access Easements during the fiscal year and to accumulate reserves to pay costs anticipated in future years. Not less than ninety (90) days before the beginning of each fiscal year, the Board shall prepare or cause to be prepared, and distribute to each Owner, a proposed pro forma operating statement or budget for the forthcoming fiscal year. Any Owner or Mortgagee may make written comments to the Board with respect to said pro forma operating statement. The pro forma operating statement shall be prepared consistently with the prior fiscal year's operating statement and shall include adequate reserves for contingencies and for maintenance, repairs and replacement of Access Easements or Certificate Association personal property likely to need maintenance, repair or replacement in the future.

Not more than ninety (90) days nor less than sixty (60) days before the beginning of each fiscal year, the Board shall meet for the purpose of establishing the Regular Assessment for the forthcoming fiscal year. At such meeting the Board shall review the proposed pro forma operating statement or budget, and written comments received and any other information available to it and, after making any adjustments that the Board deems appropriate, shall establish the Regular Assessment for the forthcoming fiscal year; provided, however, that the Board may not establish a Regular Assessment for any fiscal year which is more than one hundred twenty percent (120%) of the Regular Assessment of the prior fiscal year without the approval of a majority of the voting power of the Certificate Association residing in Members other than Declarant. Not less than sixty days before the beginning of each fiscal



year the Board shall distribute to each Owner a final copy of the pro forma operating statement or budget for the forthcoming fiscal year. Regular Assessments shall be payable in equal monthly installments, due on the first day of each month, unless the Board adopts some other basis for collection.

#### 6.4 Special Assessments

##### 6.4.1 General

If the Board determines that the estimated total amount of funds necessary to defray the common expenses of the Certificate Association for a given fiscal year is or will become inadequate to meet expenses for any reason, including, but not limited to, unanticipated delinquencies, costs of construction, unexpected repairs or replacements of capital improvements on the Access Easements, the Board shall determine the approximate amount necessary to defray such expenses, and if the amount is approved by the Board it shall become a Special Assessment. The Board may, in its discretion, pro rate such Special Assessment over the remaining months of the fiscal year or levy the Assessment immediately against each Lot. Special Assessments shall be due on the first day of the month following notice of their levy.

##### 6.4.2 Limitation on Special Assessments

Any Special Assessment which singly or in the aggregate with previous Special Assessments for the fiscal year would amount to more than five percent (5%) of the budgeted gross expense of the Certificate Association for the fiscal year, shall require approval of a majority of the voting power of the Certificate Association residing in Members other than Declarant.

#### 6.5 Individual Charges

Individual Charges may be levied against an Owner (i) as a monetary penalty imposed by the Certificate Association as a disciplinary measure for the failure of a Member to comply with the Project Documents, subject to the provisions of subarticle 7.2.1.2 of this Declaration, or (ii) as a means of reimbursing the Certificate Association for costs incurred by the Certificate Association for repair of damage to Access Easements and facilities for which the Member was responsible, or (iii) to bring the Member and his Lot into compliance with the Project Documents. Such Individual Charges are not enforceable through the lien provisions of the Project Documents.

#### 6.6 Allocation of Regular and Special Assessments

Regular and Special Assessments shall be levied against each Lot and its Owner equally.

#### 6.7 Commencement of Assessments and Individual Charges

The right to levy Assessments and Individual Charges shall commence as to all Lots on the close of escrow for the first sale of a Lot in the Project. Regular Assessments shall commence as to all Lots on the first day of the month following the date of close of escrow for the first sale of a Lot in the Project. Thereafter, Regular Assessments shall commence on the first day of the first month of the fiscal year.

#### 6.8 Creation of the Assessment Lien; Personal Obligation for Assessments and Individual Charges

The Assessments, together with late charges, interest, costs and reasonable attorney's fees, shall be a charge and a continuing lien upon the Lot against which each Assessment is made, the lien to become effective upon recordation of a Notice of Delinquent Assessment.

All Assessments and Individual Charges, together with late charges, interest, costs, and reasonable attorneys' fees incurred in collecting delinquent Assessments and Individual Charges, shall be the personal obligation of the Owner of such Lot at the time when the Assessments or Individual Charges fell due. If more than one person or entity was the

Owner of a Lot at the time the Assessments or Individual Charges fell due, the personal obligation to pay each Assessment and Individual Charge shall be joint and several. The personal obligation for delinquent Assessments and Individual Charges shall not pass to any transferee unless expressly assumed by him. No Owner may exempt himself from liability for his Assessments or Individual Charges obligation by waiver of the use of the Access Easements or by abandonment of his Lot.

## ARTICLE 7

### ENFORCEMENT OF RESTRICTIONS

#### 7.1 General

The Certificate Association or any Owner shall have the right to enforce compliance with the Project Documents in any manner provided by law or in equity, including without limitation, the right to enforce the Project Documents by bringing an action for damages, an action to enjoin the violation or specifically enforce the provisions of the Project Documents, to enforce the liens provided for herein (except that no Owner shall have the right to enforce independently of the Certificate Association any Assessment, Individual Charge or Assessment lien created herein) and any statutory lien provided by law, including the foreclosure of any such lien and the appointment of a receiver for an Owner and the right to take possession of the Lot in the manner provided by law. In the event the Certificate Association or any Owner shall employ an attorney to enforce the provisions of the Project Documents, against any Owner, the prevailing party shall be entitled to reasonable attorneys' fees and costs in addition to any other amounts due as provided for herein. All sums payable hereunder by an Owner shall bear interest at twelve percent (12%) per annum from the due date, or if advanced or incurred by the Certificate Association, or any other Owner pursuant to authorization contained in the Project Documents, commencing fifteen (15) days after repayment is demanded. All enforcement powers of the Certificate Association shall be cumulative. Failure by the Certificate Association or any Owner, to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

#### 7.2 Specific Enforcement Rights

In amplification of, and not in limitation of, the general rights specified in subarticle 7.1 above, the Certificate Association shall have the following rights:

##### 7.2.1 Enforcement by Sanctions

###### 7.2.1.1 Limitation

The Certificate Association shall have no power to cause a forfeiture or abridgement of an Owner's right to the full use and enjoyment of his Lot on account of a failure by the Owner to comply with provisions of the Project Documents except where the loss or forfeiture is the result of the judgment of a court or a decision arising out of arbitration or on account of a foreclosure or sale under a power of sale for failure of the Owner to pay Assessments levied by the Certificate Association.

###### 7.2.1.2 Disciplinary Action

The Certificate Association may impose reasonable monetary penalties, temporary suspensions of reasonable duration (not to exceed thirty (30) days per violation) of an Owner's rights as a Member of the Certificate Association or other appropriate discipline for failure to comply with the Project Documents.

Before disciplinary action authorized under this subarticle can be imposed by the Certificate Association the Owner against whom such action is proposed to be taken shall be given notice and the opportunity to be heard as follows:

(a) The Board shall give written notice to the Owner at least fifteen (15) days prior to the meeting at which the Board will consider imposing disciplinary action. Such notice shall set forth those facts which the Board believes justify disciplinary action, and the time and place of the meeting;

(b) At such meeting the Owner shall be given the opportunity to be heard, including the right to present evidence, either orally or in writing, and question witnesses;

(c) The Board shall notify the Owner in writing of its decision within three (3) days of the decision. The effective date of any disciplinary action imposed by the Board shall not be less than eight (8) days after the date of said decision.

#### 7.2.2 Suit to Collect Delinquent Assessments or Individual Charges

A suit to recover a money judgment for unpaid Assessments or unpaid Individual Charges, together with late charges, interest, costs, and reasonable attorneys' fees shall be maintainable by the Certificate Association. In the case of unpaid Assessments such suit shall be maintainable without foreclosing or waiving the lien securing such unpaid Assessments.

#### 7.2.3 Enforcement of Lien

If there is a delinquency in the payment of any Assessment or installment on a Lot, any amounts that are delinquent together with the late charges (fifteen dollars (\$15) for every thirty (30) days after the due date), interest (twelve percent (12%) per annum), costs of collection and reasonable attorneys' fees, shall be a lien against that Lot upon the recordation in the office of the County Recorder of a Notice of Delinquent Assessment as provided in California Business and Professions Code 11003.3. The Notice of Delinquent Assessment shall be signed by an authorized representative of the Certificate Association and shall state the amount of the delinquent assessment, a description of the Lot assessed, and the name of the record Owner(s).

The Notice of Delinquent Assessment shall not be recorded unless and until the Board or its authorized representative has delivered to the delinquent Owner, not less than fifteen (15) days before the recordation of the Notice of Assessment, a written demand for payment, and unless the delinquency has not been cured within said fifteen (15) day period.

The lien shall expire and be void unless, within one (1) year after recordation of the Notice of Delinquent Assessment, the Board or its authorized representative either records a notice of default as provided hereinafter or institutes judicial foreclosure proceedings with respect to the lien, or extends the lien for one (1) year as provided by California Business and Professions Code 11003.3.

Not more than one (1) year (two (2) years if extended) nor less than fifteen (15) days after the recording of the Notice of Delinquent Assessment, the Board or its authorized representative can record a notice of default and can cause the Lot with respect to which a notice of default has been recorded to be sold in the same manner as a sale is conducted under California Civil Code Sections 2924, et. seq., or through judicial foreclosure. However, as a condition precedent to the holding of any such sale under Section 2924c appropriate publication shall be made. In connection with any sale under Section 2924c the Board is authorized to appoint its attorney, any officer or director, or any title insurance company authorized to do business in California as trustee for purposes of conducting the sale. If a delinquency including Assessments and other proper charges is cured after recordation of the Notice of Delinquent Assessment but before sale, or before completing a judicial foreclosure, the Board or its authorized representative shall cause to be recorded in the office of the County Recorder a certificate setting forth the satisfaction of such claim and release of such lien. The Certificate Association, acting on behalf of the Owners, shall have the power

to bid upon the Lot at foreclosure sale and to acquire, hold, lease, mortgage and convey the Lot.

#### 7.2.4 Transfer by Sale or Foreclosure

In a sale or transfer of the Lot, the personal obligation for delinquent Assessments or Individual Charges shall not pass to the Transferee unless expressly assumed by him. The sale or transfer of any Lot shall not affect the Assessments lien. However, the sale or transfer of any Lot pursuant to the exercise of a power of sale or judicial foreclosure involving a default under a first Mortgage shall extinguish the lien for Assessments which became due after the recordation of the first Mortgage and prior to such sale or transfer. No transfer of the Lot as the result of a foreclosure or exercise of a power of sale shall relieve the new Owner, whether it be the former beneficiary of the first Mortgagee or another person, from liability for any Assessments or Individual Charges thereafter becoming due or from the lien thereof.

#### 7.2.5 Waiver of Homestead Benefits

Each Owner to the extent permitted by law, waives, to the extent of any liens created pursuant to the Project Documents, the benefit of any homestead or exemption laws of California, in effect at the time any Assessment becomes due.

### ARTICLE 8

#### INSURANCE, DESTRUCTION, CONDEMNATION

##### 8.1 Insurance

In addition to other insurance required to be maintained by the Project Documents, the Certificate Association shall maintain in effect at all times the following insurance:

##### 8.1.1 Liability Insurance

The Certificate Association shall obtain and maintain comprehensive public liability insurance insuring the Certificate Association, the Board, the Owners, occupants of Lots, their respective family members, guests, invitees, and the agents and employees of each, against any liability incident to the ownership, use or maintenance of the Access Easements and including, if obtainable, a cross-liability or severability of interest endorsement insuring each insured against liability to each other insured.

##### 8.1.2 Fire and Extended Coverage Insurance

The Certificate Association also shall obtain and maintain a policy of fire and extended coverage insurance for the full replacement value of all of the improvements within the Access Easements. The form, content, term of the policy, its endorsements and the issuing company must meet the standards of and be satisfactory to all First Mortgagees. The policy shall contain an agreed amount endorsement and a determinable cash adjustment clause or a similar clause to permit cash settlement covering the full replacement value of the improvements in case of partial destruction and a decision not to rebuild. The policy shall name as insured the Certificate Association for the benefit of the Owners and all Mortgagees as their respective interests may appear, and may contain a loss payable endorsement in favor of any trustee described in subarticle 8.1.3.

##### 8.1.3 Trustee

All fire and casualty insurance proceeds payable under Sections 8.1.2 for losses to real property and improvements may be paid to a trustee, to be held and expended for the benefit of the Owners, Mortgagees,

and others, as their respective interests shall appear. Said trustee shall be a commercial bank or trust company in the County in which the Project is located that agrees in writing to accept such trust.

#### 8.1.4 Other Insurance

The Board may and, if required by any First Mortgagee, shall purchase and maintain demolition insurance in adequate amounts to cover demolition in case of total or partial destruction of the Access Easements and a decision not to rebuild, and a policy of flood insurance covering the Access Easements. The Board also shall purchase and maintain worker's compensation insurance, to the extent that it is required by law, for all employees or uninsured contractors of the Certificate Association. The Board may purchase and maintain fidelity bonds or insurance (which shall be in an amount not less than one hundred fifty percent (150%) of each year's estimated annual operating expenses and reserves and shall contain an endorsement of coverage of any person who may serve without compensation) sufficient to meet the requirements of any First Mortgagee. The Board shall purchase and maintain insurance on personal property owned by the Certificate Association, and any other insurance that it deems necessary or that is required by any First Mortgagee.

#### 8.1.5 Owner's Liability Insurance

An Owner may carry whatever personal and property damage liability insurance with respect to his Lot that he desires.

#### 8.1.6 Officer and Director Insurance

The Certificate Association may purchase and maintain insurance on behalf of any Director, Officer, Member of a committee of the Certificate Association (collectively the "agents") against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Certificate Association would have the power to indemnify the agent against such liability under applicable law.

#### 8.1.8 Waiver of Subrogation

All property and liability insurance carried by the Certificate Association, or the Owners shall contain provisions whereby the insurer waives rights of subrogation as to the Certificate Association, Directors, Officers, Owners, their family, guests, agents and employees.

#### 8.1.9 Notice of Cancellation

All insurance carried by the Certificate Association shall require the insurer to notify any First Mortgagee requesting such notice at least fifteen (15) days in advance of the effective date of any reduction or cancellation of the policy.

#### 8.1.10 Annual Review of Policies

All insurance policies shall be reviewed at least annually by the Board in order to ascertain whether the coverage contained in the policies is adequate.

#### 8.1.11 Payment of Premiums

Premiums on insurance maintained by the Certificate Association shall be a common expense funded by Assessments levied by the Certificate Association.

### 8.2 Destruction

#### 8.2.1 Minor Repair and Reconstruction

The Board shall have the duty to repair and reconstruct the Access Easements without the consent of Members and irrespective of the

amount of available insurance proceeds, in all instances of partial destruction where the estimated cost of repair and reconstruction does not exceed five percent (5%) of the budgeted gross expenses of the Certificate Association for that fiscal year. The Board may levy a Special Assessment for the cost of such repair and reconstruction to the extent insurance proceeds are unavailable. Such Special Assessment to be levied as described in subarticle 6.4.

### 8.2.2 Destruction Affecting Access Easements

#### 8.2.2.1 Destruction; Proceeds Exceed 85% of Reconstruction Costs

If there is a total or partial destruction of the Access Easements, and if the available proceeds of the insurance carried pursuant to subarticle 8.1 are sufficient to cover not less than eighty-five percent (85%) of the costs of repair and reconstruction, the Access Easements shall be promptly rebuilt unless, within forty-five (45) days from the date of destruction, Members then holding at least seventy-five (75%) percent of the voting power of the Certificate Association determine that repair and reconstruction shall not take place.

#### 8.2.2.2 Destruction; Proceeds Less than 85% of Reconstruction Costs

If the proceeds of insurance carried pursuant to subarticle 8.1 are less than eighty-five percent (85%) of the costs of repair and reconstruction, repair and reconstruction shall not take place unless, within forty-five (45) days from the date of destruction, Members then holding at least a majority of the voting power of Members other than Declarant determine that repair and reconstruction shall take place.

#### 8.2.2.3 Special Assessment to Rebuild

If the determination is made to rebuild, pursuant to Sections 8.2.1.1 or 8.2.1.2, the Certificate Association shall levy a Special Assessment against all Lot Owners to cover the cost of rebuilding not covered by insurance proceeds.

#### 8.2.2.4 Rebuilding Contract

If the determination is made to rebuild, the Board shall obtain bids from at least two (2) reputable contractors, and shall award the repair and reconstruction work to the most reasonable bidder. The Board shall have the authority to enter into a written contract with the contractor for the repair and reconstruction, and the insurance proceeds shall be disbursed to said contractor according to the terms of the contract. It shall be the obligation of the Board to take all steps necessary to assure the commencement and completion of authorized repair and reconstruction at the earliest possible date.

#### 8.2.2.5 Rebuilding Not Authorized

If the determination is made not to rebuild, then, any insurance proceeds and any other funds held for rebuilding of the Access Easements shall, subject to the Corporations Code Section 8724, be distributed among the Lots on the same basis as their Regular Assessment obligation, and between the Lot Owner and his Mortgagee(s) as their interests shall appear.

### 8.3 Condemnation

#### 8.3.1 Condemnation Affecting Access Easements

##### 8.3.1.1 Sale in Lieu

If an action for condemnation of all or a portion of the Access Easements is proposed or threatened by any entity having the right of eminent domain, then on the unanimous written consent of all of the Owners and subject to the rights of all Mortgagees, the Access Easements, or a

portion of it may be sold by the Board. Subject to Corporations Code 8724 the proceeds of the sale shall be distributed among the Lots on the same basis as their Regular Assessment obligations and between the Lot Owners and their Mortgagees as their respective interests shall appear.

#### 8.3.1.2 Award

If the Access Easements, or a portion of it, is not sold but is instead taken, the judgment of condemnation shall by its terms apportion the award among the Owners and their respective Mortgagees. If the judgment of condemnation does not apportion the award then the award shall be distributed as provided in subarticle 8.3.1.1.

### ARTICLE 9

#### MORTGAGEE PROTECTIONS

##### 9.1 Mortgages Permitted

Any Owner may encumber his Lot with Mortgages.

##### 9.2 Subordination

Any lien created or claimed under the provisions of this Declaration is expressly made subject and subordinate to the rights of any First Mortgage that encumbers all or a portion of the Project, or any Lot, made in good faith for value, and no such lien shall in any way defeat, invalidate, or impair the obligation or priority of such First Mortgage unless the First Mortgagee expressly subordinates his interest, in writing, to such lien.

##### 9.3 Amendment

The approval of sixty-seven percent (67%) of the Members as well as the prior written consent of fifty-one percent (51%) of the holders of all First Mortgages (based upon one (1) vote for each Mortgage held) shall be required to any material amendment to this Declaration, to the Articles or to the Bylaws. As used in this subarticle, the term "any material amendment" is defined to mean amendments to provisions of this Declaration, to the Articles or to the Bylaws governing the following subjects:

###### 9.3.1 Voting;

9.3.2 Assessments, collection of Assessments, creation and subordination of Assessment liens;

9.3.3 Reserves for repair and replacement of Access Easements improvements;

9.3.4 Maintenance of Access Easements, and improvements thereon;

9.3.5 Casualty and liability insurance;

9.3.6 Rebuilding or reconstruction of Access Easements, and improvements thereon, in the event of damage or destruction;

9.3.7 Rights of use to and in the Access Easements;

9.3.8 Annexation of additional property; and

9.3.9 Any provision, which by its terms, is specifically for the benefit of First Mortgagees, or specifically confers rights on First Mortgagees.

##### 9.4 Right to Examine Books and Records

Mortgagees may examine the books and records of the Certificate Association at reasonable times and after reasonable notice, and may require

the submission of financial data concerning the Certificate Association or the Project, including annual audit reports and operating statements as furnished to the Owners.

#### 9.5 Distribution of Insurance and Condemnation Proceeds

No Owner, or any other party, shall have priority over any right of First Mortgagees of Lots pursuant to their Mortgages in case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of the Access Easements. Any provision to the contrary in the Declaration relating to the Project is to such extent void. All applicable fire and all physical loss or extended coverage insurance policies shall contain loss payable clauses acceptable to the affected First Mortgagees naming the First Mortgagees, as their interests may appear.

#### 9.6 Notices to Mortgagees of Record

If any Owner of a Lot is in default under any provision of this Declaration or under any provision of the Bylaws or the Certificate Association Rules, which default is not cured within thirty (30) days after written notice to that Owner, the Certificate Association shall give to the First Mortgagee of record of such Owner written notice of such default and of the fact that said thirty (30) day period has expired.

#### 9.7 Payments by Mortgagees

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

#### 9.8 Effect of Breach

No breach of any provision of this Declaration shall invalidate the lien of any Mortgage made in good faith and for value, but all of the covenants, conditions and restrictions shall be binding on any Owner whose title is derived through foreclosure sale, trustee's sale, or otherwise.

#### 9.9 Foreclosure

If any Lot is encumbered by a First Mortgage made in good faith and for value, the foreclosure of any lien created by any provision set forth in this Declaration for Assessments, or installments of Assessments, shall not operate to affect or impair the lien of such Mortgage. On foreclosure of the First Mortgage, the Lien for Assessments or installments, that has accrued up to the time of foreclosure shall be subordinate to the lien of the First Mortgage, with the foreclosure-purchaser taking title to the Lot free of the lien for Assessments, or installments, that has accrued up to the time of the foreclosure sale. On taking title to the Lot the foreclosure-purchaser shall only be obligated to pay Assessments, Individual Charges, or other charges levied by the Certificate Association after the foreclosure-purchaser acquired title to the Lot. The subsequently levied Assessments may include previously unpaid Assessments provided all Owners, including the foreclosure-purchaser, and his successors and assigns are required to pay their proportionate share as provided in this subarticle.

#### 9.10 Non-Curable Breach

Any Mortgagee who acquires title to a Lot by foreclosure or by deed in lieu of foreclosure or assignment-in-lieu of foreclosure shall not be obligated to cure any breach of this Declaration that is non-curable or of a type that is not practical or feasible to cure.



#### 9.11 Loan to Facilitate

Any First Mortgage given to secure a loan to facilitate the resale of a Lot after acquisition by foreclosure or by a deed-in-lieu of foreclosure or by an assignment-in-lieu of foreclosure shall be deemed to be a loan made in good faith and for value and entitled to all of the rights and protections of this Article 9.

#### 9.12 Appearance at Meetings

Because of its financial interest in the Project, any Mortgagee may appear (but may not vote) at meetings of the Members and the Board to draw attention to violations of this Declaration that have not been corrected or made the subject of remedial proceedings, Assessments, or Individual Charges.

#### 9.13 Right to Furnish Information

Any Mortgagee can furnish information to the Board concerning the status of any Mortgage.

#### 9.14 Inapplicability of Right of First Refusal to Mortgagee

No right of first refusal or similar restriction on the right of an Owner to sell, transfer or otherwise convey the Owner's Lot shall be granted to the Certificate Association without the written consent of any Mortgagee of the Lot. Any right of first refusal or option to purchase a Lot that may be granted to the Certificate Association (or other person, firm or entity) shall not apply to any conveyance or transfer of title to such Lot, whether voluntary or involuntary, to a Mortgagee which acquires title to or Ownership of the Lot pursuant to the remedies provided in its Mortgage or by reason of foreclosure of the Mortgage or deed or assignment in lieu of foreclosure.

#### 9.15 Contracts with Declarant

Any agreement between the Certificate Association and Declarant pursuant to which the Declarant agrees to provide services shall provide for termination by either party without cause or payment of a termination fee on thirty (30) days written notice and shall have a maximum contract term of one (1) year; provided that the Board can renew any such contract on a year-to-year basis.

### ARTICLE 10

#### GENERAL PROVISIONS

#### 10.1 Annexation

Additional Access Easements may be annexed to the Project upon the vote or written assent of sixty-six and two-thirds percent (66 2/3%) of the voting power of the Certificate Association residing in Members other than Declarant.

#### 10.2 Notices

Notices provided for in the Project Documents shall be in writing and shall be deemed sufficiently given when delivered personally or forty-eight (48) hours after deposit in the United States mail, postage prepaid, addressed to an Owner at the last address such Owner designates to the Certificate Association for delivery of notices, or in the event of no such designation, at such Owner's last known address, or if there be none, at the address of the Owner's Lot. Notices to the Certificate Association shall be addressed to the address designated by the Board by written notice to all Owners.

### 10.3 Notice of Transfer

No later than five (5) days after the sale or transfer of any Lot under circumstances whereby the transferee becomes the Owner thereof, the transferee shall notify the Certificate Association in writing of such sale or transfer. Such notice shall set forth: (i) the Lot involved; (ii) the name and address of the transferee and transferor; and (iii) the date of sale. Unless and until such notice is given, the Certificate Association shall not be required to recognize the transferee for any purpose, and any action taken by the transferor as an Owner may be recognized by the Certificate Association. Prior to receipt of any such notification by the Certificate Association, any and all communications required or permitted to be given by the Certificate Association shall be deemed duly given and made to the transferee if duly and timely made and given to such transferee's transferor.

### 10.4 Headings

The headings used in this Declaration are for convenience only and are not to be used to interpret the meaning of any of the provisions of this Declaration.

### 10.5 Severability

The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any provision or provisions shall not invalidate any other provisions.

### 10.6 Easements Reserved and Granted

Any easements referred to in this Declaration shall be deemed reserved or granted, or both reserved and granted, by reference to this Declaration in a deed to any Lot.

### 10.7 Binding Effect

This Declaration shall insure to the benefit of and be binding on the successors and assigns of the Declarant, and the heirs, personal representatives, grantees, tenants, successors and assigns of any Owner.

### 10.8 Conflict of Project Documents

If there is any conflict among or between the Project Documents, the provisions of this Declaration shall prevail; thereafter, priority shall be given to Project Documents in the following order: Articles, Bylaws; and Rules and Regulations of the Certificate Association.

### 10.9 Termination of Declaration

This Declaration shall run with the land, and shall continue in full force and effect for a period of fifty (50) years from the date on which this Declaration is executed. After that time, this Declaration and all its covenants and other provisions shall be automatically extended for successive ten (10) year periods unless this Declaration is revoked by an instrument executed by Owners and First Mortgagees of not less than three-fourths (3/4) of the Lots in the Project, and recorded in the Office of the San Luis Obispo County Recorder within one year prior of the end of said 50-year period or any succeeding 10-year period.

ARTICLE 11

AMENDMENT

11.1 Amendment Prior to First Sale

Until sale of the first Lot Declarant shall have the right to amend this Declaration, subject only to the requirements of Section 11018.7 of the California Business and Professions Code.

11.2 Amendment After the First Sale

After the first sale of a Lot this Declaration shall be amended upon the vote or written assent of a majority of the total voting power of the Certificate Association including a majority of the voting power of Members other than Declarant.

11.2.1 Specific Provisions

The percentage of the voting power necessary to amend a specific clause or provision herein shall not be less than the percentage of affirmative votes prescribed for action to be taken under said clause or provision.

11.3 Amendment Limitation

As required by Business and Professions Code Section 11018.7 no amendment of the provisions of the Project Documents which would materially affect the rights of Owners in the ownership, possession or use of their Lots or the Access Easements shall be valid without the prior written consent of the California Real Estate Commissioner during the period of time when the Declarant, or his successor-in-interest, holds or directly controls one-fourth (1/4) or more of the votes that may be cast to effect such change.

11.4 Amendment Instrument

An amendment shall become effective when it has received the required approvals and the Board has executed, acknowledged and recorded in the Office of the San Luis Obispo County Recorder, an instrument expressing the amendment and certifying that the required approvals were received.

The undersigned, being the Declarant herein, has executed this Declaration on November 23, 1981.

Declarant:

SIX CORPORATION, a California corporation

By: John J. White  
Title: Vice President

By: \_\_\_\_\_  
Title: \_\_\_\_\_



STATE OF CALIFORNIA )  
 ) SS  
COUNTY OF SAN LUIS OBISPO )

On November 23, 1981, before me, the undersigned, a Notary Public in and for said County and State, personally appeared John J. White, known to me to be the Vice-President of SIX CORPORATION, whose name is subscribed to the within Covenants, Conditions and Restrictions, and known to me to be the person who executed the within instrument on behalf of such Corporation, and acknowledged to me that such Corporation executed such instrument pursuant to the Bylaws or a Resolution of its Board of Directors.

WITNESS my hand and official seal.

Toni D. Decker  
Notary Public in and for said  
County and State

STATE OF CALIFORNIA )  
 ) SS  
COUNTY OF SAN LUIS OBISPO )

On \_\_\_\_\_, 19\_\_\_\_, before me, the undersigned, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of SIX CORPORATION, whose name is subscribed to the within Covenants, Conditions and Restrictions, and known to me to be the person who executed the within instrument on behalf of such Corporation, and acknowledged to me that such Corporation executed such instrument pursuant to the Bylaws or a Resolution of its Board of Directors.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public in and for said  
County and State

EXHIBIT A

The following described real property located in the unincorporated area of San Luis Obispo County, California, consists of eighteen (18) parcels within Heritage Ranch Sections 29, 30, 31, 32 and 33 (see Exhibit A "Map" for general location). Said parcels are particularly described by Certificates of Compliance which have been recorded in the Official Records of the San Luis Obispo County Recorder, San Luis Obispo County, California, at 8:45 a.m. on December 5, 1980, as Documents Number 55735 and 55737 through 55753, inclusive (each hereinafter referred to as "Cert. Doc. No" when identifying a particular parcel). Parcels 1 through 18, inclusive, are also identified by their respective San Luis Obispo County Assessor's Parcel Number (hereinafter referred to as "APN"):

PARCEL 1: APN 80-121-01 & 80-121-02 // Cert. Doc. No. 55751

The Southeast quarter of the Southeast quarter and the Northwest quarter of the Southeast quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 2: APN 80-121-01 & 80-121-02 // Cert. Doc. No. 55752

The West half of the Northeast quarter, the Southeast quarter of the Northeast quarter, and the Northeast quarter of the Southeast quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 3: APN 80-121-01 // Cert. Doc. No. 55753

The Northeast quarter of the Northeast quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 4: APN 80-121-02 // Cert. Doc. No. 55750

The Southwest quarter of the Southeast quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 5: APN 80-121-01 & 80-121-02 // Cert. Doc. No. 55749

The East half of the Southwest quarter, and the Southeast quarter of the Northwest quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 6: APN 80-121-05 // Cert. Doc. No. 55748

Government Lots 1 and 2, and the Northeast quarter of the Northwest quarter of Section 31, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 7: APN 80-121-05 // Cert. Doc. No. 55747

The Southeast quarter of the Northwest quarter of Section 31, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 8: APN 80-121-05 // Cert. Doc. No. 55746

The Northeast quarter of Section 31, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 9: APN 80-121-05 & 80-121-07 // Cert. Doc. No. 55745

The Northwest quarter of the Southeast quarter and the North half of the Southwest quarter of Section 32, and the Northeast quarter of the Southeast quarter of Section 31, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 10: APN 80-121-07 // Cert. Doc. No. 55744

The South half of the Northeast quarter, and the South half of the Northwest quarter of Section 32, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 11: APN 80-121-07 // Cert. Doc. No. 55743

The North half of the Northeast quarter, and the North half of the Northwest quarter of Section 32, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 12: APN 80-121-02 & 80-121-03 // Cert. Doc. No. 55742

The South half of the Southeast quarter and the South half of the Southwest quarter of Section 29, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 13: APN 80-121-03 // Cert. Doc. No. 55741

The South half of the Northwest quarter, the North half of the Southwest quarter, and the Northwest quarter of the Southeast quarter of Section 29, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 14: APN 80-121-06 & 80-121-17 // Cert. Doc. No. 55740

The East half of the Northeast quarter, the Northwest quarter of the Northeast quarter and the Northeast quarter of the Northwest quarter of Section 33, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 15: APN 80-121-06 & 80-121-17 // Cert. Doc. No. 55739

The Southwest quarter of the Northeast quarter, the Southeast quarter of the Northwest quarter, and the West half of the Northwest quarter of Section 33, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 16: APN 80-121-07 & 80-121-10 & 80-121-17 // Cert. Doc. No. 55738

The East half of the Southeast quarter of Section 32, and the West half of the Southwest quarter of Section 33, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

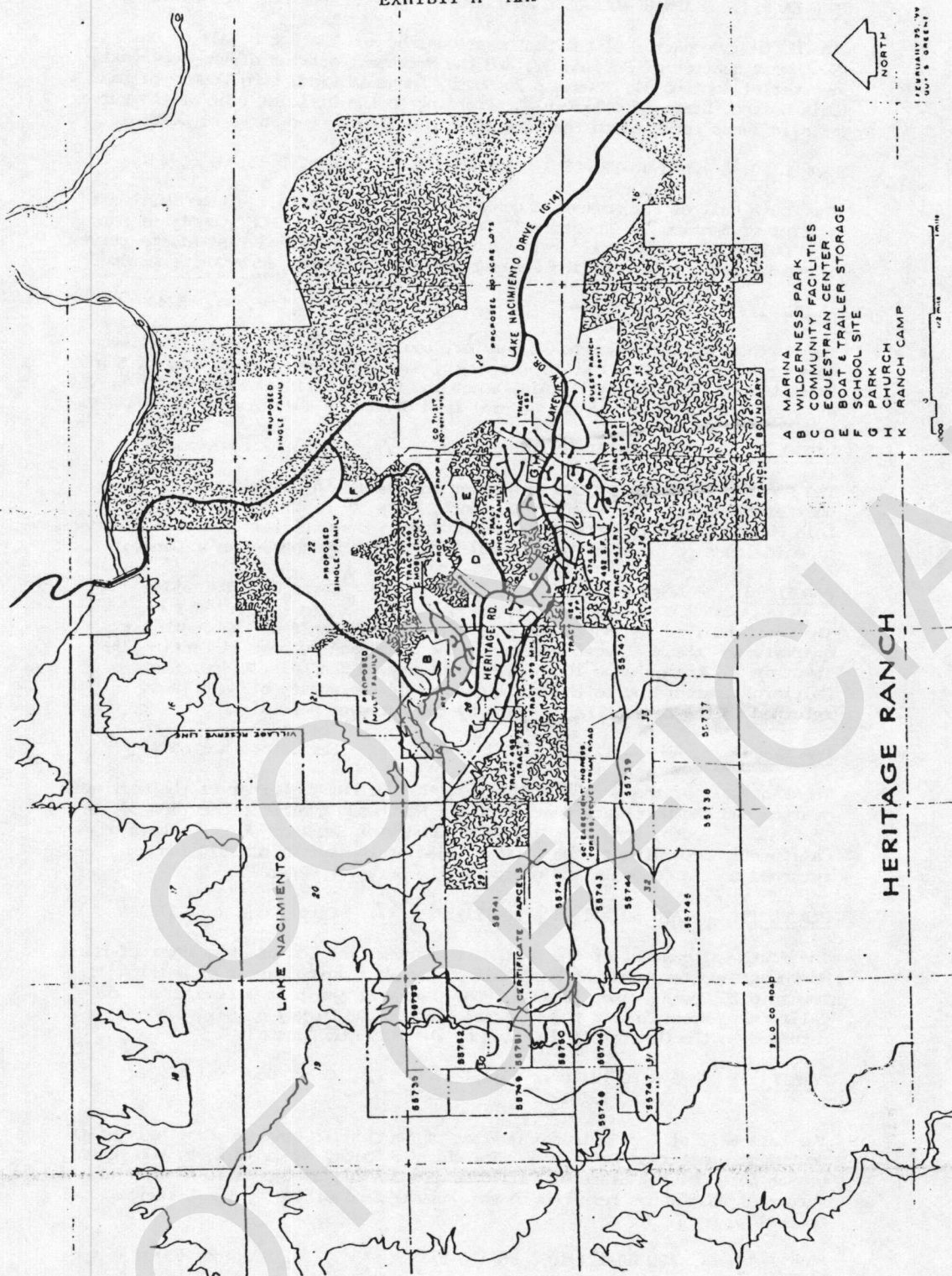
PARCEL 17: APN 80-121-10 & 80-121-17 // Cert. Doc. No. 55737

The East half of the Southwest quarter and the West half of the Southeast quarter of Section 33, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 18: APN 80-081-09 & 80-121-01 // Cert. Doc. No. 55735

The South half of the Southeast quarter, the Southeast quarter of the Southwest quarter of Section 19, and the Northeast quarter of the Northwest quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

EXHIBIT A "MAP"



- A MARINA
- B WILDERNESS PARK
- C COMMUNITY FACILITIES
- D EQUESTRIAN CENTER
- E BOAT & TRAILER STORAGE
- F SCHOOL SITE
- G PARK
- H CHURCH
- K RANCH CAMP

HERITAGE RANCH

Order No.  
Escrow No.  
Loan No.

WHEN RECORDED MAIL TO:

CERTIFICATE PROPERTIES HOMEOWNERS ASSN.  
Six Corporation  
P. O. Box 1155  
Paso Robles, California 93446

EXHIBIT "B"

SPACE ABOVE THIS LINE FOR RECORDER'S USE

MAIL TAX STATEMENTS TO:

SAME AS ABOVE

DOCUMENTARY TRANSFER TAX \$.....  
..... Computed on the consideration or value of property conveyed; OR  
..... Computed on the consideration or value less liens or encumbrances  
remaining at time of sale.

Signature of Declarant or Agent determining tax - Firm Name

### CORPORATION GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

SIX CORPORATION

a corporation organized under the laws of the State of California

does hereby

GRANT to CERTIFICATE PROPERTIES HOMEOWNERS' ASSOCIATION, a California Corporation

the real property in the ~~XXXX~~ unincorporated area of the  
County of San Luis Obispo

State of California, described as

an easement 60 feet wide for ingress, egress, equestrian, and road purposes, over and across the hereinafter described real property in the County of San Luis Obispo, State of California, lying in Sections 29, 30, 31 and 32, T.25S., R.10E, M.D.M. as said Sections are shown on the Record of Survey recorded in Book 19 of Records of Surveys at Page 32 in the Office of the County Recorder of said County, the center line of which is more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART THEREOF (consisting of 6 pages)

Dated November 23, 1981

STATE OF CALIFORNIA  
COUNTY OF  
San Luis Obispo

SIX CORPORATION

By John J. Wiebe  
JOHN J. WIEBE Vice-President

On November 23, 1981  
before me, the undersigned, a Notary Public in and for said State, personally appeared JOHN J. WIEBE

By \_\_\_\_\_ Secretary

known to me to be the \_\_\_\_\_ Vice-President, and

~~XXXXXX~~  
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 Toni D. Decker  
Toni D. Decker

(This area for official notarial seal)

MAIL TAX STATEMENTS AS DIRECTED ABOVE

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EXHIBIT "A"

PARCEL 1:

Commencing at the Northeast corner of Section 33, T.25S., R.10E., M.D.M.; thence South 01°05'43" West along the East section line a distance of 255.23 feet; thence North 90°00'00" East a distance of 1842.17 feet to the true point of beginning;

thence S 12° 57' 05" W,	198.145 feet;
thence S 80° 47' 38" E,	129.401 feet;
thence S 03° 44' 45" W,	152.366 feet;
thence S 69° 42' 53" W,	180.923 feet;
thence S 49° 29' 58" W,	73.976 feet;
thence S 51° 27' 55" W,	130.728 feet;
thence S 79° 08' 08" W,	147.968 feet;
thence S 31° 14' 28" W,	156.066 feet;
thence S 29° 00' 15" W,	234.212 feet;
thence S 54° 41' 16" W,	154.424 feet;
thence S 71° 51' 40" W,	229.168 feet;
thence N 67° 51' 51" W,	323.109 feet;
thence S 66° 42' 29" W,	168.190 feet;
thence S 77° 47' 24" W,	165.413 feet;
thence S 29° 35' 33" W,	133.919 feet;
thence S 80° 17' 45" W,	225.817 feet;
thence S 69° 42' 01" W,	167.005 feet;
thence S 88° 42' 19" W,	95.451 feet;
thence S 78° 18' 32" W,	213.249 feet;
thence S 86° 35' 33" W,	361.826 feet;
thence N 79° 11' 41" W,	212.196 feet;
thence N 67° 44' 12" W,	260.020 feet;
thence N 82° 22' 21" W,	134.316 feet;
thence S 88° 39' 58" W,	401.372 feet;
thence N 78° 20' 27" W,	232.674 feet;
thence S 84° 10' 01" W,	140.311 feet;
thence S 87° 55' 28" W,	176.981 feet;
thence N 76° 10' 26" W,	277.595 feet;
thence S 54° 20' 08" W,	264.959 feet;
thence N 70° 56' 15" W,	227.988 feet;
thence N 86° 41' 34" W,	131.564 feet;
thence N 79° 12' 29" W,	537.854 feet;
thence N 84° 43' 14" W,	330.623 feet;
thence N 80° 42' 38" W,	79.947 feet;
thence N 65° 15' 26" W,	92.093 feet;
thence S 60° 33' 51" W,	111.821 feet;
thence N 85° 44' 51" W,	123.994 feet;
thence S 71° 01' 34" W,	126.452 feet;
thence S 39° 50' 38" W,	58.471 feet;
thence N 83° 02' 02" W,	176.475 feet;
thence N 45° 34' 37" W,	94.152 feet;
thence S 86° 05' 27" W,	244.450 feet;
thence S 77° 06' 33" W,	196.570 feet;
thence N 78° 07' 52" W,	167.934 feet;
thence N 85° 58' 53" W,	264.885 feet;
thence S 57° 42' 22" W,	323.577 feet;
thence N 82° 40' 39" W,	169.611 feet;

EXHIBIT "A" - PARCEL 1, CONTINUED:

thence S 53° 23' 20" W,	232.933 feet;
thence S 75° 46' 26" W,	124.726 feet;
thence S 70° 15' 41" W,	249.110 feet;
thence N 62° 53' 02" W,	90.842 feet;
thence N 72° 02' 06" W,	104.892 feet;
thence S 81° 28' 31" W,	207.350 feet;
thence S 65° 59' 18" W,	97.931 feet;
thence S 85° 29' 49" W,	179.253 feet;
thence N 67° 06' 08" W,	65.173 feet;
thence N 19° 19' 21" W,	503.001 feet;
thence N 45° 16' 14" W,	167.029 feet;
thence N 21° 54' 21" W,	628.687 feet;
thence N 07° 28' 17" W,	233.648 feet;
thence N 06° 17' 08" W,	380.608 feet;
thence N 15° 05' 51" W,	58.018 feet;
thence N 41° 11' 55" W,	212.816 feet;
thence N 77° 52' 12" W,	333.165 feet;
thence N 86° 56' 20" W,	175.407 feet;
thence S 79° 32' 15" W,	111.704 feet;
thence S 76° 45' 51" W,	177.000 feet;
thence S 77° 32' 17" W,	128.066 feet;
thence S 86° 50' 33" W,	158.207 feet;
thence S 64° 15' 45" W,	253.911 feet;
thence S 72° 33' 06" W,	297.645 feet;
thence S 87° 50' 41" W,	208.253 feet;
thence N 59° 44' 53" W,	316.878 feet;
thence S 74° 37' 24" W,	395.520 feet;
thence S 57° 30' 12" W,	301.265 feet;
thence S 54° 24' 14" W,	39.062 feet;
thence S 44° 39' 44" W,	106.585 feet;
thence S 69° 24' 09" W,	235.667 feet;
thence S 83° 31' 19" W,	292.923 feet;
thence N 87° 56' 32" W,	282.706 feet.

PARCEL 2:

Commencing at the Northeast corner of Section 32, T.25S., R.10E., M.D.M., thence North 87°42'15" West along North section line, a distance of 2741.62 feet; thence South 00°00'00" East a distance of 430.35 feet to the true point of beginning;

thence N 31° 02' 38" W,	297.018 feet;
thence N 00° 44' 23" E,	304.285 feet;
thence N 16° 33' 01" E,	132.458 feet;
thence N 39° 55' 50" E,	62.402 feet;
thence N 45° 27' 07" E,	94.337 feet;
thence N 43° 39' 20" E,	137.416 feet;
thence N 22° 40' 01" W,	179.221 feet;
thence N 09° 09' 48" E,	83.352 feet;
thence N 53° 52' 21" E,	243.166 feet;
thence N 37° 45' 35" E,	350.458 feet;
thence N 00° 04' 41" E,	289.515 feet;
thence N 27° 13' 34" W,	146.243 feet;
thence N 02° 28' 19" W,	57.317 feet;
thence N 80° 35' 27" E,	532.785 feet;
thence N 80° 07' 37" E,	325.673 feet.

EXHIBIT "A"

PARCEL 3:

Commencing at the Northeast corner of Section 32, T.25S., R.10E., M.D.M.; thence North 87°42'15" West along the North line of said Section 2741.67 feet; thence South 00°00'00" East a distance of 430.33 feet to the true point of beginning;

thence N 51° 03' 09" W,	115.983 feet;
thence S 82° 48' 20" W,	226.534 feet;
thence S 67° 45' 22" W,	837.668 feet;
thence S 61° 59' 25" W,	266.828 feet;
thence S 79° 48' 50" W,	835.971 feet;
thence S 31° 06' 40" W,	73.482 feet;
thence N 79° 09' 45" W,	400.741 feet;
thence S 66° 43' 46" W,	299.724 feet;
thence S 54° 12' 48" W,	337.344 feet.

PARCEL 4:

Commencing at the Northeast corner of Section 32, T.25S., R.10E., M.D.M.; thence North 87°42'15" West along the North line of said Section 2741.67 feet; thence South 00°00'00" East a distance of 430.33 feet to the true point of beginning;

thence S 08° 53' 51" E,	256.697 feet;
thence S 34° 05' 10" W,	108.421 feet;
thence S 69° 52' 45" E,	229.283 feet;
thence S 63° 28' 48" E,	126.025 feet;
thence N 86° 32' 17" E,	127.730 feet;
thence S 62° 02' 43" E,	338.950 feet;
thence S 41° 30' 33" E,	213.671 feet;
thence S 21° 33' 23" E,	271.889 feet;
thence S 18° 03' 38" E,	237.020 feet;
thence S 11° 10' 20" E,	188.169 feet;
thence S 09° 10' 17" W,	127.499 feet;
thence S 43° 57' 37" W,	159.201 feet;
thence S 04° 43' 15" E,	273.856 feet.

PARCEL 5:

Commencing at the Northeast corner of Section 32, T. 25S., R.10E., M.D.M.; thence North 87°42'15" West along the North section line a distance of 1879.433 feet; thence South 02°17'45" West a distance of 1815.713 feet to the true point of beginning;

thence S 89° 37' 18" E.,	40.000 feet;
thence S 52° 32' 27" W.,	540.131 feet;
thence S 01° 39' 32" W.,	256.209 feet;
thence S 20° 17' 13" W.,	94.609 feet;
thence S 06° 30' 12" E.,	159.682 feet;
thence S 82° 28' 12" E.,	143.321 feet;
thence N 61° 07' 19" E.,	79.454 feet;
thence S 67° 06' 14" E.,	81.405 feet;
thence S 21° 55' 52" E.,	53.060 feet;
thence S 25° 49' 02" E.,	261.860 feet;
thence S 30° 00' 00" E.,	400.000 feet;
thence S 85° 15' 15" E.,	398.629 feet;

EXHIBIT "A"

PARCEL 6:

Commencing at the Northwest corner of Section 32, T. 25S., R.10E., M.D.M.; thence South 88°34'43" East along the North Section line a distance of 447.303 feet; thence North 01°25'17" East a distance of 41.984 feet to the true point of beginning;

thence N 31° 45' 52" W.,	129.012	feet;
thence S 86° 32' 46" W.,	389.653	feet;
thence N 86° 24' 08" W.,	309.722	feet;
thence N 38° 47' 50" W.,	249.101	feet;
thence N 55° 55' 20" W.,	223.446	feet;
thence N 06° 48' 22" E.,	106.279	feet;
thence N 60° 59' 20" W.,	353.792	feet;
thence N 32° 00' 14" W.,	210.880	feet;
thence N 11° 31' 38" W.,	283.706	feet;
thence N 38° 07' 39" W.,	167.201	feet;

PARCEL 7:

Commencing at the Northwest corner of Section 31, T. 25S., R.10E., M.D.M.; thence South 02°00'21" West along the West section line a distance of 1136.924 feet; thence South 87°59'39" East a distance of 2210.451 feet to the true point of beginning;

thence N 60° 03' 23" E.,	357.712	feet;
thence N 01° 22' 36" E.,	437.426	feet;
thence N 28° 38' 26" W.,	408.916	feet;
thence N 49° 59' 22" W.,	129.747	feet;
thence N 20° 59' 52" W.,	278.328	feet;
thence N 43° 22' 47" W.,	282.001	feet;
thence N 03° 52' 42" W.,	309.059	feet;
thence N 43° 41' 22" W.,	162.560	feet;
thence N 06° 32' 42" E.,	274.062	feet;
thence N 28° 01' 12" E.,	248.594	feet;
thence N 34° 46' 32" E.,	315.369	feet;
thence N 26° 22' 07" E.,	690.605	feet;
thence N 13° 44' 42" E.,	312.925	feet;
thence N 13° 44' 19" E.,	747.677	feet;
thence N 88° 35' 49" E.,	189.426	feet;
thence S 80° 07' 12" E.,	166.154	feet;
thence S 59° 35' 48" E.,	127.620	feet;
thence S 15° 14' 52" W.,	108.530	feet;
thence S 10° 43' 04" E.,	157.337	feet;
thence S 63° 08' 06" E.,	90.525	feet;
thence S 78° 37' 38" E.,	574.258	feet;
thence N 23° 20' 04" E.,	368.445	feet;
thence N 11° 27' 54" E.,	166.575	feet;
thence N 03° 39' 46" W.,	153.421	feet;
thence N 49° 47' 35" E.,	147.938	feet;
thence N 49° 05' 58" E.,	134.706	feet;
thence N 09° 24' 40" W.,	163.122	feet;
thence N 49° 35' 49" W.,	98.762	feet;
thence N 36° 36' 15" E.,	163.397	feet;
thence N 46° 05' 04" W.,	150.411	feet;
thence N 55° 33' 40" E.,	174.245	feet;
thence S 88° 13' 56" E.,	128.143	feet;
thence N 49° 33' 12" E.,	86.869	feet;
thence N 43° 46' 13" W.,	157.602	feet;
thence N 32° 56' 07" E.,	59.240	feet;
thence S 83° 42' 36" E.,	156.359	feet;
thence N 40° 59' 24" E.,	174.660	feet;
thence N 27° 41' 06" W.,	222.768	feet;

EXHIBIT "A" - PARCEL 7, CONTINUED:

thence N 80° 53' 25" W.,	77.318	feet;
thence N 86° 23' 00" W.,	268.794	feet;
thence N 56° 54' 56" W.,	94.793	feet;
thence N 35° 30' 40" E.,	348.281	feet;
thence N 55° 10' 03" W.,	70.730	feet;
thence N 49° 30' 12" E.,	114.785	feet;
thence N 34° 58' 46" W.,	93.987	feet;
thence N 64° 07' 33" W.,	243.250	feet;
thence N 36° 08' 36" W.,	93.821	feet;
thence N 40° 37' 00" E.,	304.813	feet;

PARCEL 8:

Commencing at the Southwest corner of Section 31, T. 25S., R. 10W., M.D.M.; thence North 01°08'16" East along the West section line a distance of 2720.228 feet; thence South 88°51'44" East a distance of 849.818 feet to the true point of beginning;

thence N 23° 30' 44" E.,	225.647	feet;
thence N 82° 44' 50" E.,	222.729	feet;
thence N 73° 07' 08" E.,	173.889	feet;
thence N 04° 48' 40" W.,	69.238	feet;
thence N 50° 56' 22" W.,	256.065	feet;
thence N 07° 29' 18" W.,	96.391	feet;
thence N 39° 01' 23" E.,	95.690	feet;
thence N 88° 09' 15" E.,	248.252	feet;
thence N 41° 06' 15" E.,	148.749	feet;
thence N 87° 34' 15" E.,	422.463	feet;
thence N 51° 14' 11" E.,	96.669	feet;
thence N 14° 54' 07" E.,	377.760	feet;
thence N 56° 05' 57" E.,	180.068	feet;
thence S 81° 58' 56" E.,	365.713	feet;
thence N 65° 59' 26" E.,	714.330	feet;
thence S 79° 44' 45" E.,	322.555	feet;
thence N 85° 24' 13" E.,	138.628	feet;
thence N 35° 27' 11" E.,	67.427	feet;
thence N 29° 48' 44" W.,	130.621	feet;
thence N 70° 29' 38" E.,	237.736	feet;
thence N 03° 55' 17" E.,	140.232	feet;
thence N 41° 23' 31" W.,	314.620	feet;
thence N 24° 25' 15" W.,	330.554	feet;
thence N 51° 15' 10" W.,	230.103	feet;
thence N 47° 56' 29" E.,	128.788	feet;
thence S 89° 36' 53" E.,	152.384	feet;
thence N 59° 43' 13" E.,	149.693	feet;
thence N 02° 49' 01" W.,	148.155	feet;
thence N 06° 17' 11" E.,	157.811	feet;
thence N 37° 05' 41" W.,	141.806	feet;
thence N 24° 53' 31" W.,	101.003	feet;
thence N 00° 58' 02" W.,	135.753	feet;
thence N 34° 08' 35" E.,	176.669	feet;
thence N 49° 01' 01" W.,	198.044	feet;
thence N 49° 01' 01" W.,	59.971	feet;
thence N 02° 06' 11" E.,	64.883	feet;
thence N 24° 58' 40" E.,	119.041	feet;
thence N 31° 02' 49" W.,	115.450	feet;
thence N 46° 34' 35" E.,	216.589	feet;
thence N 02° 55' 07" W.,	65.827	feet;

EXCEPTING THEREFROM 1/2 of all minerals, hydrocarbons, precious metals, valuable substances and mineral rights below a depth of 500 feet under the said real property, without the right of surface entry as reserved by Carla Lee deVries, a widow, by deed recorded September 17, 1971 as Instrument No. 25985 in Book 1632, Page 636 of Official Records.

RESERVING THEREFROM all oil, gas, gasoline and other hydrocarbon substances and all other minerals underlying and within the boundaries of such lot below a depth of 100 feet, without the right of surface entry.

This conveyance is made and accepted subject to a Declaration of Covenants, Conditions, Restrictions, and Reservations recorded May 25, 1972 as Document No. 16590 in Book 1670, Page 367; as annexed thereto by a Declaration of Annexation and Supplementary Declaration of Covenants, Conditions, and Restrictions for Heritage Ranch Certificate Properties recorded as Document No. \_\_\_\_\_, in Book \_\_\_\_\_, Page \_\_\_\_\_, of Official Records of the County of San Luis Obispo, State of California, of which the terms are incorporated herein as though fully set forth herein.

This conveyance is made and accepted subject to a Declaration of Covenants, Conditions, Restrictions, and Reservations recorded \_\_\_\_\_, as Document No. \_\_\_\_\_, in Book \_\_\_\_\_, Page \_\_\_\_\_, of Official Records, of the County of San Luis Obispo, State of California, of which the terms are incorporated herein as though fully set forth herein.

Page 6 of 6.

END OF DOCUMENT

VCL 2372 PAGE 453

WHEN RECORDED PLEASE RETURN TO:  
 LAW OFFICES OF BALFREY AND BEAVER  
 1029 J STREET, SUITE 500  
 SACRAMENTO, CALIF. 95814

DOC. NO. 55685  
 OFFICIAL RECORDS  
 SAN LUIS OBISPO CO., CAL

NOV 30 1981

WILLIAM E. ZIMARIK  
 COUNTY RECORDER  
 TIME 8:00 AM

SUPPLEMENTARY DECLARATION OF COVENANTS, CONDITIONS  
 AND RESTRICTIONS FOR HERITAGE RANCH CERTIFICATE PROPERTIES

WHEREAS, Heritage Ranch and Cattle Company, a California corporation, has recorded on May 25, 1972 in Book 1670, Page 367, as Document No. 16590, Official Records, San Luis Obispo County, California, a Declaration of Covenants, Conditions, and Restrictions Heritage Ranch and Cattle Company ("Declaration") together with any duly recorded modifications and amendments thereto; and

WHEREAS, Article II of said Declaration provides that additional real property, including the area described below, may be annexed to and become a part of the Project (as that term is defined in said Declaration) subject to the provisions of said Declaration and the jurisdiction of the Heritage Ranch Owners Association, a California non-profit corporation (hereinafter referred to as "Association") by said Heritage Ranch and Cattle Company, its successors and assigns; and

WHEREAS, Six Corporation, a California corporation (hereinafter referred to as "Declarant"), is a successor in interest to Heritage Ranch and Cattle Company, and is owner of the following real property to be annexed at this time:

Annexation Lots: see Exhibit A attached hereto and incorporated by this reference as though fully set forth herein.

WHEREAS, By recordation of this Supplementary Declaration of Covenants, Conditions and Restrictions for Heritage Ranch Certificate Properties, ("Supplementary Declaration") Declarant hereby intends to cause the Annexation Lots to become subject to said Declaration upon the terms and conditions stated herein;

NOW THEREFORE, Declarant hereby declares that said Annexation Lots shall be held, sold, conveyed and used subject to said Declaration on the following terms and conditions:

1. The term "Project" as defined in said Declaration and as used throughout said Declaration shall include said Annexation Lots;
2. The term "Lot(s)" as defined in said Declaration and as used throughout said Declaration shall include said Annexation Lot(s);
3. Without limiting the general application of said Declaration to said Annexation Lots, Owners of Lots shall be Members of the Association; shall have rights of use, enjoyment, ingress and egress over the Common Area; rights to vote; and the obligation to pay Assessments, all as provided in said Declaration;
4. Declarant expressly reserves the right at any time prior to conveyance of an Annexation Lot to withdraw said Annexation Lots from subjection to said Declaration, from this Annexation and to nullify the effect of this Supplementary Declaration of Covenants, Conditions and Restrictions for Heritage Ranch Certificate Properties.
5. No amendment, addition, change or deletion in this Supplementary Declaration shall be deemed to alter or amend the general common plan for the Project created by said Declaration, nor affect the provisions of said Declaration as covenants running with the land or as equitable servitudes.

The undersigned being the Declarant herein, has executed this Supplementary Declaration of Covenants, Conditions and Restrictions for Heritage Ranch Certificate Properties on November 23, 1981.

Declarant:

SIX CORPORATION,  
a California corporation

BY:

TITLE:

John J. Wiebe  
Vice President

STATE OF CALIFORNIA )  
 ) S  
COUNTY OF SAN LUIS OBISPO )

On November 23, 1981, before me, the undersigned, a Notary Public in and for said County and State, personally appeared John J. Wiebe, known to me to be the Vice President of SIX CORPORATION, a California corporation, whose name is subscribed to the Supplementary Declaration of Covenants, Conditions and Restrictions for Heritage Ranch Certificate Properties, and known to me to be the person who executed the within instrument on behalf of said corporation, and acknowledged to me that such corporation executed such instrument pursuant to the Bylaws or a Resolution of its Board of Directors.

WITNESS my hand and official seal.

Toni D. Decker  
Notary Public in and for said  
County and State

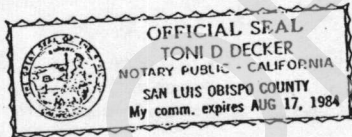




EXHIBIT A

The following described real property located in the unincorporated area of San Luis Obispo County, California, consists of eighteen (18) parcels within Heritage Ranch Sections 29, 30, 31, 32 and 33 (see Exhibit A "Map" for general location). Said parcels are particularly described by Certificates of Compliance which have been recorded in the Official Records of the San Luis Obispo County Recorder, San Luis Obispo County, California, at 8:45 a.m. on December 5, 1980, as Documents Number 55735 and 55737 through 55753, inclusive (each hereinafter referred to as "Cert. Doc. No" when identifying a particular parcel). Parcels 1 through 18, inclusive, are also identified by their respective San Luis Obispo County Assessor's Parcel Number (hereinafter referred to as "APN"):

PARCEL 1: APN 80-121-01 & 80-121-02 // Cert. Doc. No. 55751

The Southeast quarter of the Southeast quarter and the Northwest quarter of the Southeast quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 2: APN 80-121-01 & 80-121-02 // Cert. Doc. No. 55752

The West half of the Northeast quarter, the Southeast quarter of the Northeast quarter, and the Northeast quarter of the Southeast quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 3: APN 80-121-01 // Cert. Doc. No. 55753

The Northeast quarter of the Northeast quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 4: APN 80-121-02 // Cert. Doc. No. 55750

The Southwest quarter of the Southeast quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 5: APN 80-121-01 & 80-121-02 // Cert. Doc. No. 55749

The East half of the Southwest quarter, and the Southeast quarter of the Northwest quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 6: APN 80-121-05 // Cert. Doc. No. 55748

Government Lots 1 and 2, and the Northeast quarter of the Northwest quarter of Section 31, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 7: APN 80-121-05 // Cert. Doc. No. 55747

The Southeast quarter of the Northwest quarter of Section 31, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 8: APN 80-121-05 // Cert. Doc. No. 55746

The Northeast quarter of Section 31, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 9: APN 80-121-05 & 80-121-07 // Cert. Doc. No. 55745

The Northwest quarter of the Southeast quarter and the North half of the Southwest quarter of Section 32, and the Northeast quarter of the Southeast quarter of Section 31, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 10: APN 80-121-07 // Cert. Doc. No. 55744

The South half of the Northeast quarter, and the South half of the Northwest quarter of Section 32, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 11: APN 80-121-07 // Cert. Doc. No. 55743

The North half of the Northeast quarter, and the North half of the Northwest quarter of Section 32, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 12: APN 80-121-02 & 80-121-03 // Cert. Doc. No. 55742

The South half of the Southeast quarter and the South half of the Southwest quarter of Section 29, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 13: APN 80-121-03 // Cert. Doc. No. 55741

The South half of the Northwest quarter, the North half of the Southwest quarter, and the Northwest quarter of the Southeast quarter of Section 29, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 14: APN 80-121-06 & 80-121-17 // Cert. Doc. No. 55740

The East half of the Northeast quarter, the Northwest quarter of the Northeast quarter and the Northeast quarter of the Northwest quarter of Section 33, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 15: APN 80-121-06 & 80-121-17 // Cert. Doc. No. 55739

The Southwest quarter of the Northeast quarter, the Southeast quarter of the Northwest quarter, and the West half of the Northwest quarter of Section 33, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 16: APN 80-121-07 & 80-121-10 & 80-121-17 // Cert. Doc. No. 55738

The East half of the Southeast quarter of Section 32, and the West half of the Southwest quarter of Section 33, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 17: APN 80-121-10 & 80-121-17 // Cert. Doc. No. 55737

The East half of the Southwest quarter and the West half of the Southeast quarter of Section 33, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

PARCEL 18: APN 80-081-09 & 80-121-01 // Cert. Doc. No. 55735

The South half of the Southeast quarter, the Southeast quarter of the Southwest quarter of Section 19, and the Northeast quarter of the Northwest quarter of Section 30, Township 25 South, Range 10 East, MDM, County of San Luis Obispo, State of California, according to the Official Plat of the survey of said lands returned to the General Land Office by the Surveyor General.

When recorded mail to:  
Heritage Ranch Owners  
3945 Heritage Road  
Paso Robles, CA 93446

DOC. NO. 029169  
OFFICIAL RECORDS  
SAN LUIS OBISPO CO., CA

MAY 29 1985  
FRANCIS M. COONEY  
County Clerk-Recorder  
TIME 8:00 AM

IRREVOCABLE & PERPETUAL OFFER TO DEDICATE

- - - 0 0 0 - - -

THIS OFFER TO DEDICATE, made the 23rd day of May,

19 85, by Heritage Ranch Owners' Association  
of the County of San Luis Obispo, State of California, herein-  
after termed Offeror:

WHEREAS, said Offeror desires to make an offer to dedicate,  
irrevocably, to the public, an easement, for public road pur-  
poses, which offer may be accepted at any time by any governmen-  
tal entity which has the power to establish, construct and main-  
tain roads.

NOW, THEREFORE, said Offeror covenants and promises as  
follows:

1. That said Offeror is the owner of the following in-  
terest described below: (Description)

Lot 144, Tract 721, Book 11 of Maps, p. 24

2. That said Offeror does hereby irrevocably and in per-  
petuity offer to such governmental entity a dedication of a  
public right-of-way for road purposes and incidental uses upon  
the following described property: (Description)

A. True point of beginning: SW corner lot 144, Tract 721, a point on E R/W  
Heritage Road, thence S 89° 04' 20" E, 524.25' to non-tangent curve, thence  
NE'ly along curve concave NW'ly, radius 367.00', through angle 18° 56' 13", 121.30',  
to reverse curve, thence NE'ly along curve concave SE'ly, radius 333.00',  
through angle 15° 46' 52", 91.72, to tangent, thence N 60° 07' 14" E, 345.87  
to tangent curve, thence NE'ly along curve concave SE'ly, radius 233.00',  
through angle 11° 25' 43", 46.48' to tangent, thence N 71° 32' 57" E, 420.21'  
to tangent curve, thence NE'ly along curve concave NW'ly, radius 317.00',  
through angle 50° 19' 05", 278.39' to tangent, thence N 21° 13' 52" E, 35.00'  
to tangent curve, thence NE'ly along curve concave SE'ly, radius  
233.00', through angle 43° 36' 10", 177.32' to tangent, thence  
N 64° 50' 02" E, 169.93 to point on P/L L144, thence N 23° 09' 23" E,  
concave SE'ly, radius 233.00', through angle 43° 36' 10", 177.32' to tangent,  
thence N 64° 50' 02" E, 169.93' to point on P/L L144, thence N 23° 09' 23" E,  
153.05' along P/L to point on non-tangent curve, thence SW'ly along curve  
concave NW'ly, radius 233.00' through angle 22° 31' 19", 91.59' to tangent,  
thence S 64° 50' 02" W, 195.00 to tangent curve, thence SW'ly along curve  
concave SE'ly, radius 317.00', through angle 43° 36' 10", 241.24' to tangent,  
S 21° 13' 52" W, 35' to tangent curve, thence SW'ly along curve concave NW'ly,  
radius 233.00', through angle 50° 19' 05", 204.62' to tangent, thence S 71° 32' 57" W,  
420.21' to tangent curve, thence SW'ly along curve concave SE'ly, radius 317.00',  
through angle 11° 25' 43", 63.23' to tangent, thence S 60° 07' 14" W, 345.87' to  
tangent curve, thence SW'ly along curve concave SE'ly, radius 417.00', through  
angle 15° 46' 52", 114.86' to reverse curve, thence SW'ly along curve concave  
NW'ly, radius 283.00', through angle 46° 35' 18", 230.11' to tangent, thence  
N 89° 04' 20" W, 340.40' to tangent curve, thence NW'ly along curve concave  
NE'ly, radius 20.00', through angle 81° 07' 04", 28.32' to point on E R/W  
Heritage Road, thence S'ly along R/W line, a curve radius 592.00', through  
angle 05° 44' 43", 59.36' to point of beginning.

B. Beginning at the NW corner of lot 144, Tract 721, which is the NE corner  
of lot 302, Tract 446, thence S 44° 59' 36" E, 134.35 to the true point of  
beginning, thence N 70° 32' 46" E, 561.71; thence S 53° 40' 36" W 268.45; thence  
S 84° 52' 57" W, 314.61 to the true point of beginning.

First American Title Company, San Luis Obispo, California, is the duly authorized agent of the undersigned to execute this deed and to file this deed upon the date to which it is duly recorded, and to do all things necessary to carry out the intent and purpose of this deed.

3. That until such time as the above offer of dedication is accepted by such a government entity, all owners of property contiguous to the above described road parcel shall have the right to the use of said road parcel as a private road.

4. That said Offeror agrees that said offer of dedication shall be irrevocable and that such a government entity may, at any time in the future, accept said offer of dedication of the public right-of-way.

5. That said Offeror agrees that this irrevocable and perpetual Offer to Dedicate is and shall be binding on his heirs, legatees, successors and assignees.

IN WITNESS WHEREOF, this Offer to Dedicate is hereby executed by the said Offeror on the day and year first above written.

HERITAGE RANCH OWNERS' ASSOCIATION

Elaine Delkener  
Offeror  
ELAINE DELKENER, PRESIDENT

\_\_\_\_\_  
Offeror

\_\_\_\_\_  
Offeror

\_\_\_\_\_  
Offeror

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Offeror

\_\_\_\_\_  
Offeror

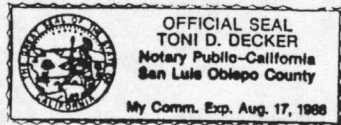
(NOTARIAL)

State of California  
County of San Luis Obispo

On May 24, 1985, before me, the undersigned, a Notary Public in and for said State, personally appeared ELAINE DELKENER, personally known to me ----- to be the person who executed the within instrument as President, on behalf of HERITAGE RANCH OWNERS' ASSOCIATION, 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.

Toni D. Decker  
TONI D. DECKER



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END OF DOCUMENT